

Federal Policy Changes on ACA Marketplaces & Washington State Impacts

July 22, 2025

Overview

Washington Health Benefit Exchange manages the eligibility and enrollment for Medicaid coverage based on modified adjusted gross income (MAGI) and Affordable Care Act (ACA) marketplace health plans (qualified health plans [QHPs]).

In 2025, nearly 1 in 4 Washingtonians get health insurance through Washington Healthplanfinder

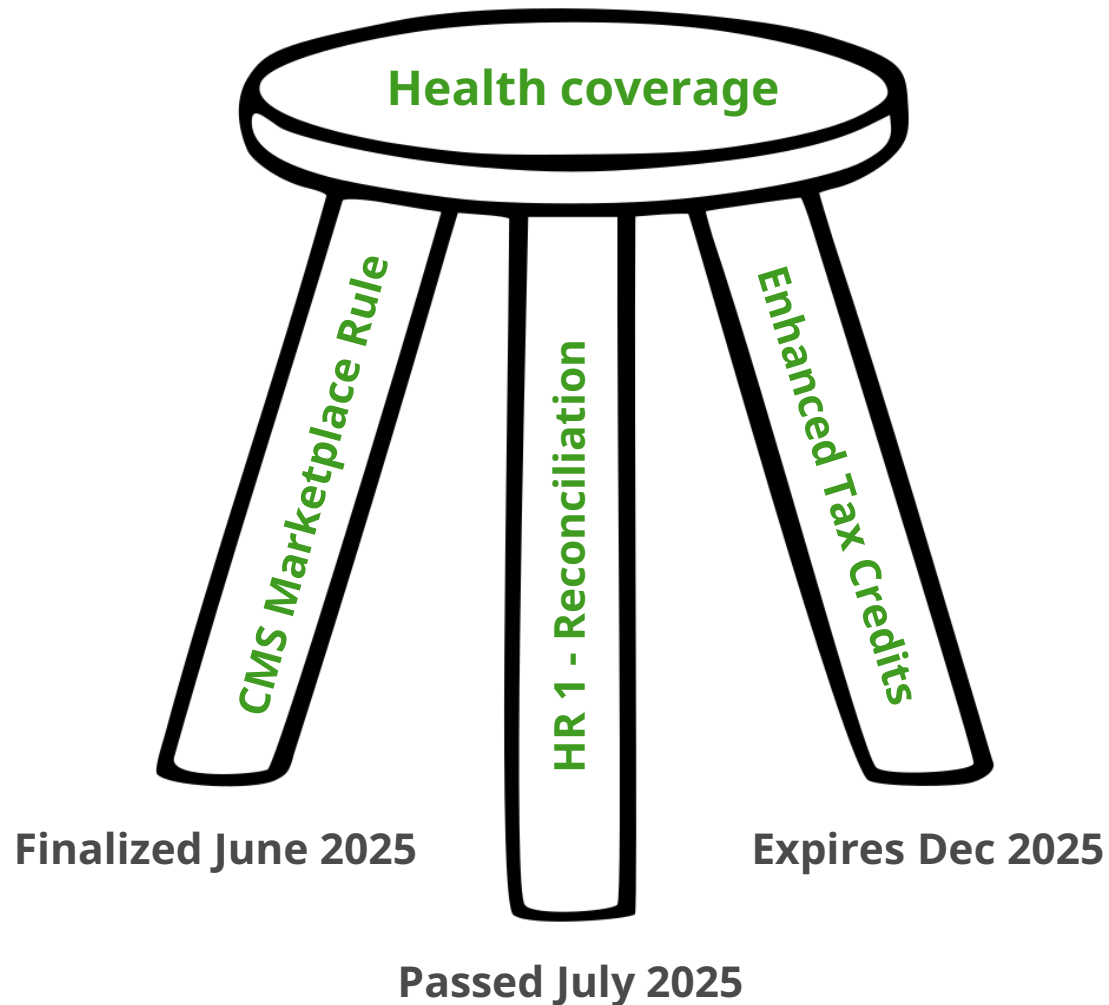


1.6M
enrollees in Medicaid
MAGI coverage



286,500
enrollees in qualified
health plans

Federal policy changes – ACA marketplace



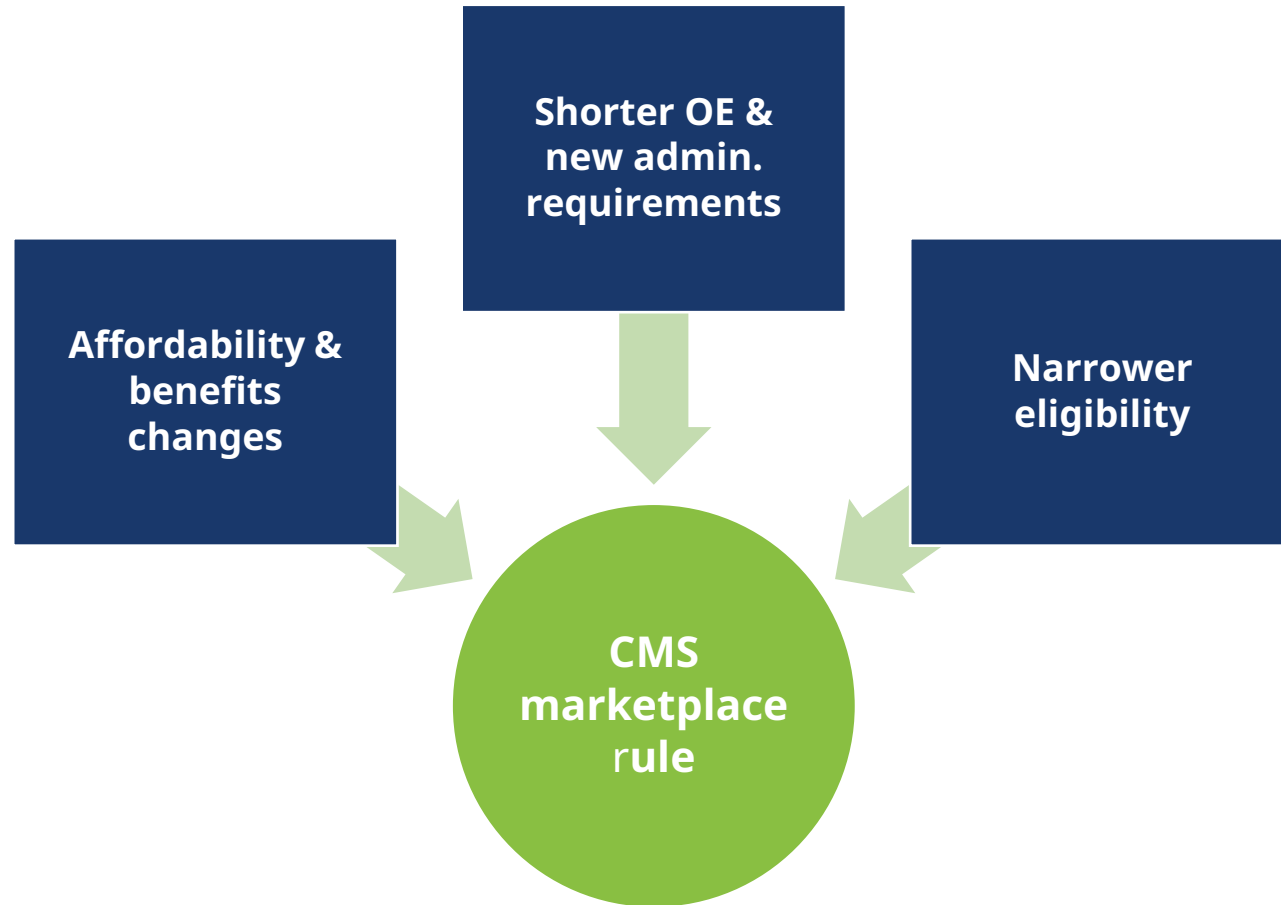
Estimated combined impact in Washington*

- ▶ QHP enrollment reduction of 35% – 50%
- ▶ Premium increases of up to 15%
- ▶ Ripple effects across the health system including \$100M+ in uncompensated hospital care

*Enrollment and premium impact figures assume full implementation of CMS Marketplace rule, HR 1, and enhanced premium tax credit expiration. Does not assume any state mitigation strategies, litigation outcomes, or implementation delays.

*Enrollment and premium impact figures in subsequent slides do not total combined figures because there may be overlapping reasons why a customer may forgo coverage or factors that drive premium increases.

CMS marketplace rule – Policies & impacts



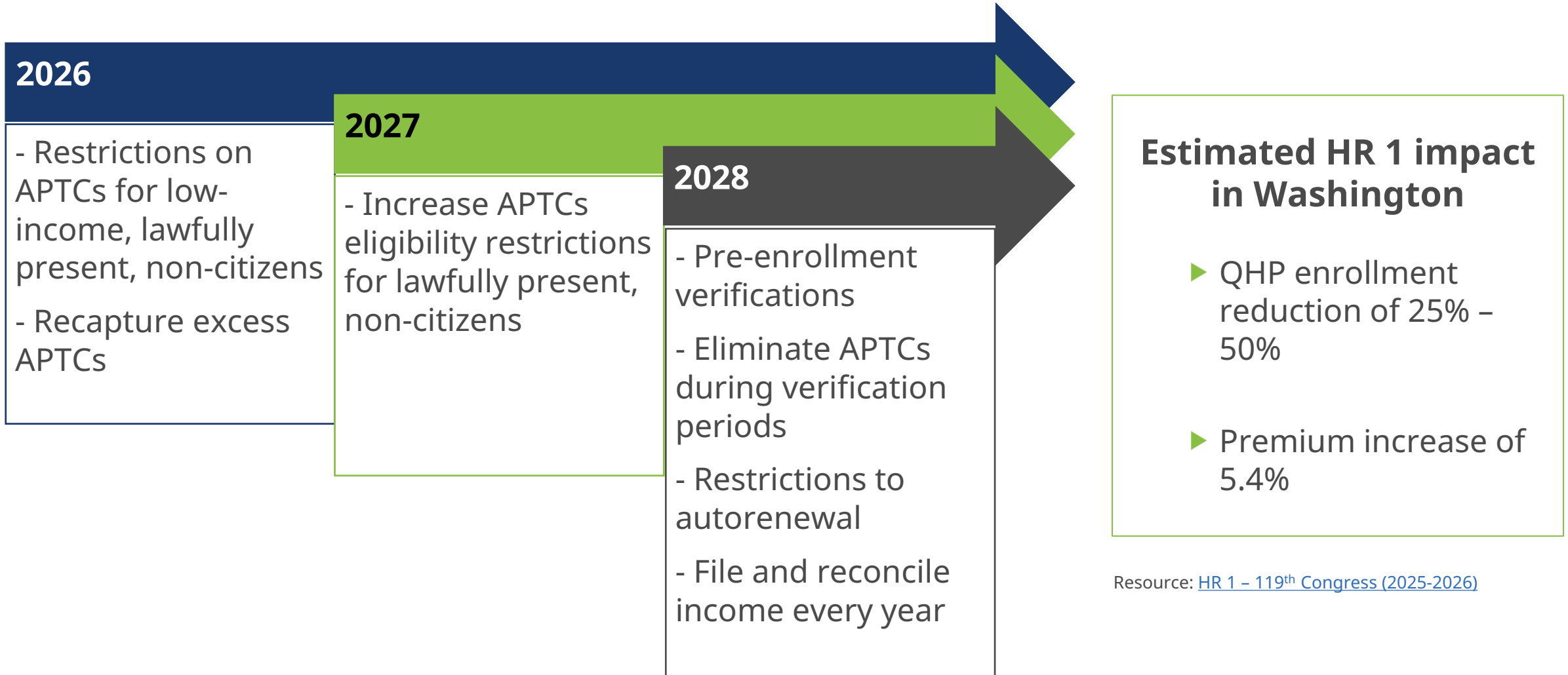
Estimated rule impact in Washington

- ▶ QHP enrollment reduction up to 23%
- ▶ Premium increase by 4.5%

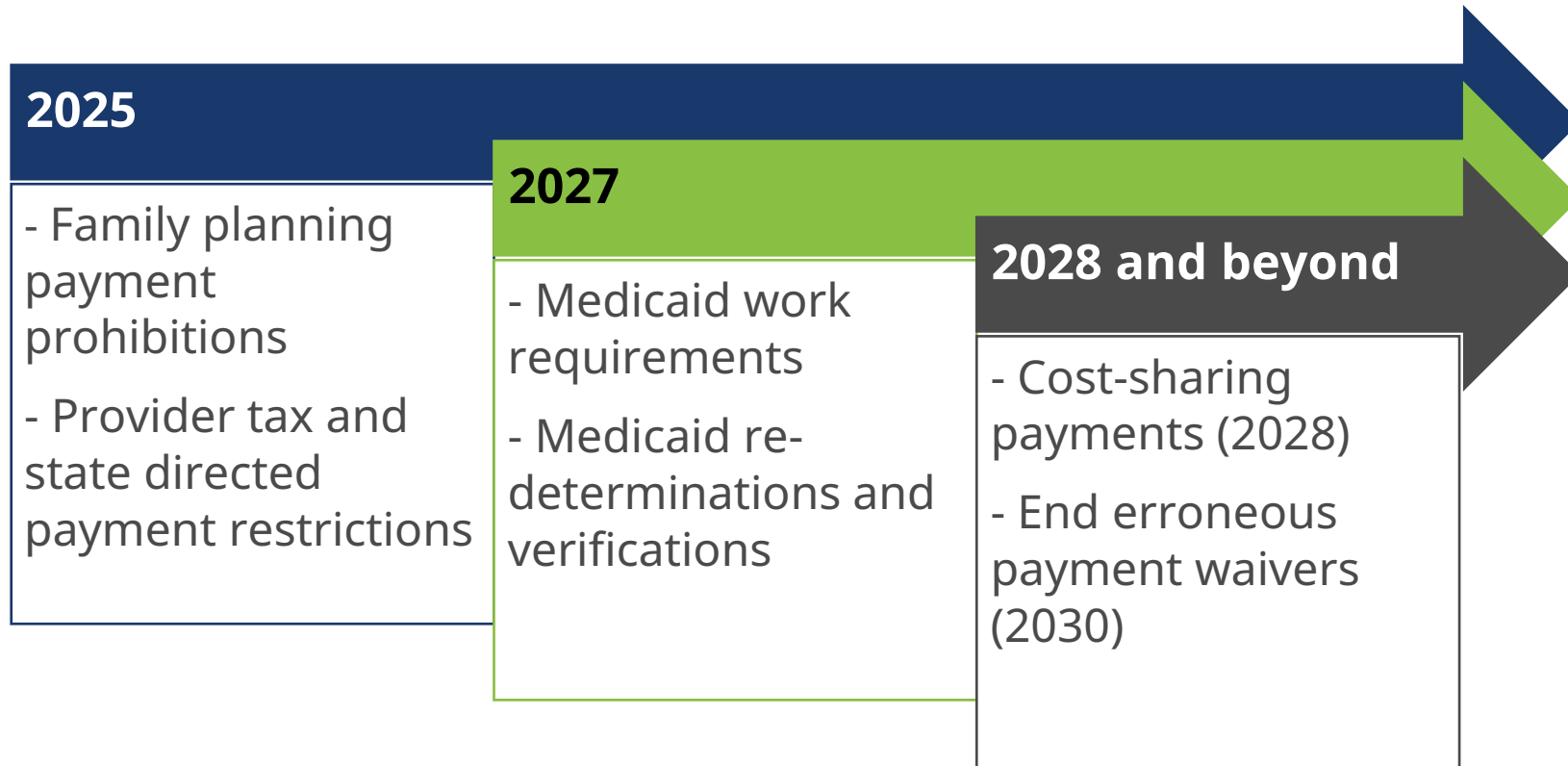
Resource: [2025 Marketplace Integrity and Affordability Final Rule](#)

Most implementation is paused due to [pending litigation](#)

HR 1 – ACA marketplace – policies & impacts



HR 1 – Medicaid – policies & impacts



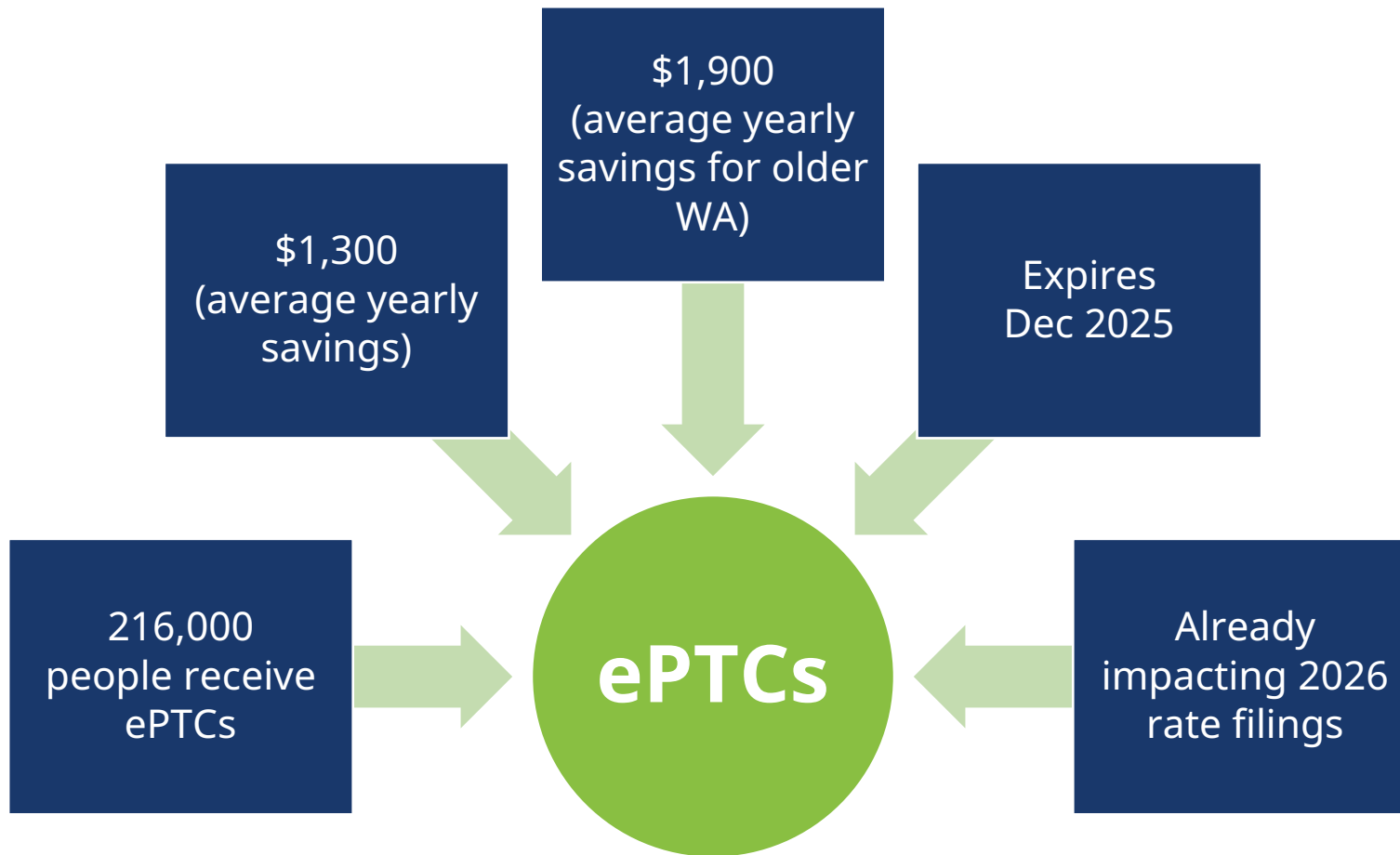
Estimated HR 1 impact in Washington

- ▶ Medicaid enrollment reduction of at least 250,000
- ▶ State loss of at least \$3B in federal funds per year (\$31B – \$51B over next 10 years)

Resources:

- Impact of federal budget on Medicaid - [HCA report](#)
- Gov Ferguson denounces Medicaid cuts - [press release](#)

Enhanced tax credits – overview & impacts



Estimated ePTCs expiration impact in Washington

- ▶ QHP enrollment reduction of 80,000
- ▶ Average net premium increases by 65%
- ▶ Loss of \$285M in federal funds (tax credits)

Resources:

- [Enhanced premium tax credit expiration: frequently asked questions](#)
- [Impact by state and congressional district fact sheets](#)



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