

## **PY 2025 Cascade Care Savings Fixed-Dollar Maximum Per Member Per Month Methodology**

The Exchange held a public comment period from July 24, 2024 – August 16, 2024 to gather feedback on the PY 2025 Cascade Care Savings Fixed Dollar Maximum Per Member Per Month Methodology. The Exchange received three public comments, which are summarized below.

### **Themes of Public Comment & Exchange Responses**

#### **Theme 1: Stakeholders continue to be interested in a more equitable approach that maximizes affordability for those who do not receive federal subsidies.**

Two stakeholders expressed a preference for an approach that maximizes affordability for customers who do not have access to federal subsidies to ensure an equitable distribution of funds and reduce the disparity in affordability. These commenters asked the Exchange to make every effort to reduce disparities where possible.

#### **Exchange Response:**

We thank these commenters for their input. Equity is a central pillar of the mission of the Washington Health Benefit Exchange. We agree that an equitable approach that considers the significant affordability barriers for those who do not receive any federal subsidies is needed. In 2024, the Exchange set the maximum monthly subsidy amount for customers not eligible for federal subsidies nearly \$100 PMPM above the maximum amount available for customers who are eligible for federal subsidies. We have kept these customers' subsidies consistent from 2024 to 2025 and have finalized the maximum Cascade Care Savings amount for customers not eligible for federal subsidies at \$250 PMPM.

#### **Theme 2: Strong stakeholder interest in continuing policy direction to maximize available subsidy funds (i.e., model spend to maximum budget).**

Two stakeholders advocated for the utilization of all available funding to maximize enrollment. These commenters requested the Exchange reduce the amount of funding held in reserve.

#### **Exchange Response:**

Similar to the 2024 plan year, the Exchange has modeled the 'best' scenario to maximize the FY 23-25 appropriation available for state premium assistance. The Exchange seeks to meet our goal of using all funding appropriated by the Legislature to reduce eligible customers' premiums.

#### **Theme 3: One commenter recommended that the Exchange adopt a methodology for PY 2025 that would maximize the number of people who can receive a \$0 net premium.**

One stakeholder expressed that an approach that applies a PMPM reduction to all groups (rather than applying a PMPM reduction to one group and preserving PY2024 PMPM amounts for other groups) is beneficial as this scenario provides the greatest number of customers access to \$0 plans.

#### **Exchange Response:**

We thank this commenter for their support of an approach that maximizes customer access to \$0 premiums. The Exchange agrees that it is important to ensure all of our customers have access to affordable high quality health plans. We kept maximum monthly customer subsidies consistent from 2024 to 2025. Wakely modeling demonstrates that 98.6% of customers with federal subsidies will have access to \$0 plan in 2025, compared to 99.84% of customers with access to a \$0 plan in 2024. These changes to customer access to \$0 plans from 2024 to 2025 are driven by carrier rate increases.

**Theme 4: Additional feedback not within scope of this public comment period**

Some comments were more general feedback on the program, rather than specific comments on the PY 2025 Cascade Care Savings Fixed-Dollar Maximum Per Member Per Month Methodology.

**Exchange Response:**

While these comments are not within the scope of this public comment, the Exchange will consider these comments when re-visiting the plan year 2026 Cascade Care Savings policy. We look forward to working closely with our stakeholders to address any continued concerns.

*Thank you for your interest in supporting immigrant health implementation in Washington.  
This joint organizational letter was drafted in response to the Health Benefit Exchange's  
[draft 2025 Cascade Care Savings Amount Methodology](#).*

*For questions, please contact [Lee.Che@nohla.org](mailto:Lee.Che@nohla.org) or (206) 420-2747.*

*Sign for this joint letter ended **noon on 15 August 2024**.*

**To send your own comment**, email [cascadecare@wahbexchange.org](mailto:cascadecare@wahbexchange.org) by  
**16 August** with **“public comment” in the subject line**

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15 August 2024

Washington Health Benefit Exchange  
Submitted via email: [cascadecare@wahbexchange.org](mailto:cascadecare@wahbexchange.org)

**Re: Draft 2025 Cascade Care Savings Methodology**

Dear Washington HBE colleagues:

The undersigned **28** organizations write to share the following recommendations regarding the PY 2025 Draft Cascade Care Savings (CCS) Fixed-Dollar Maximum Per Member Per Month Methodology with the goal of improving equity and access for undocumented immigrants. **We urge you to implement strategies that advance HBE's goal that all Washingtonians have full and equal access to opportunities, power and resources to achieve their full potential.**

**1. Of the potential options for 2025, HBE should adopt scenario 3 to align more closely with an equity framework.** We appreciate HBE's ongoing work to improve implementation of Washington's landmark 1332 waiver and understand that current CCS funding from the Legislature is limited. We hope to partner with you in future years so HBE can set CCS subsidy levels that are adequate to provide meaningful access to all Washingtonians, including the immigrant population without federal immigration status.

In the meantime, HBE should use an equity framework to determine how to best allocate limited funds. Based on the information available to date (as final premium amounts won't be available until September), we recommend scenario 3 as the more equitable choice among the 4 scenarios.

Scenario 3 recognizes that there is no federal premium or cost-sharing assistance available to Washingtonians without federal immigration status – they will face hundreds of dollars in monthly premiums with no relief other than CCS. To address this inequity, scenario 3 allocates supplementary CCS funds to groups without access to federal aid while continuing to support federally subsidized individuals -- over 90% of whom will continue to have access to plans with premiums of less than \$25 a month. By contrast, we expect few -- if any -- Washingtonians without access to federal subsidies to have that same opportunity/access.

HBE's CCS fixed dollar maximum approach means that there is no corresponding increase with rising premiums, unlike federal subsidies which vary on a sliding scale based on income. As a result, maintaining the same subsidy level in 2025 actually translates to a lower relative value of

premium assistance when the increased cost of premiums is taken into account. Navigators and community members overwhelmingly reported that even in 2024, the CCS amount for Washingtonians without access to federal assistance did not make qualified health plans affordable for the vast majority of undocumented shoppers. This affordability disparity was particularly acute for immigrant elders, since the fixed dollar CCS premium assistance approach does not account for age-based premium increases. Ultimately fewer than 1 in 10 of newly eligible immigrants who shopped on the exchange purchased health coverage. HBE can and should do more to address this glaring chasm in affordability.

While a substantial disparity would still remain under scenario 3 for families making 0-250% FPL, all too often every dollar matters to take-up of insurance and HBE should make every effort to reduce disparities where possible. Compared to scenario 2, Scenario 3's additional assistance of \$50 a month will make it possible for an estimated 1,080 more undocumented Washingtonians to access health coverage. Compared to scenario 4, the additional assistance of \$90 a month in scenario 3 will both make it possible for an estimated 1,480 more undocumented Washingtonians to access health coverage.

**2. HBE should reduce the amount held in reserve for 2025 to maximize assistance to enrollees.** While 2024 enrollment in Cascade Care Savings has been higher than projections, the methodology assumption that HBE will continue to hold 10% in reserve still seems overly conservative. HBE has not shared any information to suggest a 10% reserve has proven necessary to date. By contrast, the new Apple Health Expansion/Medicaid-like program holds 3% in reserve. We request that HBE opt to hold a significantly lower percentage in reserve.

**In addition to these recommendations for 2025, we continue to ask HBE to take steps to advance equity in the CCS program in the future:**

**3. HBE should move away from the regressive fixed dollar methodology toward a more progressive subsidy scale.** As advocates have flagged for years, we are deeply concerned that the current flat fixed dollar approach to premium assistance will never allow for meaningful access to coverage for groups ineligible for federal tax credits, such as undocumented Washingtonians. While federally-subsidized people can count on premium tax credits to rise along with premiums, those without federal assistance face the full impact of increasingly expensive premiums, other than the partial flat CCS subsidy. A fixed dollar approach to the CCS is deeply regressive for the undocumented immigrant population, who will be forced to pay the remaining premium no matter how low their income or how high the premium costs may go for elders and individuals in rural areas with fewer choices. As HBE knows, the expectation that an individual with income up to 138% FPL would be able to afford a several-hundred dollar net monthly premium does not take into account Washington's high housing costs, inflation, or the economic realities of the vast majority of low-income earners. We urge HBE to begin implementing a more nuanced approach to premium assistance allocation as soon as possible in alignment with the HBE's acknowledged need to "focus our efforts on people and places where needs are greatest."

**4. HBE should begin preparing to implement cost-sharing assistance to provide meaningful access to health care, not just coverage.** Under the 1332 waiver, undocumented immigrants are able to buy health insurance— but deductibles, co-pays, and

coinsurance still pose significant obstacles to accessing care. While cost-sharing assistance is authorized in the Cascade Care statute, it is not currently funded. Newly eligible immigrants are expected to pay an average of \$2,520 in premiums annually for 2024 and also contend with an additional \$9,450 in deductibles and other cost sharing. Multiple studies find that cost sharing results in reduced care utilization including use of necessary services, especially for lower income adults. The state must work to resolve these affordability gaps to provide meaningful access. HBE can take proactive steps in 2025 to advance these issues by studying the options and putting forward an options document for public consideration.

**5. HBE should implement additional cost-sharing assistance to provide parity for lawfully present immigrants.** While lawfully present immigrants under 138% FPL are allowed to buy health and dental coverage through Healthplanfinder, they are unable to obtain Medicaid coverage due to federal restrictions like the “5-year bar” waiting period. This didn’t change in 2024, as the Medicaid-like program is limited to undocumented Washingtonians. While lawfully present immigrants are eligible for federal subsidies, any remaining premiums and cost-sharing is still a tremendous burden for families under 138% FPL – which is why Apple Health has no cost sharing for eligible adults at that income level and why Washington’s COFA Islander Health Care provided \$300 a month in cost sharing assistance before this group transitioned to Medicaid. Lawfully present immigrants should have parity in meaningful access to health coverage with all other Washingtonians.

Thank you for considering our recommendations. We appreciate your collaboration as we work together to ensure equitable and affordable access to high-quality and high value plans in Washington State.

Sincerely,

*[orgs in alphabetical order]*

AFT-WA Retirees Chapter

Anti-Hunger & Nutrition Coalition

Asian Counseling & Referral Service

Asian Pacific Islander Coalition

Children's Alliance

Community Health Plan of Washington and Community Health Network of Washington

Economic Opportunity Institute

Empower Next Generations

Faith Action Network

Firelands Workers United / Trabajadores Unidos

Healthcare is a Human Right WA

King County Promotores Network (KCPN)

Latino Community Fund of Washington State

Latinos Promoting Good Health

Legal Voice

MultiCare Health System

North Seattle Progressives  
Northwest Harvest  
Northwest Health Law Advocates (NoHLA)  
Pierce County Project Access  
Planned Parenthood Alliance Advocates  
Washington CAN  
Washington Healthcare Access Alliance  
Washington Immigrant Solidarity Network (WAISN)  
Washington Physicians for Social Responsibility  
Washington State Budget and Policy Center  
Washington State Hospital Association

PY 2025 Cascade Care Savings Maximum Per Member Per Month Methodology Written Public Comments

Public Comment Period: July 24, 2024 - August 16, 2024

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August 16, 2024

To: Washington Health Benefit Exchange  
Re: PY 2025 Draft Cascade Care Savings Methodology

Dear Washington Health Benefit Exchange,

Community Health Plan of Washington (CHPW), Community Health Network of Washington (CHNW) and the Washington Association for Community Health (the Association) appreciate the Washington Health Benefit Exchange (WAHBE) considering multiple frameworks in the PY 2025 Draft Cascade Care Savings (CCS) Methodology and the opportunity to provide recommendations.

CHPW was created as the first and only not-for-profit Medicaid managed care plan in the state. We operate four lines of business – Medicaid, Apple Health Expansion, Medicare, and Cascade Select. Our parent company, CHNW, represents 21 federally qualified health centers (FQHCs) throughout Washington state. As Washington state’s federally recognized primary care association, the Association represents the state’s 28 FQHCs. Our FQHCs collectively operate over 440 service delivery sites and serve over 1.2 million patients annually regardless of ability to pay or immigration status. Our statewide system of FQHCs works to ensure all Washingtonians have access to medical, dental and behavioral health services.

CHPW and CHNW are dedicated to health care accessibility and affordability for the undocumented community in Washington, which is key to further reducing uninsured rates. We are currently serving 4,300 undocumented individuals in the Apple Health Expansion (AHE) program. However, conservative estimates project over 20,000 undocumented individuals under 138% of the federal poverty level (FPL) remain uninsured due to limited program capacity. In addition, a larger number of undocumented individuals over 138% FPL remain uninsured due to the high costs of premiums for Qualified Health Plans on the Exchange. **To close this coverage gap for all income levels, it is imperative to provide higher state subsidies for individuals in groups 2 and 3 who are ineligible to receive federal tax credits.**

**We strongly recommend the WAHBE adopt scenario 1 to maintain the current level of state subsidies for individuals receiving Cascade Care Savings subsidies.** This will provide the greatest relief and maximize the subsidy for both groups of individuals. The ability for all individuals to keep their current subsidy amounts next year will minimize disruption of coverage and care. In 2025, with the uncertainty on the continuation of Advanced Premium Tax Credits (APTC) and the potential increases in premiums, it is best to maximize state subsidies and provide consistency for consumers. We encourage the state Legislature to increase state funding to meet the financial needs of scenario 1.

In the case state funding is not increased, we encourage scenario 3, as it preserves higher subsidies for undocumented individuals and reiterates equitable distribution of funds. We would discourage adoption of scenarios 2 and 4 as they do not meet health equity considerations. **Please utilize all available funding to maximize enrollment.**



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Dekker Dirksen

Director, Public Policy  
Community Health Plan of Washington  
Community Health Network of Washington



ake health care equitable for all

Alyssa Patrick

Director of Policy, Advocacy, & Communications  
Washington Association for Community Health

Good afternoon,

Please find Coordinated Care Corporation's feedback on the PY 2025 Draft Cascade Care Savings Methodology bulleted below.

- We support Option 1 (Group 1 \$90 & Group 2/3 \$200) to reduce PMPMs across all groups as this scenario provides the greatest number of Group 1 members (93%) access to a \$0 Cascade Care Savings plan.

Thank you for the opportunity to review and provide input.

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**Isabel Lee** *(she/her)*

Senior Market & Operations Manager – Marketplace (Ambetter)



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