

2026 Standard Plans

Policy Committee

October 15, 2024

Today's Discussion: 2026 Standard Plan Design

Building Upon the Foundation:

- ▶ Recap standard plan guiding principles and policy decisions over the first five years of standard plan design

Goals for 2026:

- ▶ Balance comprehensive coverage and affordability in an environment of uncertainty
- ▶ Consistent customer experience across carriers

Development of 2026 Options:

- ▶ Key Design questions considered for 2026
- ▶ Options developed for final comments

Legislative Guiding Principles for Standard Plans

- ▶ Lower deductibles
- ▶ Services available before deductible
- ▶ Prioritize co-pays for predictable cost-sharing
- ▶ Maximize tax credits through silver plan design
- ▶ Limit premium increases



Early Approach for Standard Plans

- ▶ From day 1, we have prioritized essential, high-value services at co-pay before deductible in all metal levels
 - ▶ *Primary care, mental/behavioral health, urgent care, generic Rx*
- ▶ Foundational decisions developed with Cascade Care Workgroup
 - ▶ Number of plans: 1 per metal level
 - ▶ Type of cost-sharing: prioritize co-pays
 - ▶ Actuarial Value of plans: design with customer in mind; maximize tax credits; limit premium impacts
 - ▶ Balance all costs: e.g., lower deductibles mean co-pays must increase



Standard Plan Changes 2022-2024

Moved from technical adjustments in early years to value-based insurance design (VBID) focus more recently, to support Cascade Care vision

2022: Technical changes to meet regulations (e.g. mental health parity)

2023: Adjustments to stay within Actuarial Value Range

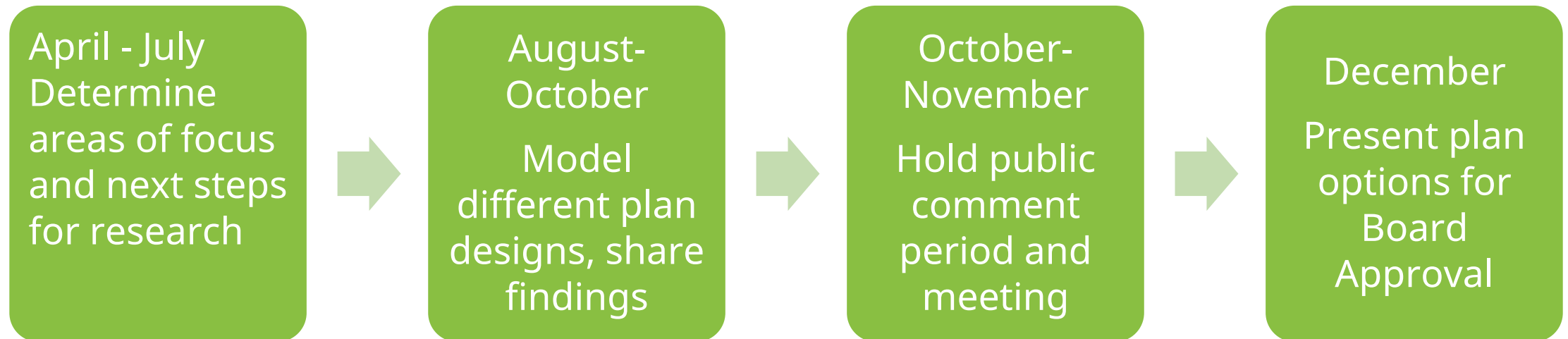
2024: Bringing Value Forward

Clinically driven plan designs, like *V-BID X*, reduce spending on **low-value care**



...creating headroom to reallocate spending to **high-value services** without increasing **premiums or deductibles**

Timeline of Stakeholder and Board Engagement on Standard Plan Design



Environment for 2026 Standard Plan Design



- ▶ Actuarial Value plan limits
 - ▶ Must stay within metal level means lowering cost sharing in one place requires increase elsewhere
- ▶ New State Benefit Mandates
 - ▶ New state cost-sharing limits (e.g., inhalers)
 - ▶ New state Essential Health Benefits (EHB)
- ▶ Customer affordability challenges
 - ▶ Expiration of enhanced federal subsidies in 2026
 - ▶ Uncertainty regarding state subsidy funding
 - ▶ Changes in authorizing and regulatory environments

Recap of 2026 Plan Design Discussions

- ▶ Determined priorities to model and research
 - ▶ More VBID Features (lowering PCP/Mental health copay)
 - ▶ Standardizing New Essential Health Benefits
 - ▶ Formulary Standardization
 - ▶ Plan and Benefit Template Standardization
 - ▶ Address Facility Fees
- ▶ Themes of affordability and consistent and predictable customer experience



Prioritize Affordability of Primary Care and Mental Health Visits

- ▶ We modeled a few different plan options for 2026:
 - ▶ Keeping plan cost-sharing stable; only making changes required to stay within AV
 - ▶ Lower copay for all primary care and MHSUD office visits (after two \$1 upfront visits in Bronze and Silver plans)
 - ▶ In Bronze plan, make specialist visits pre-deductible (currently at a copay after \$6000 deductible)



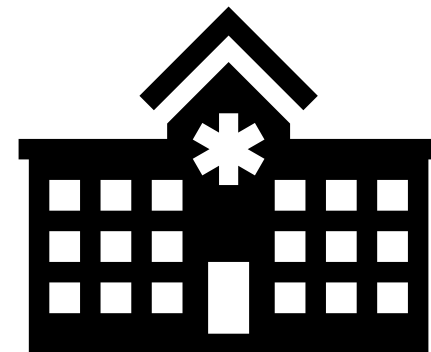
Standardizing New WA Essential Health Benefit (EHBs) Effective in 2026

- ▶ Hearing Instruments: propose setting at DME cost share (deductible + coinsurance)
- ▶ Hearing Visits: propose setting at PCP copay
- ▶ Artificial Insemination: propose setting at “other covered services” cost share (deductible + coinsurance)
- ▶ Human Donor Milk: propose zero cost share
- ▶ Will add guidance in standard plan appendix



Addressing Facility Fees

- ▶ Customers experience challenges with facility fees
 - ▶ Example: An Ophthalmologist visit at a clinic owned by a health system like Multicare results in two charges: one from the provider and one from the facility.
- ▶ Explored whether standard plans can help
 - ▶ Specify facility fee cost-sharing based on facility type
 - ▶ Prohibit or limit fees in benefit design
 - ▶ Add flag in Exchange provider directory that provider charges a facility fee
- ▶ Identified key questions needing data or research in 2025
 - ▶ How many/what facilities are charging carriers facility fees?
 - ▶ What Exchange carriers are passing facility fees onto customers?



Next Level Standardizing: Plan and Benefits Template

- ▶ Can we improve customer experience in standard plans by standardizing benefit fields in the PBT
 - ▶ Today: standardized at a category level
 - ▶ Example: Chiropractic Care
 - ▶ Carriers put this benefit in different categories like office visit or “all other services”
 - ▶ Result is different cost share in standard silver plan: \$15; \$40; or After Deductible, 20% Coinsurance
- ▶ Support for standardizing select categories from all carriers and OIC and consumer groups



Standard Silver Options

► Tradeoffs

- Make minimal changes and increase MOOP by \$400
- Lower copay for primary care/MHSUD office visits by \$10 and increase MOOP by an additional \$150

Shaded Items are not Subject to Deductible.

* Per day copay, maximum of five copays per stay

** Per day copay

*** Eligible for two visits at \$1 copay, after which stated cost-sharing applies.

Benefits	Silver		
	2025, 2026 AV	Option 0	Option 1
Deductible and Out-of-Pocket Maximum			
Medical/Pharmacy Integrated Deductible	Yes	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$2,500	\$2,500	\$2,500
Medical/Pharmacy Integrated MOOP	Yes	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$9,200	\$9,600	\$9,750
Office Visits			
Preventive Care/Screening/Immunization	\$0	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$30***	\$30***	\$20***
Specialist Visit	\$65	\$65	\$65
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$30***	\$30***	\$20***
Emergency/Urgent Care Services			
Emergency Care Services	\$800	\$800	\$800
Urgent Care	\$65	\$65	\$65
Ambulance	\$375	\$375	\$375
Outpatient Services			
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	\$600	\$600	\$600
Outpatient Surgery Physician/Surgical Services	\$200	\$200	\$200
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	\$30	\$30	\$30
Outpatient Diagnostic Tests			
Laboratory Outpatient and Professional Services	\$40	\$40	\$40
X-rays and Diagnostic Imaging	\$65	\$65	\$65
Advanced Imaging (CT/PET Scans, MRIs)	30%	30%	30%
Inpatient Services			
All Inpatient Hospital Services (inc. MH/SUD, Maternity)	\$800*	\$800*	\$800*
Skilled Nursing Facility	\$800**	\$800**	\$800**
Pharmacy			
Generics	\$25	\$25	\$25
Preferred Brand Drugs	\$75	\$75	\$75
Non-Preferred Brand Drugs	\$250	\$250	\$250
Specialty Drugs (i.e. high-cost)	\$250	\$250	\$250
All Other Benefits			
Speech Therapy	\$40	\$40	\$40
Occupational and Physical Therapy	\$40	\$40	\$40
Durable Medical Equipment (DME)	30%	30%	30%
Home Health	\$30**	\$30**	\$30**
Hospice	\$30**	\$30**	\$30**
All Other Benefits	30%	30%	30%
AV	70.75%	72.21%	71.76%

Standard Bronze Options

Tradeoffs

- Make minimal changes
MOOP increases to \$9,600
- Lower the copay for primary care/MHSUD office visits by \$10 and increase MOOP an additional \$150
- Make Specialist visits pre-deductible and increase MOOP by \$900
- Lower copay and put specialist visits pre-deductible and increase MOOP an additional \$50

Shaded Items are not Subject to Deductible.
*** Eligible for two visits at \$1 copay, after which stated cost-sharing applies

Benefits	Bronze				
	2025	Option 0	Option 1	Option 2	Option 3
Deductible and Out-of-Pocket Maximum					
Medical/Pharmacy Integrated Deductible	Yes	Yes	Yes	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Medical/Pharmacy Integrated MOOP	Yes	Yes	Yes	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$9,200	\$9,600	\$9,750	\$10,100	\$10,150
Office Visits					
Preventive Care/Screening/Immunization	\$0	\$0	\$0	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$50***	\$50***	\$40***	\$50***	\$40***
Specialist Visit	\$100	\$100	\$100	\$100	\$100
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$50***	\$50***	\$40***	\$50***	\$40***
Emergency/Urgent Care Services					
Emergency Care Services	40%	40%	40%	40%	40%
Urgent Care	\$100	\$100	\$100	\$100	\$100
Ambulance	40%	40%	40%	40%	40%
Outpatient Services					
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	40%	40%	40%	40%	40%
Outpatient Surgery Physician/Surgical Services	40%	40%	40%	40%	40%
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	40%	40%	40%	40%	40%
Outpatient Diagnostic Tests					
Laboratory Outpatient and Professional Services	40%	40%	40%	40%	40%
X-rays and Diagnostic Imaging	40%	40%	40%	40%	40%
Advanced Imaging (CT/PET Scans, MRIs)	40%	40%	40%	40%	40%
Inpatient Services					
Outpatient Hospital Services (inc. MH/SUD, Maternity)	40%	40%	40%	40%	40%
Skilled Nursing Facility	40%	40%	40%	40%	40%
Pharmacy					
Generics	\$32	\$32	\$32	\$32	\$32
Preferred Brand Drugs	40%	40%	40%	40%	40%
Non-Preferred Brand Drugs	40%	40%	40%	40%	40%
Specialty Drugs (i.e. high-cost)	40%	40%	40%	40%	40%
All Other Benefits					
Speech Therapy	40%	40%	40%	40%	40%
Occupational and Physical Therapy	40%	40%	40%	40%	40%
Durable Medical Equipment (DME)	40%	40%	40%	40%	40%
Home Health	\$50**	\$50**	\$50**	\$50**	\$50**
Chiropractic	\$50**	\$50**	\$50**	\$50**	\$50**
All Other Benefits	40%	40%	40%	40%	40%
✓	63.64%	64.26%	64.24%	64.89%	64.97%

Standard Gold Options

► Tradeoffs

- Make minimal changes and increase MOOP increases by \$1,000
- Lower copay for Primary Care and MHSUD office visits by \$5 and increase MOOP by \$1,500

Shaded Items are not Subject to Deductible.

* Per day copay, maximum of five copays per stay

** Per day copay

Speech/Occupational/Physical Therapy, DME, home health, hospice, and other omitted for space; no changes from 2025 design

Benefits	Gold		
	2025, 2026 AV	Option 0	Option 1
Deductible and Out-of-Pocket Maximum			
Medical/Pharmacy Integrated Deductible	Yes	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$600	\$600	\$600
Medical/Pharmacy Integrated MOOP	Yes	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$7,000	\$8,000	\$8,500
Office Visits			
Preventive Care/Screening/Immunization	\$0	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$15	\$15	\$10
Specialist Visit	\$40	\$40	\$40
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$15	\$15	\$10
Emergency/Urgent Care Services			
Emergency Care Services	\$450	\$450	\$450
Urgent Care	\$35	\$35	\$35
Ambulance	\$375	\$375	\$375
Outpatient Services			
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	\$350	\$350	\$350
Outpatient Surgery Physician/Surgical Services	\$75	\$75	\$75
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	\$15	\$15	\$15
Outpatient Diagnostic Tests			
Laboratory Outpatient and Professional Services	\$20	\$20	\$20
X-rays and Diagnostic Imaging	\$30	\$30	\$30
Advanced Imaging (CT/PET Scans, MRIs)	\$300	\$300	\$300
Inpatient Services			
All Inpatient Hospital Services (inc. MH/SUD, Maternity)	\$525*	\$525*	\$525*
Skilled Nursing Facility	\$350**	\$350**	\$350**
Pharmacy			
Generics	\$10	\$10	\$10
Preferred Brand Drugs	\$60	\$60	\$60
Non-Preferred Brand Drugs	\$100	\$100	\$100
Specialty Drugs (i.e. high-cost)	\$100	\$100	\$100
AV	82.40%	81.76%	81.75%

2026 Cascade Care Plan Design Next Steps

- ▶ Options available for public comment from 10/21-11/15
- ▶ Public comment meeting 11/12
- ▶ December: Exchange Board approval of 2026 standard plan designs



Appendix



Foundational Standard Plan Policy Decisions

Number and Type of Plans

- One standard plan per metal level
- No HSA-compatible standard plan

Type of Cost Sharing

- Prioritize copays for core, high-value services
- Limited coinsurance for benefits with cost variation

Actuarial Value (AV)

- Silver: High AV to maximize tax credits
- Gold: Rich plans for high utilizers
- Bronze: Middle - some first-dollar coverage and competitive premiums

Foundational Standard Plan Policy Decisions

Pre-Deductible Services

- All metals have generic drugs, primary care visits, mental/behavioral health and substance use disorder visits, and urgent care pre-deductible

Customer Needs

- High AV Gold for higher utilizer, Silver Cost Sharing Reduction variants for <250% FPL, Bronze with some first-dollar coverage for low utilizers

Balance Deductible and Other Costs

- Standard plans have ~\$1,000 lower deductibles than non-standard plans; increase some cost shares to stay in AV range

Incorporation of Additional VBID Elements into Standard Plans

2024: Pre-Deductible Services

- Considered standardization of virtual care
- Added two \$1 Primary Care and Mental Health visits to Bronze and Silver Plans



2025: Explored VBID Expansion

- Considered additional \$1 visits and high-value generic tier for chronic conditions
- Opted to make minimum changes for stability given uncertainty





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