

2025 Market Overview

Exchange Agent Broker TAC Meeting
October 15, 2024



2025 Health Plan Landscape

What's on the horizon for Exchange Customers?

Customer Impacts of 2025 Plan Offerings

Spotlight on Coverage Options



Coverage Options



Monthly Premiums



Plan Design



Quality and Provider
Networks

Market Stability and Growth in Coverage Statewide



Overall: 11 carriers across Washington – stable and crowded market

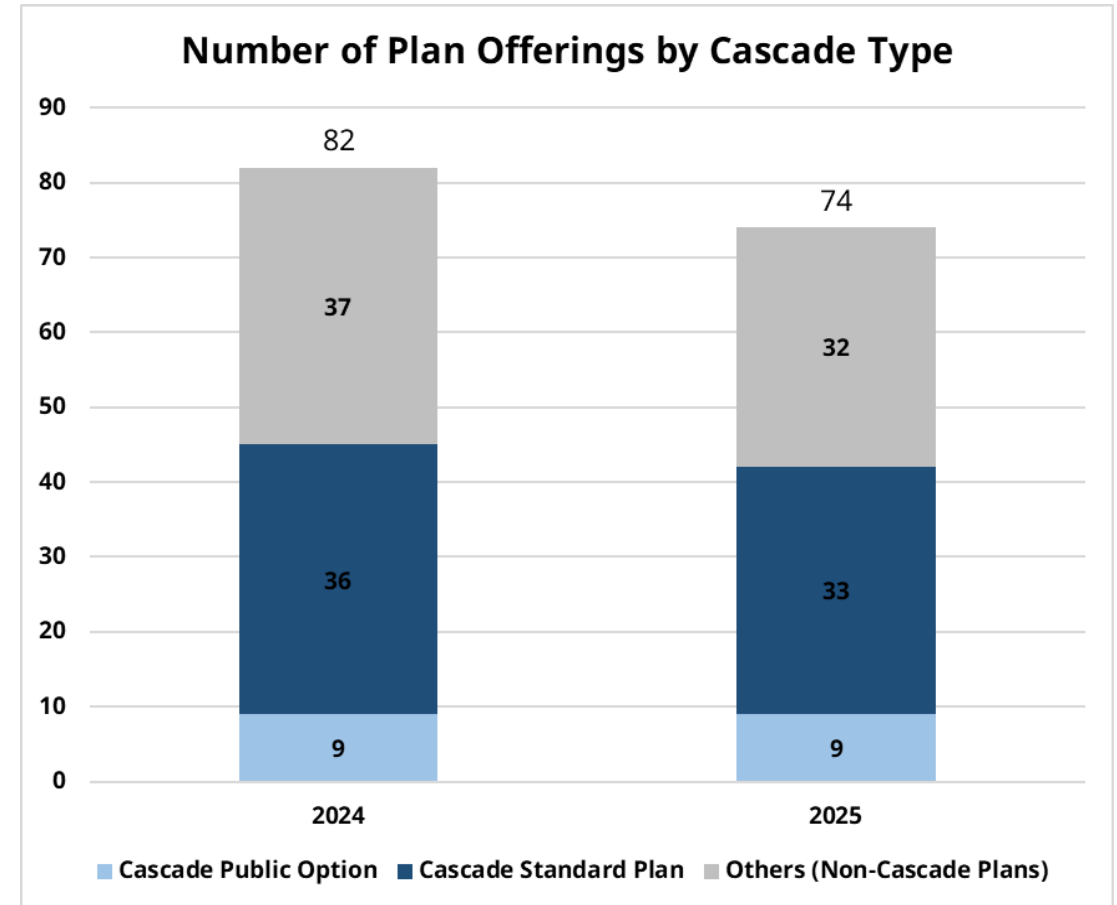
- One county with two carriers, all others have three to nine carrier choices
- 74 plans offered

Expansions:

- ▶ Public Option now statewide
 - ▶ CHPW, Coordinated Care, and LifeWise all expanding service areas

Contractions:

- ▶ LifeWise leaving three counties
- ▶ PacificSource exiting Exchange
 - ▶ Only carrier offering PPO plans



Helping Customers Stay Covered When Carrier Leaves County



- ▶ Gig worker, age 30, living in Spokane, \$35,000 income (232% FPL), enrolled in PacificSource Cascade Silver in 2024
- ▶ Seven carriers available, PacificSource leaving
- ▶ Exchange auto-enrolls customer into Coordinated Care Public Option Silver.
- ▶ Continuous coverage with no action needed; customer may change plans

| | 2024 | 2025 |
|----------------------|--------------|------------|
| Premium | \$504 | \$350 |
| Federal Tax Credit | \$236 | \$266 |
| Cascade Care Savings | \$101 | \$84* |
| Net Premium | \$167 | \$0 |

*2025 Cascade Care Savings amount is illustrative.

Customer Impacts of 2025 Plan Offerings

Spotlight on Monthly Premiums



Coverage Options



**Monthly
Premiums**



Plan Design



Plan and Provider
Quality

Since 2022, Premiums Increasing at Faster Rate than Wages and Consumer Price Index (CPI)

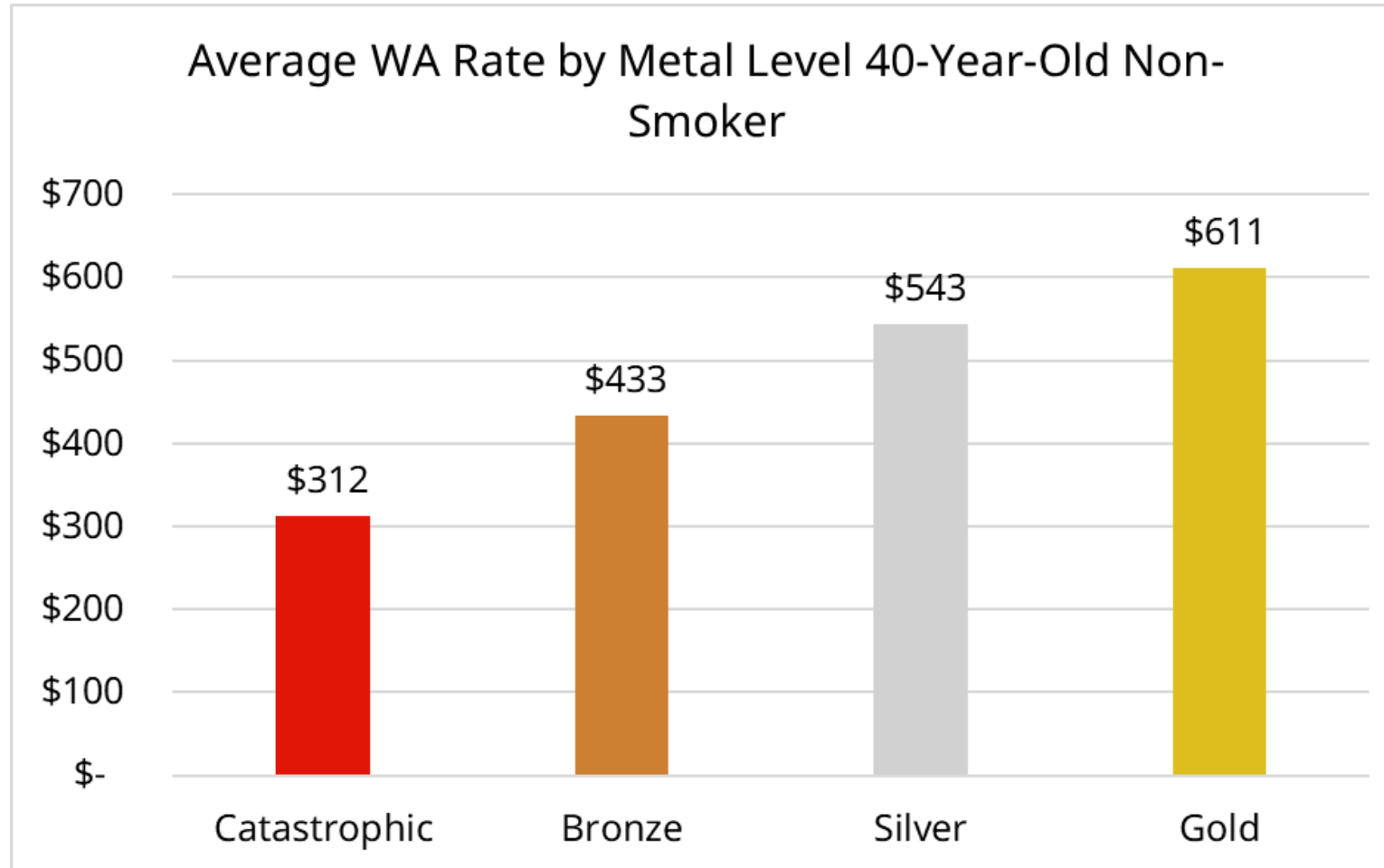


Third year of ~10% Rate increase

| Carrier | 2025 Rate Increase | Cumulative Rate Increase 2022-2025 |
|--|--------------------|------------------------------------|
| BridgeSpan Health Company | 15% | 53% |
| Premera Blue Cross | 15% | 48% |
| Regence BlueShield WA | 22% | 43% |
| UnitedHealthcare of Oregon, Inc. | 24% | 41% |
| Kaiser Washington | 8% | 37% |
| LifeWise Health Plan of Washington | 8% | 35% |
| Molina Healthcare of Washington | 6% | 24% |
| Kaiser Northwest | 10% | 23% |
| Regence BlueCross BlueShield of Oregon | 15% | 20% |
| Community Health Plan of Washington | 9% | 11% |
| Coordinated Care Corporation | 9% | 10% |
| Average Rate Change, All Carriers | 10% | 31% |

Average rate changes are weighted for Exchange enrollment

2025 Average Rates by Metal Level



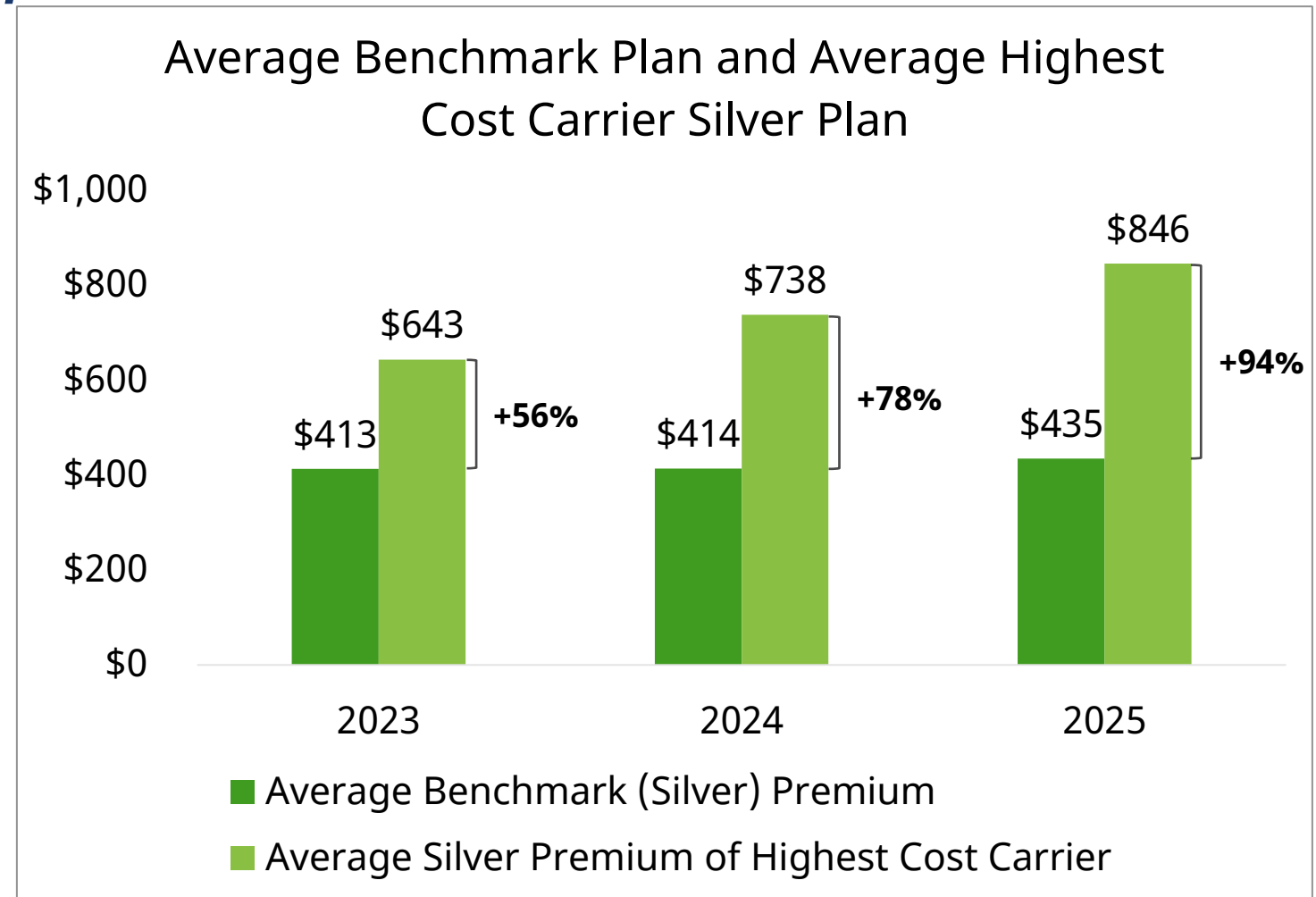
Rates are not weighted for enrollment

Gap Between Lower Cost and Higher Cost Plans is Widening



Tax credits can't keep up with premium increases

- ▶ At the same metal level, the price of the most expensive plan is now double the cost of a low-cost plan
- ▶ Tax credits have increased a little, while most premiums have increased a lot = reduced buying power for customers



Family's Premium Doubles with Rate Increase on Top of Decrease in Tax Credit



If 55- and 60-year-old couple — early retirees in Bellingham making \$65,000 annually — remain in their Regence Cascade Gold plan for PY 2025, their net premium doubles.

Benchmark plan for Whatcom County in 2025 is Ambetter Cascade Silver. The premium decreased by \$94; their Regence plan premium increased 23% from 2024

| | 2024 | 2025 |
|----------------------|---------------|-----------------|
| Gross Premium | \$ 2,628 | \$ 3,247 |
| APTC | \$ 1,704 | \$ 1,360 |
| Cascade Care Savings | \$ 0 | \$ 0 |
| Net Premium | \$ 924 | \$ 1,887 |

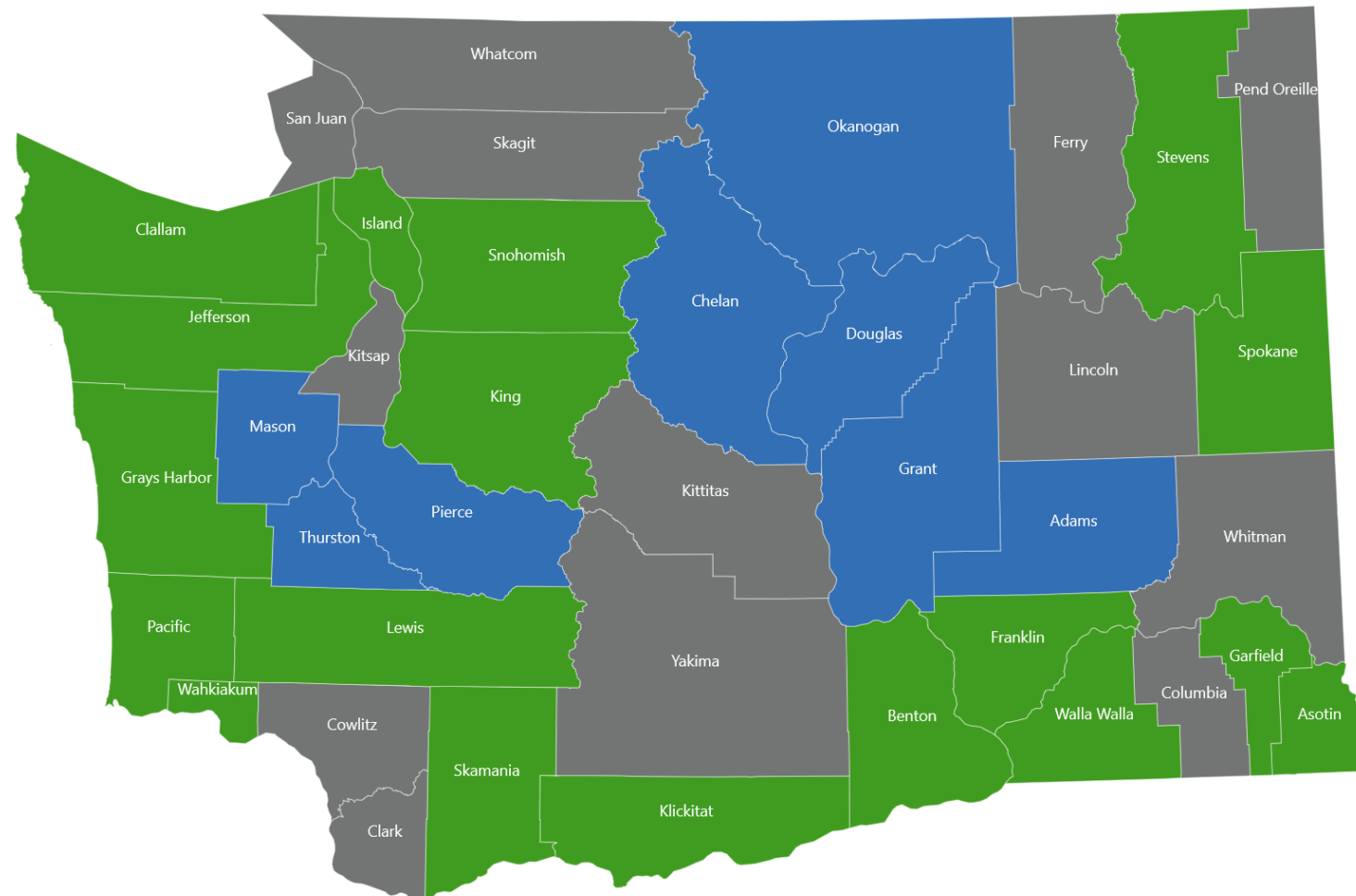


Public Option Offers Lowest Premiums in 26 Counties



Counties Where Public Option Carrier Offers Lowest Cost Silver Plan in 2025

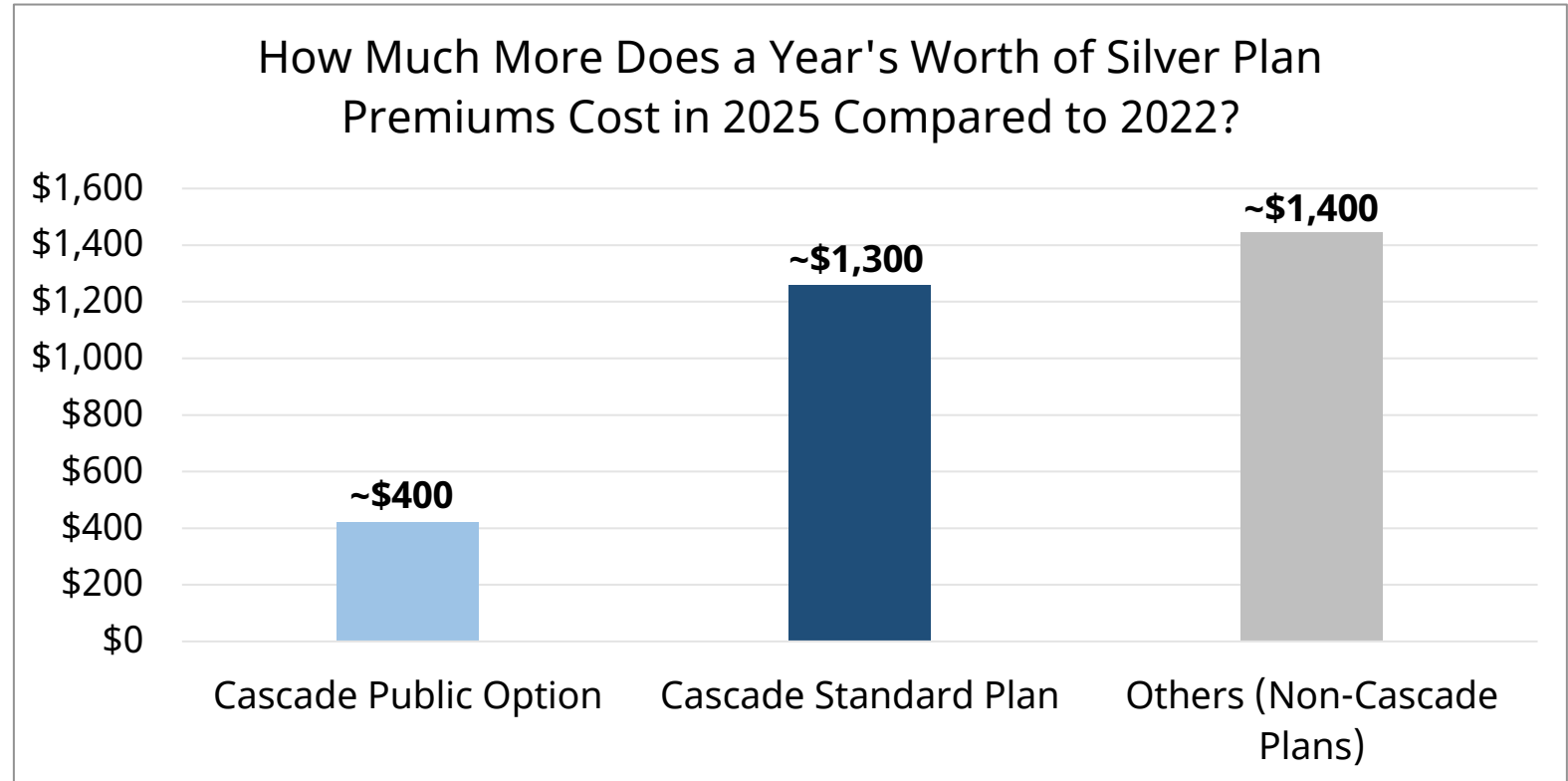
- CHPW Cascade Public Option
- Coordinated Care Cascade Public Option
- Coordinated Care Others (Non-Cascade Plans)



Exchange Affordability Tool: Public Options Plans Have Slower Premium Increase



- ▶ Public option customers will pay \$400 more for their 2025 plan vs. 2022
- ▶ Customers in non-public option plans will pay more than triple the increase experienced by public option customers



Rates are gross premiums before subsidies for a 40-year-old non-smoker, inclusive of all counties and not weighted for enrollment

Customer Impacts of 2025 Plan Offerings

Spotlight on Plan Design



Coverage Options



Monthly Premiums



Plan Design



Plan and Provider
Quality

Looking Beyond Premiums: the Costs of Using Care Can Be Devastating


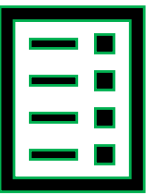


- ▶ Family of three in Renton (Ages 45, 40, 10)
- ▶ Own a small business and make \$166,000 per year (643% FPL)
 - ▶ Unsubsidized (like 19% of Exchange/48,000 customers)
 - ▶ Enrolled in Kaiser Non-Standard Bronze Plan
- ▶ Family experiences two serious medical events, including an inpatient hospital stay and a surgery



| | 2024 Cost | 2025 Cost |
|-----------------------|-----------------|-----------------|
| Annual Premium | \$12,420 | \$13,260 |
| Out-of-Pocket Maximum | \$18,400 | \$18,400 |
| Total cost | \$30,820 | \$31,660 |

On the Surface: the Front Door of Three Silver Plans



Molina Non-Standard
Premium: \$490

- \$0 Medical/\$900 Drug Deductible
- \$30 PCP Visit
- \$27 Generic drugs

Standard Silver
Premium*: \$505/\$453*

- \$2,500 Deductible
- First 2 PCP visits \$1, then \$30
- \$25 Generic Drugs

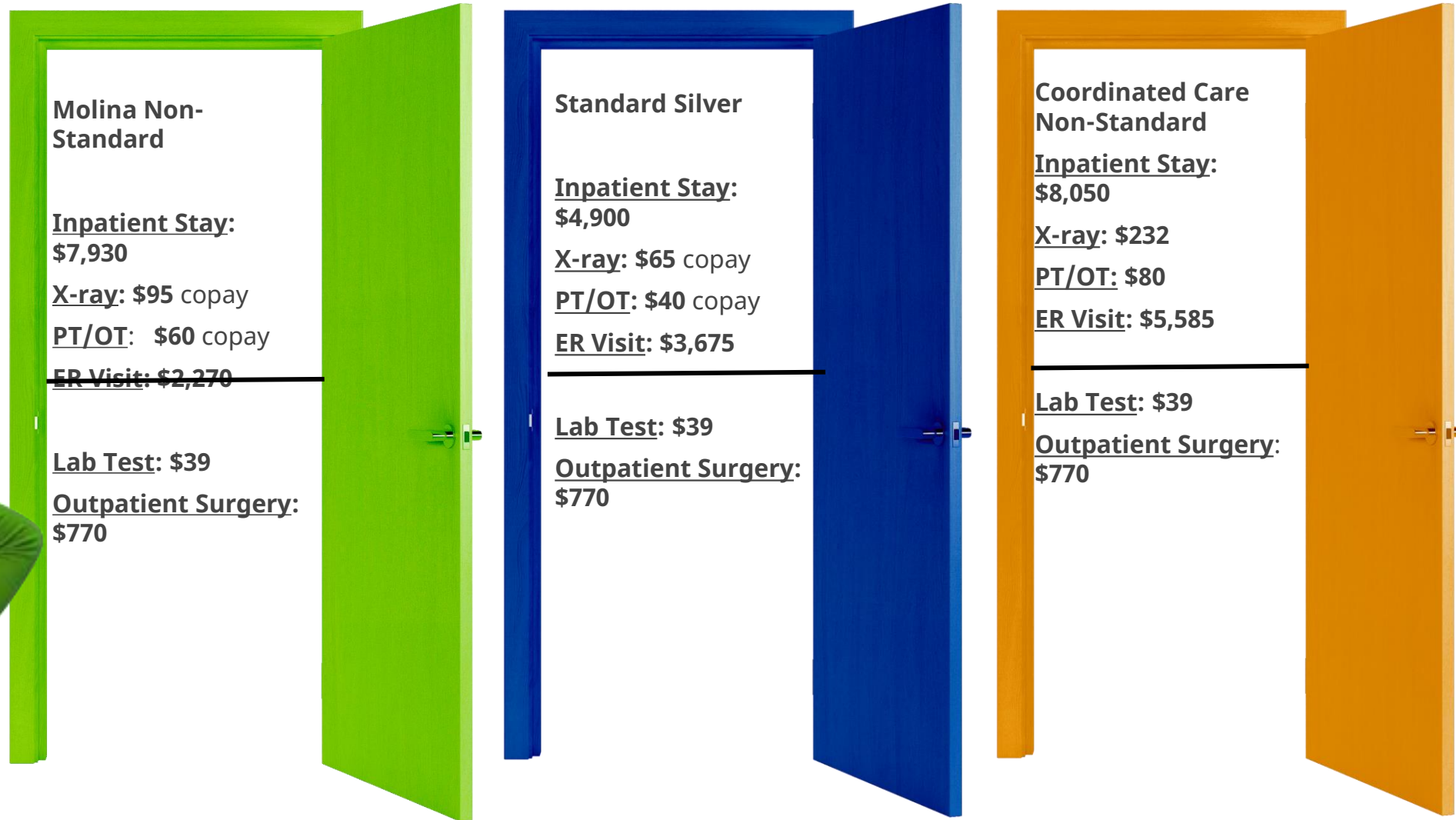
Coordinated Care Non-Standard
Premium: \$429

- \$8,050 Deductible
- \$30 PCP visit
- \$15 Generic drugs

*Molina Cascade Silver Premium/Coordinated Care Cascade Silver Premium
All premiums average rate 40-year-old non-smoker

Below the Surface: Benefit Designs are Confusing

Costs of care vary based on coinsurance, co-pays, & deductibles and make comparing plans nearly impossible



2025 Market Progress on Standard Plans



- ▶ 200,000+ customers enrolled in standard plans
 - ▶ Nearly 110,000 customers receiving Cascade Care Savings
 - ▶ Market shift toward silver and gold plans
- ▶ Fewer nonstandard plan designs being offered on Exchange than previous years
- ▶ Non-standard plan designs are getting more similar to standard plans



Customer Impacts of 2025 Plan Offerings

Spotlight on Quality and Provider Networks



Coverage Options



Monthly Premiums



Plan Design



**Quality and
Provider Networks**

Networks Adequacy Requirements Met; Access Challenges Remain



- ▶ All plans meet robust OIC network adequacy standards and customers still find it difficult to access care
 - ▶ Meeting network adequacy does not guarantee a customer will understand network differences or get timely care
- ▶ Considering having carriers report on PCP and mental health appointment wait times for 2026 quality program

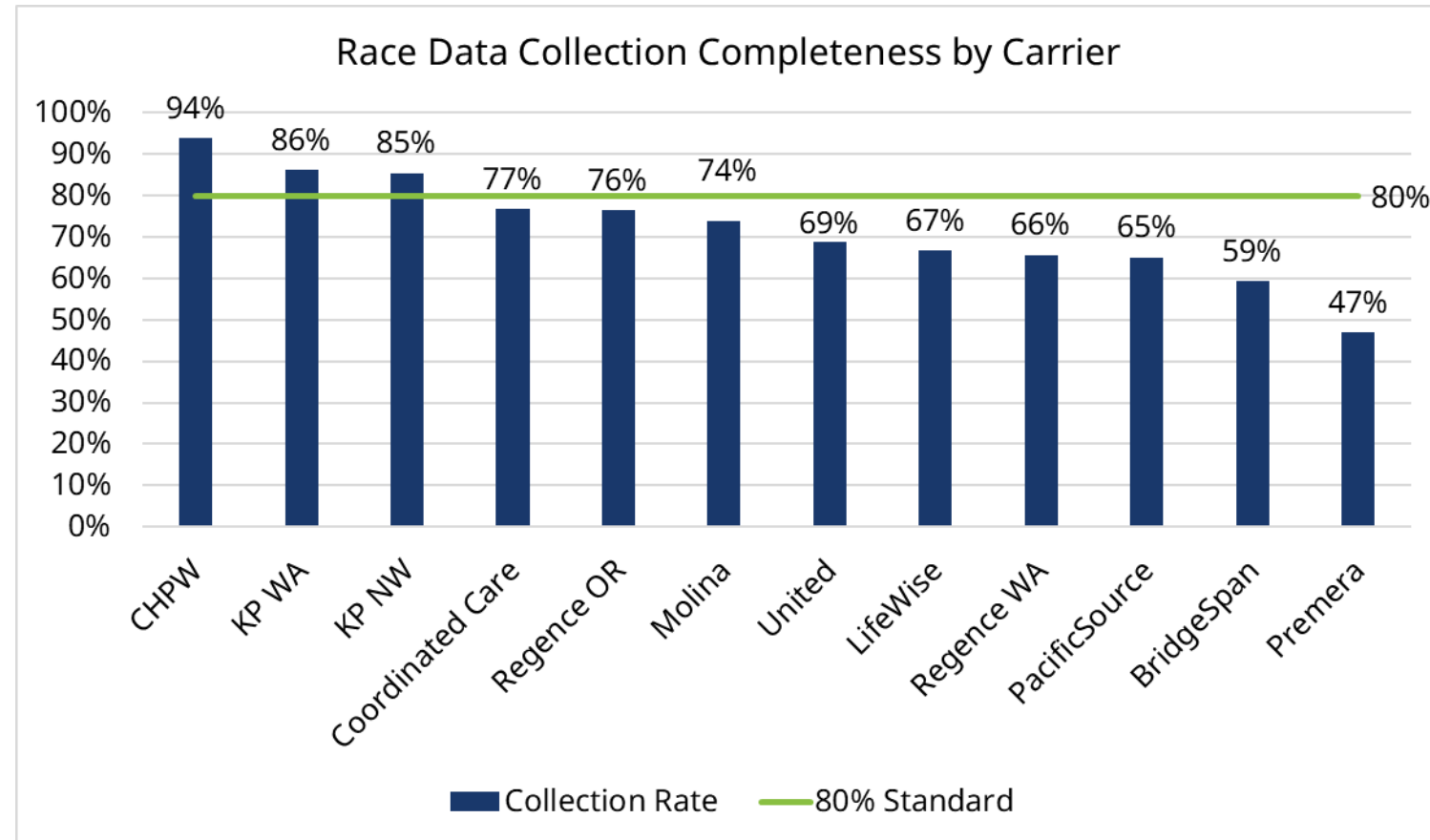
"While it shows a large number of doctors in network, most...are not accepting new patients...I'm waiting 7 months to get an appointment with a new PCP"
- 2024 Exchange Customer Survey





Progress Report for Race Data Collection Completeness

- ▶ Exchange set expectation for carriers to reach 80% directly reported race and ethnicity data by 2025
- ▶ Goal is to have complete data to inform carrier quality work on health disparities
- ▶ Partnership from navigators critical in this effort



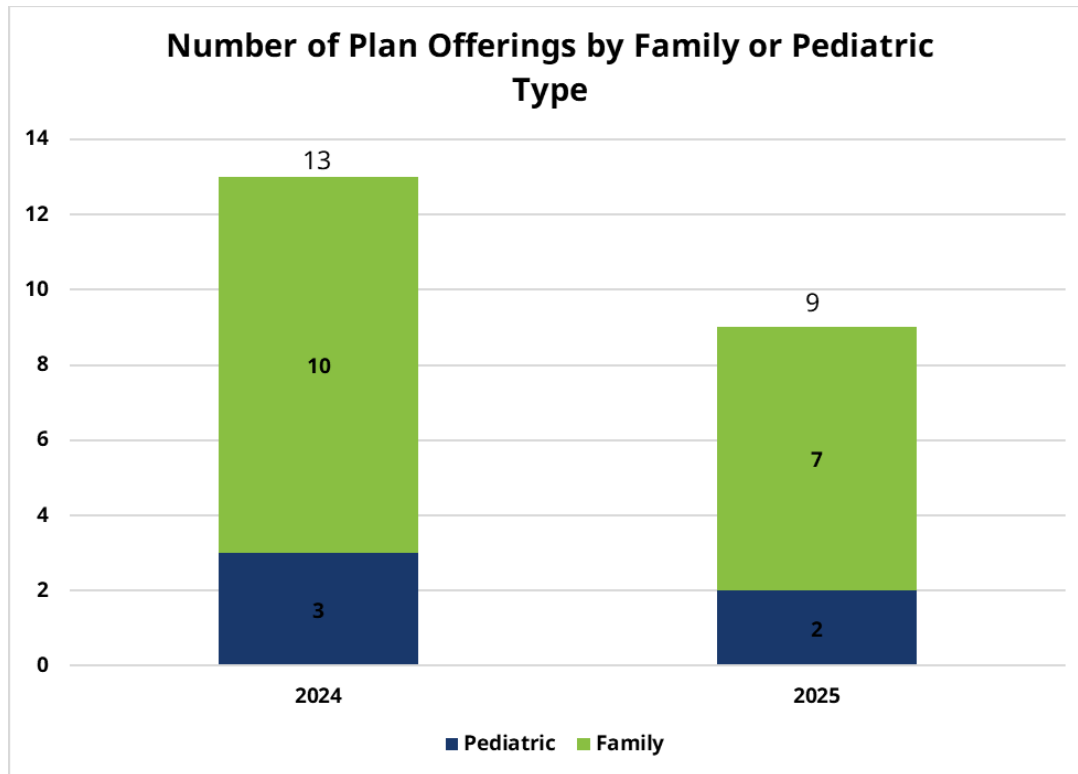


QUALIFIED DENTAL PLANS

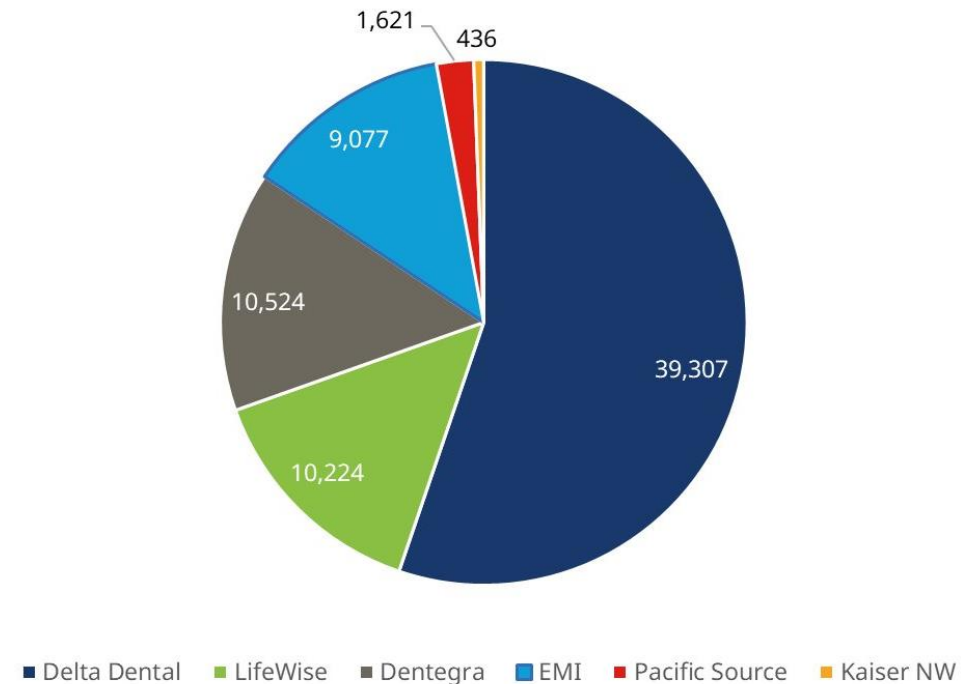
2025 Dental Market Overview

Nine Qualified Dental Plans (QDPs)
Five QDP Carriers

More than 70k dental enrollees going into Open Enrollment

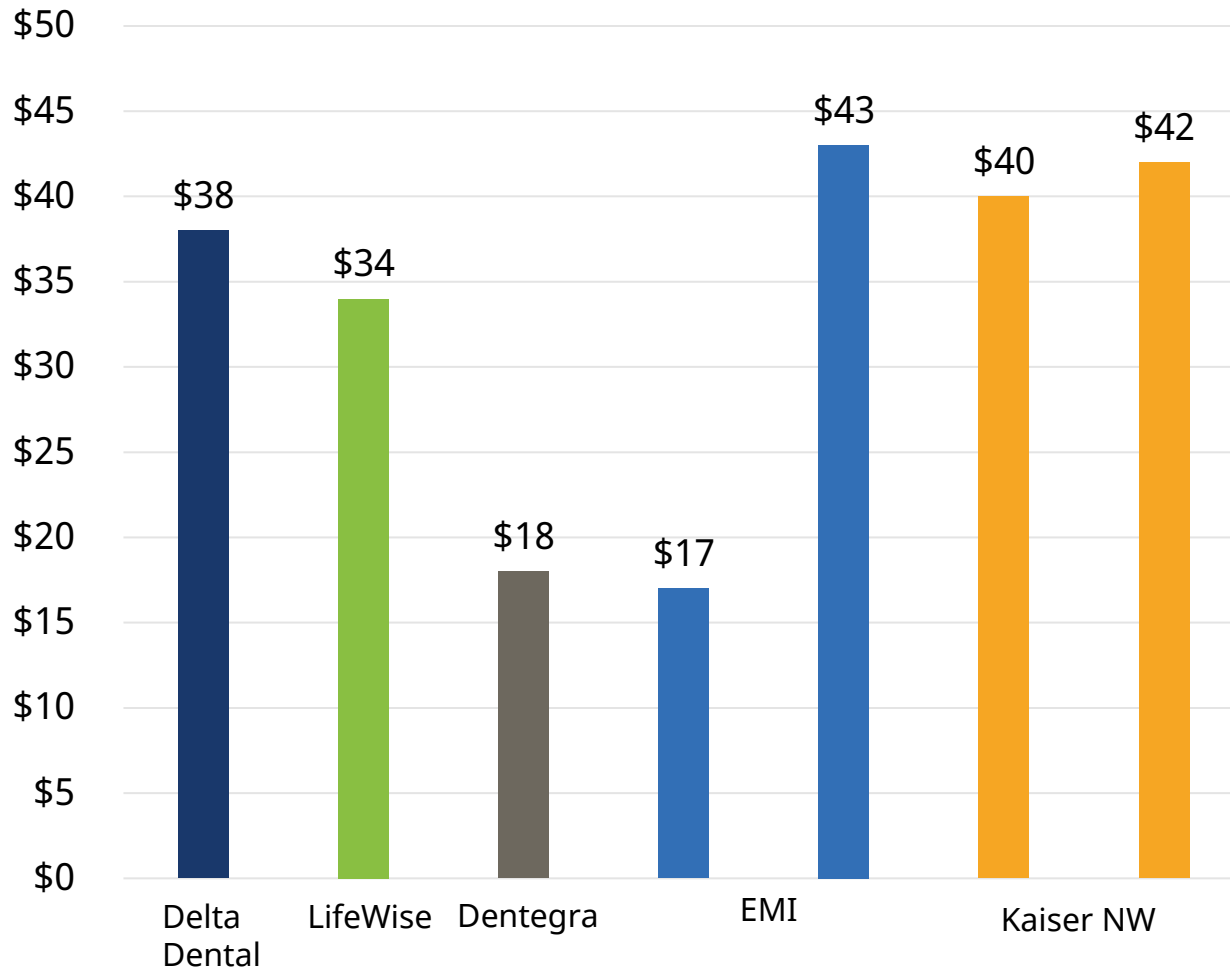


~71,000 Active Effectuated Dental Enrollment as of August



PY 2025 Average Rate by Plan

Adult Rate in Family Dental Plans



Average Annual Premium Rate:

Adult Dental Rate

- ▶ 2024 monthly premium rate average: \$29
- ▶ 2025 monthly premium rate average: \$33

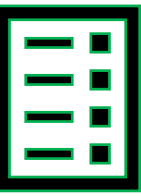
Pediatric Dental Rate

- ▶ 2024 monthly premium rate average: \$34
- ▶ 2025 monthly premium rate average: \$40

Appendix



In Their Own Words: How Hard It Is for Customers to Choose the Best Plan



Exchange customer in Annual Open Enrollment Survey shared:

"There are too many subtle differences between plans, even within the same metal level and carrier...I can't imagine how people would manage this who aren't well-versed in the intricacies of insurance."



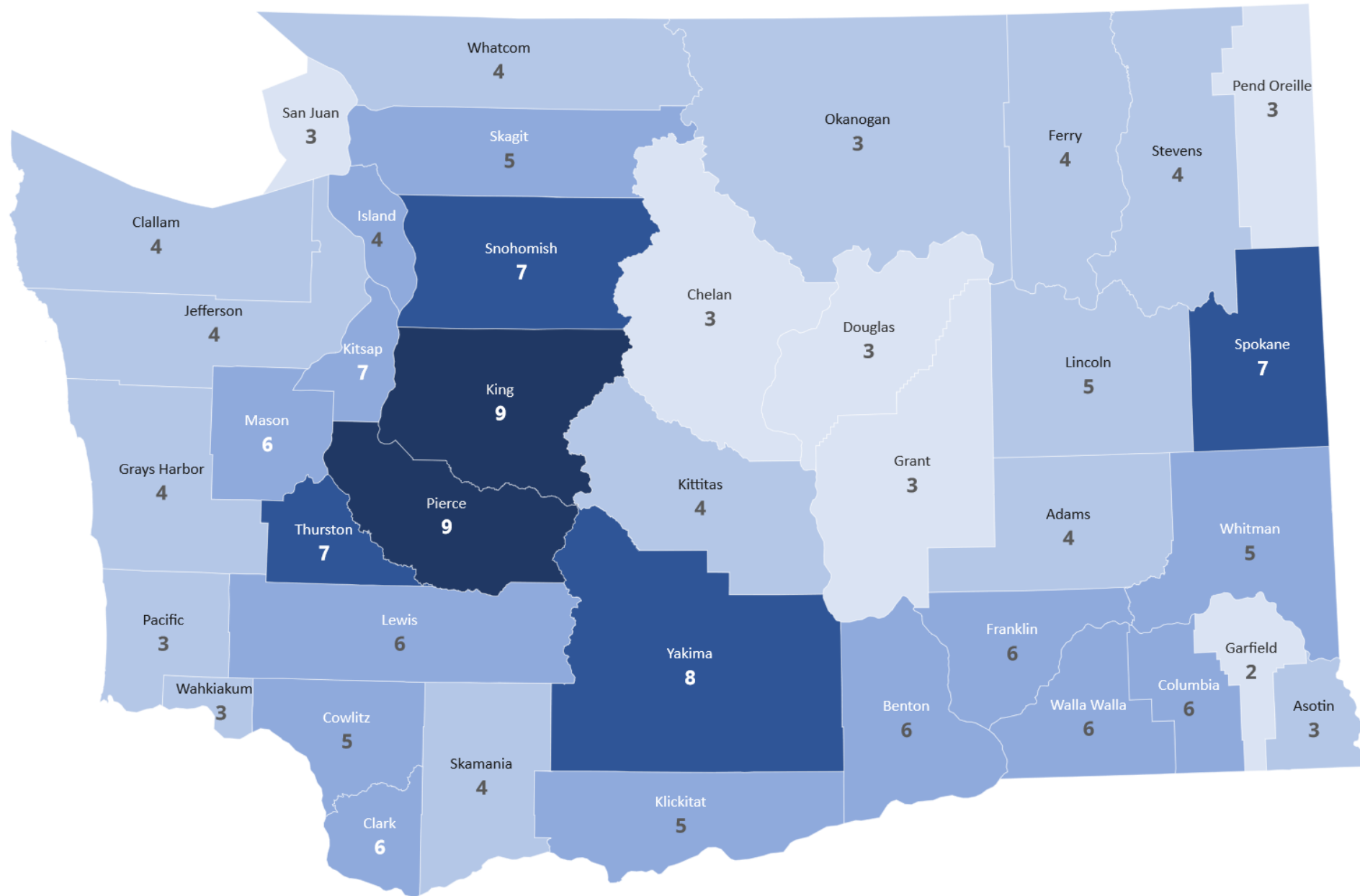


Plan Quality Certification Criteria

- ▶ Carriers have met quality certification criteria
 - ▶ Carriers must report quality data (e.g., cervical cancer screening rates) to the Exchange and conduct quality improvement activities
- ▶ Exchange has authority to add quality requirements and set performance standards
 - ▶ Started with reporting, now moving to setting quality standards
 - ▶ Accountability for public investment in customer coverage and care
- ▶ Some Exchange-specific quality program requirements include reporting on:
 - ▶ Directly collected race and ethnicity data for equity work
 - ▶ Primary care spend



Number of 2025 Carriers (#) and Plans (Color) by County



<20 20-30 31-40 41-50 51+

Benefit Designs are Confusing

Detailed Comparison of Cost Sharing in Three Most-Enrolled Silver Plans



Molina Non-Standard

Inpatient Stay:
\$7,930 (35% coinsurance to OOPM)

X-ray: \$95 copay

PT/OT: \$60 copay

ER Visit: \$2,270 (ED: 35% coinsurance; Ambulance: 50% coinsurance)

Lab Test: \$39 (\$60 copay)

Outpatient Surgery:
\$770 (Facility: \$1500 copay; surgeon: \$250 copay)

Standard Silver

Inpatient Stay:
\$4,900 (deductible + 3-day copay)

X-ray: \$65 copay

PT/OT: \$40 copay

ER Visit: \$3,675 (ED: deductible+\$800 copay; Ambulance: \$375 copay)

Lab Test: \$39 (\$40 copay)

Outpatient Surgery:
\$770 (Facility: deductible+\$600 copay; surgeon: \$200 copay)

Coordinated Care Non-Standard

Inpatient Stay:
\$8,050 (100% coinsurance to OOPM)

X-ray: \$232 (100% co-insurance)

PT/OT: \$80 (100% coinsurance)

ER Visit: \$5,585 (ED: 100% coinsurance; Ambulance: 100% coinsurance)

Lab Test: \$39 (100% co-insurance)

Outpatient Surgery:
\$770 (100% coinsurance)



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