

Keeping Washingtonians Covered

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

Laura Kate Zaichkin (she/her), Director of Market Competition & Affordability

Federal changes are already impacting customers



Changes to eligibility and enrollment have already begun



Open enrollment will be shorter beginning at the end of 2026



Work to implement required changes that go into effect in 2027 and 2028 has begun



Customer mitigation strategies are also already underway

Exchange response to federal changes: Keep Washingtonians Covered



- ▶ Strategic implementation of federal requirements, with focus on customer harm reduction.



- ▶ Proactive mitigation to prevent uninsurance.

Federal Changes

Requirement

Customer Mitigation

2026

2027

2028

Immigrant eligibility changes Marketplace & Medicaid

Lawfully present immigrants lose federal tax credit eligibility

01/01/2027

Lawfully present immigrants lose Medicaid eligibility

10/01/2026

Keep undocumented immigrants covered through WA Health Path

Phase 2

Keep coverage affordable with Cascade Care Savings

01/01/2027

Medicaid eligibility changes

CMS eligibility solution for non-MAGI ex parte renewals

06/30/2028

Medicaid work requirements

12/31/2026

Facilitate enrollment into QHPs for customers losing Medicaid coverage

TBD

Marketplace changes

Annual federal regulations weaken ACA protections & increase out of pocket costs

01/01/2027

Open enrollment shortened

11/01/2026

End annual auto-renewals into QHPs

08/01/2027

End conditional eligibility for federal subsidies

01/01/2028

Technology solutions to reduce customer enrollment friction

08/01/2027

Safeguard customers through additional access & affordability plan certification criteria

⊗ Legislature did not pass

What changes mean for customers

Medicaid eligibility changes

Federal changes affect who qualifies for Washington Apple Health and what benefits are covered

Immigrant eligibility changes

Some people with lawfully present immigration statuses will not qualify for federal financial help

Marketplace changes

Higher premiums and eligibility/enrollment challenges make it harder to get and stay covered

Federal changes by topic area



Impacts for customers



- ✘ Fewer people eligible for coverage
- ✘ Harder to get and stay covered
- ✘ Higher premiums and overall costs

Medicaid eligibility changes

- ▶ Starting Oct. 1, 2026 and Jan. 1, 2027, federal changes affect who qualifies for Washington Apple Health and what benefits are covered.
- ▶ Changes include:
 - ▶ Reduced eligibility for lawfully present customers
 - ▶ Work requirements
 - ▶ Six-month redeterminations
 - ▶ Retroactive coverage period reduction

Apple Health changes for lawfully present immigrants

Beginning October 1, 2026, only the following noncitizens will remain eligible for federally-funded Medicaid coverage:

Lawfully permanent residents
(green card holders)

Must meet 5-year
waiting period

Cuban/Haitian entrants

Compact of Free
Association (COFA)
Islanders

Pending CMS guidance, customers who meet all other eligibility requirements may qualify for: Medical Care Services (MCS), Emergency Medical (AEM), Apple Health Expansion, Pregnancy/Postpartum and Family Planning Only programs.

Marketplace changes for lawfully present immigrants

Beginning January 1, 2027, tax credits will only be available to the following non-citizens with incomes at or above 100% federal poverty level (FPL):

Lawfully permanent residents
(green card holders)

Cuban/Haitian entrants

Compact of Free
Association (COFA)
Islanders



CASCADE CARE

Noncitizens who do not qualify for tax credits can still enroll in federally unsubsidized qualified health plans. They may be eligible for Cascade Care Savings.

Lawfully present customers losing federal financial support starting Oct. 1



October -
December



January

- **Individuals over 100% FPL** may be eligible for a qualified health plan (QHP) with tax credits and Cascade Care Savings (CCS)
- **Individuals below 100% FPL** may be eligible for a qualified health plan (QHP) with Cascade Care Savings (CCS)
- **Beginning January 1, 2027**, coverage options transition to Cascade Care Savings (CCS) only for non-citizens that do not qualify for tax credits and have income up to 250% FPL



Min-jun loses their Apple Health for Adults coverage when they renew in September due to their immigration status. Their income is 225% of the federal poverty level (FPL).

What financial savings will they qualify for?

October - December: Tax credits and Cascade Care Savings

January: Cascade Care Savings only

Marketplace changes

- ▶ Changes to how customers renew and enroll in QHP coverage and their costs for premiums and health care.
- ▶ Changes include:
 - ▶ Shortened open enrollment
 - ▶ More steps to apply and enroll in plans with federal tax credits
 - ▶ Extra documentation
 - ▶ More engagement needed from customers to keep information up to date and keep track of important dates

Marketplace & Medicaid changes require reimagining enrollment

- ▶ How customers stay covered
- ▶ Foundational shifts and convergence of other access & affordability challenges



- Medicaid work requirements
- PY 2027 NBPP proposed rule

Appendix



Work requirements

Beginning January 1, 2027, individuals eligible for **Apple Health for Adults**, will need to meet work requirements or qualify for an exemption. Work requirements do not apply to other Apple Health programs.

Work requirements are met when an individual meets any of the following:



Has at least \$580 in average monthly income



Completes at least 80 hours of community service



Enrolls in an educational program at least half-time



Has a combination of hours of work, community service, work program, or educational program totaling at least 80 hours per month



Has 80 hours of work or participates in a work program at least 80 hours per month

Work requirement policy

Individuals must meet requirements:

- ▶ at application
- ▶ at renewal

What are the requirements for customers at application?

The customer must be compliant with, or exempt from, the work requirements one month prior to the month they complete the application to be eligible.

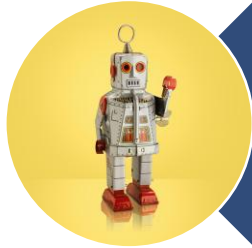
What are the requirements for customers at renewal?

Customers already enrolled in Apple Health must be compliant with, or exempt from, the work requirements for at least one month of their prior 6-month certification period.



Watching 2027 NBPP proposed rule

Three key takeaways



Relatively few proposals with clear impact on Exchange operations



Minimal guidance on HR1 requirements



Multiple proposals to increase out of pocket costs for enrollees

2027 NBPP proposed rule: Proposals increasing enrollee out of pocket costs

These proposals all have the potential to increase out of pocket costs for enrollees. We expect some may be removed from the final rule; we will be monitoring them closely.

Mandated benefit defrayal

- State-required benefits would be considered “in addition to EHB.”
- May require state defrayal or removal of hearing instruments and human donor milk from EHB benchmark plan (both added PY2026 by legislative mandate).

Increased cost-sharing for Bronze and Catastrophic plans

- Catastrophic plans would have a maximum out of pocket cost (MOOP) of \$15,600 in PY2027 (30% higher than currently allowed).
- Carriers permitted to offer an additional Bronze plan that exceeds the MOOP.

Non-network plans

- Allow carriers to offer plans that do not use a provider network.
- Carriers would have to demonstrate they ensure sufficient choice of providers without a contracted network.

Multi-year catastrophic plans

- Would allow carriers to offer catastrophic plans with terms of 1-10 years.
- Carriers could use value-based insurance design and vary the MOOP by year.



Multiple proposals to increase out of pocket costs for enrollees



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