

Sharpening Cascade Care Tools – Summary of Feedback

In its continued commitment to customer affordability and access, Washington Health Benefit Exchange Board is interested in opportunities to sharpen Cascade Care tools. Cascade Care aims to make health insurance accessible and affordable to all Exchange customers. Through its state subsidies, standard plans, and the nation’s first public option, Cascade Care supports Exchange customers with lower premiums, lower costs at the doctor’s office, and easier shopping for high-quality benefits that matter most to individuals and their families.

Goals & opportunities to advance access & affordability for customers



State Subsidy:

- More than **100,000** low-income customers reduce monthly premiums with Cascade Care Savings.
- As **rates increase**, subsidies cannot stretch as far.
- **Target** subsidies to customers who need them to get and stay covered.



Standard Plans:

- **Three out of four** Exchange customers enrolled in standard plans today.
- **Variation** in plan offerings is confusing and overwhelming.
- **Differentiate** plans based on what matters most to customers: premium, network, quality, customer service.



Public Option:

- Public option **statewide** in 2025.
- Customers experience **access barriers**.
- Current policies not resulting in meaningfully **lower premiums**.
- Drive **healthy competition** on price and quality.

The Exchange requested stakeholder feedback in September and October about options and proposals for state subsidy policy, fully standardizing cost sharing on the Exchange, and strengthening public option. The following are feedback themes about policies for public option and fully standardizing cost sharing on the Exchange. Feedback about PY 2026 Cascade Care Savings policy options continue to be gathered via a [public comment period](#) through Nov. 20. Feedback was received from Exchange partners including carriers, consumer advocates, assisters, hospitals, providers, and state agencies.

Policy Topic	Feedback Themes
<p>Options to fully standardize cost sharing on Exchange:</p> <p>1. Standard plans only at Silver and limit non-standard to one each at other metal</p>	<ul style="list-style-type: none"> • A majority of stakeholders support the policy direction to offer only standard plans on the Exchange. • Given expected disruption from the expiration of enhanced federal tax credits in plan year (PY) 2026, stakeholders are supportive of this policy change in PY 2027, several encouraging full standardization at once (vs continued phased approach). • Many stakeholders suggest that a prescriptive approach requiring the Exchange to design and offer a specific number of standard

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<p>levels (<i>aligned with ESHB 2361</i>)</p> <p>2. Phased approach to only standard plans, starting with Silver (<i>aligned with HB 2361/SB 6258</i>)</p> <p>3. Only standard plans; Exchange designs two standard plans at each metal level</p>	<p>plans is not flexible enough to respond to dynamic market needs. They encourage the Exchange to consider an approach that allows flexibility to respond to market conditions and customer needs without legislative approval. Criteria for this kind of flexibility might include meaningful difference in plan choice, responsiveness to market risks or failures, and maximization of Exchange enrollment and affordability.</p> <ul style="list-style-type: none"> • While analysis demonstrates the value of the Exchange designing additional standard plans based on the above illustrative criteria, stakeholders are opposed to or question the value of a second standard plan at the silver metal level. • The few stakeholders opposed to fully standardizing cost sharing on the Exchange cite the value of carrier innovation and plan options for customers, particularly those who are higher income.
<p>Public option proposal:</p> <ul style="list-style-type: none"> • Strengthen provider participation <ul style="list-style-type: none"> ○ All public option plans offering good faith contract ○ Hospital systems • Add targeted pricing caps <ul style="list-style-type: none"> ○ Hospital inpatient/outpatient ○ Behavioral health floor 	<ul style="list-style-type: none"> • Directional support for additional provider participation and affordability criteria centers on opportunities to lower public option premiums and increase customer access to in-network public option providers. Many stakeholders particularly focus on equitable access to care for this relatively small subset of Washingtonians. • A few stakeholders have significant policy concerns citing provider revenue impacts, administrative burden, and lack of critical flexibility in contract terms and negotiations. • Several stakeholders cite analysis that large, consolidated hospital systems have substantial negotiating power that does not serve consumers. However, caution is needed to ensure policies do not place outsized power with carriers. • All stakeholders have questions about definitions and implementation, and suggest careful scenario testing before solidifying in statute. Some suggest that targeted policies to address specific existing affordability and access concerns would be more effective than broad-brush policy. • Many stakeholders suggest considering distinct approaches for rural areas, citing geographic market distinctions and the importance of rural hospital sustainability. • Stakeholders express interest in opportunities to better advance public option’s market competition and consumer access goals through HCA authorities, including targeted and parsimonious public option plan selection, carrier contract management, hospital participation enforcement, and carrier requirements to align and standardize network provider contract terms. • There is interest in continued alignment between public option affordability and access policies and PEBB/SEBB policies.

Next steps: Action on proposed policies to strengthen public option and fully standardize cost sharing on the Exchange would require statutory changes. The Exchange is developing its 2025 legislative priorities in November, in addition to its established key priorities to maintain and enhance customer premium subsidies. It is doing this in close collaboration with the Exchange Board, considering stakeholder feedback and changes to the federal and state authorizing environments.

Following the December Board meeting, the Exchange will share next steps for sharpening Cascade Care tools with partners, including at the Cascade Care Workgroup's [December meeting](#).

Please do not hesitate to contact cascadecare@wahbexchange.org with questions or additional feedback.