

Exchange Response to Federal Changes

Leah Hole-Marshall, *General Counsel & Chief Strategist (she/her)*

- ▶ Changes affecting affordability of coverage
- ▶ Changes affecting Medicaid & Marketplace
- ▶ Changes affecting equitable access to coverage



FEDERAL CHANGE

2026 Updates

Implementation of Federal Changes

Exchange approach to implementing federal changes



- ▶ Strategic implementation of requirements, with focus on customer harm reduction
 - ▶ PY 2026 OE:
 - ▶ Some lawfully present populations losing federal savings



- ▶ Proactive mitigation to keep customers covered
 - ▶ PY 2026 mitigations:
 - ▶ Premium alignment
 - ▶ WA Health Path

Cascade Care Savings to keep customers covered



- ▶ Cascade Care Savings helps mitigate enrollment loss from changes to federal savings
- ▶ \$55 million does not stretch as far in 2026
- ▶ Setting the 2026 subsidy amounts requires tradeoffs
 - ▶ Enrollment disparities
 - ▶ Plan choice



Mid-Range Response

Exchange Board Retreat Follow Up

Federal changes present risks to market & customers



Plan year
2025

- Eliminating tax credits for DACA population as of Oct. 1, 2025. Remain in QHP coverage through state's immigrant health coverage program.



Plan year
2026

- Eliminating federal subsidies for lawfully present immigrants with incomes below 100% FPL.
- Removing APTC repayment caps.
- Enhanced premium tax credits expire.



Plan year
2027

- Shortening open enrollment period.
- AV changes increasing out of pocket costs.
- Eliminating federal subsidies for many lawfully present immigrants.
- People denied Medicaid due to work requirements also denied QHP federal subsidies.



Plan year
2028 & beyond

- Eliminating automatic re-enrollment and conditional eligibility for federal subsidies.
- Canceling APTCs for failure to reconcile after one year.

Exchange Certification Role and Authority

- ▶ **Board Retreat direction:** Exchange Board needs authority to curate the market to address market failures and changes that present risk
 - ▶ Focus on premium affordability, access to coverage & care, and simplified plan choice



Current state:

- ▶ Only plans certified by the Board may be offered in the Exchange
- ▶ Under WA law, the Exchange Board is required to certify any plan that meets the certification criteria (*in appendix*)
 - ▶ Criteria does not include premium factors, county coverage, or Bronze requirements
 - ▶ Added benefit design standards starting plan year 2021 with Cascade Care legislation
- ▶ The Board cannot add certification criteria

Exchange Options to Address Market Risks

What do you want to address?

Keep Premiums Affordable

- + Public option active purchasing* (HCA)
- + Premium alignment (OIC)
- Active selection of low-premium plans*
- + Sustained public subsidy funding
- Plan meaningful difference standards protecting APTC benchmark*
- Target application of state subsidy to most affordable plans

Mitigate Bare Counties (Carriers & Plans)

- + Public option participation enforcement & strengthening* (HCA)
- Plan meaningful difference standards that define & incentivize market needs by geography*

Protect Against Skippy Coverage

- + Limit or eliminate* non-standard plans
- Active selection of high-quality carriers*
- Plan meaningful difference standards prioritizing high-value care access*
- Target application of state subsidy to highest-quality plans or carriers

Help Customers Through Complicated Eligibility/Enrollment

- + Curated plan shelf* & decision support
- + Facilitated enrollment
- Eliminate non-standard plans*
- Targeted state subsidy for populations most vulnerable to uninsurance
- Plan meaningful difference standards to simplify choices*

+ Some progress in WA w/ opportunities to advance
*Requires additional authority

○ Not in progress in WA
*Requires additional authority

Discussion and Next Steps

Continued Policy Development

Engagement with:

- Board
- Stakeholders
- Partners
- Cascade Care Workgroup
- Other Exchanges



washington
healthplanfinder

click. compare. covered.

www.wahealthplanfinder.org

| www.wahbexchange.org

| 1-855-923-4633