



Cascade Care Workgroup

January 9, 2024

Cascade Care Workgroup - Agenda

Time	Topic	Facilitator
1:00	Welcome and Introductions <ul style="list-style-type: none">OE Preview	Laura Kate Zaichkin, Senior Policy Advisor (she/her)
1:10	Approved 2025 Cascade Care Plan Designs	Kristin Villas, Senior Policy Analyst (she/her) Christine Gibert, Policy Director (she/her)
1:30	Cascade Care Reports to the Legislature	Laura Kate Zaichkin Joan Altman, Director of Government Affairs & Strategic Partnerships (she/her)
1:45	Next Steps & Adjourn	Laura Kate Zaichkin

Cascade Care

Cascade Care makes health insurance accessible and affordable for every *Washington Healthplanfinder* customer.



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-  **Lower premiums**
 -  **Higher quality benefits**
 -  **Lower copays**
 -  **Easier plan shopping**
 -  **Available in all counties**
 -  **Extra savings for those who qualify**

Approved 2025 Cascade Care Plans

Kristin Villas, Senior Policy Analyst (she/her)

Christine Gibert, Policy Director (she/her)



Today's Discussion

2025 Cascade Care (Standard) Plans

- Background and approach to plan design for 2025
- Review of stakeholder feedback
- Plan designs approved by Board
- Next steps



2025 Cascade Care Plan Design Considerations

Goals for investigating options for 2025 plan designs:

- **Balance richness** added to plan when incentivizing high clinical value care by disincentivizing low clinical value care.
- **Promote equity** when considering what to increase access to and what low clinical value care to reduce.

Watchpoints:

- 2024 designs at **top of actuarial value (AV) range** for their metal level.
 - Federal AV guidance is released annually that limits what is possible in plan design.
- Commitment to **preserving premium affordability**.



Options for Promoting Value in 2025 Plans

Increasing access to high-clinical value care

- Explored promoting value through lower cost-shares on entire category of services vs. condition specific treatments
 - E.g., lower copay for primary care visit or high-value generics vs. lower copay for diabetic foot exams



Reducing coverage for low-clinical value care

- Explored a range of approaches to disincentivizing low-clinical value care
 - E.g., no coverage for specific services identified as low value vs. increasing cost-share on service category more likely to include low-clinical value services

Public Comment for 2025 Cascade Care Plans

- Public comment period: October 26-November 27, 2023
- Sought public comment on two options:
 - **Option A:** Maintain stability
 - Only make changes to 2024 plans necessary to keep within AV range
 - **Option B:** Add High-Value Generics tier in Silver and Gold
 - Lower co-pay for high-value generics (\$10 silver, \$5 gold), leaving carriers flexibility to develop formulary
 - Anticipated there would be no AV room in Bronze to include High-Value Generics tier



Stakeholder Feedback and Federal AV Guidance Update

Feedback from Cascade Care Workgroup Members and QHP carriers:

- Advocates and a few carriers supported the high-value generics tier
 - View easier access to these Rx drugs as promoting health equity
 - Preferred the broadest high-value generic drug categories so one chronic condition is not favored over another
- Most stakeholders preferred to keep plan designs stable and adjust cost-shares only as necessary
 - Advised against building in plan features that may have to be scaled back in future
 - Carriers concerned about limitations on formula flexibility and operational challenges
 - Questioned value of High-Value Generics tier to customers, as average generic fill cost already low
 - Uncertain premium impact

AV Calculator Update: During public comment period, federal AV calculator for 2025 was published, changing our AV assumptions underlying draft standard plans

Result: Better outcome for 2025 than anticipated – most plans can keep cost-sharing stable and stay within AV limits

- This fortunate outcome is not expected next year. Because of data underlying calculator, we anticipate the AVs in Silver and Bronze to continue pushing up against limits in coming years.

Approved 2025 Standard Plan Designs



Exchange Recommendation to Board: Maintain stability in 2025 standard plan design

- Make only minimum changes necessary to keep 2024 plans in AV range for 2025

Why this approach?

- Stability more important than ever going into 2025
 - Last year of enhanced federal tax credits; fully funded state budget for Cascade Care Savings in 2025
 - Upcoming national elections could result in uncertainty
 - Could see movement toward more standardization of Exchange market for 2026 or later
- Conservative approach is supportive of best customer experience
 - Committed to building incrementally and not rolling back benefits we have built into plans
 - AV calculator keeps pushing plans up to top of range; preserving some AV room now allows us to consider enhancements in future
 - Limits premium increases

Draft Standard Silver Design Options

Recommendation: Stable 2025: This is the current 2024 plan design adjusted for 2025 AV calculator impacts.

Add High-Value Tier: This option for 2025 includes a new High-Value Generics tier with a \$10 pre-deductible copay.

2024 AV: 71.79%

Benefits	Silver	
	Stable 2025	Add High-Value Tier
Deductible and Out-of-Pocket Maximum		
Medical/Pharmacy Integrated Deductible	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$2,500	\$2,500
Medical/Pharmacy Integrated MOOP	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$9,200	\$9,200
Office Visits		
Preventive Care/Screening/Immunization	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$30***	\$30***
Specialist Visit	\$65	\$65
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$30***	\$30***
Emergency/Urgent Care Services		
Emergency Care Services	\$800	\$800
Urgent Care	\$65	\$65
Ambulance	\$375	\$375
Outpatient Services		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	\$600	\$600
Outpatient Surgery Physician/Surgical Services	\$200	\$200
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	\$30	\$30
Outpatient Diagnostic Tests		
Laboratory Outpatient and Professional Services	\$40	\$40
X-rays and Diagnostic Imaging	\$65	\$65
Advanced Imaging (CT/PET Scans, MRIs)	30%	30%
Inpatient Services		
All Inpatient Hospital Services (inc. MH/SUD, Maternity)	\$800*	\$800*
Skilled Nursing Facility	\$800**	\$800**
Pharmacy		
High-Value Generics		\$10
Generics	\$25	\$25
Preferred Brand Drugs	\$75	\$75
Non-Preferred Brand Drugs	\$250	\$250
Specialty Drugs (i.e. high-cost)	\$250	\$250
AV	70.75%	71.31%

Red font indicates change from 2024; Shaded Items not Subject to Deductible

*Per day copay, maximum five per stay

** Per day copay

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

Speech/Occupational/Physical Therapy, DME, home health, hospice, and other omitted for space; no changes from 2024 design

Approved 2025 Cascade Care Plans: Bronze, Silver, and Gold

Benefits	Bronze	Silver	Gold
Deductible and Out-of-Pocket Maximum			
Medical/Pharmacy Integrated Deductible	Yes	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$6,000	\$2,500	\$600
Medical/Pharmacy Integrated MOOP	Yes	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$9,200	\$9,200	\$7,000
Office Visits			
Preventive Care/Screening/Immunization	\$0	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$50***	\$30***	\$15
Specialist Visit	\$100	\$65	\$40
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$50***	\$30***	\$15
Emergency/Urgent Care Services			
Emergency Care Services	40%	\$800	\$450
Urgent Care	\$100	\$65	\$35
Ambulance	40%	\$375	\$375
Outpatient Services			
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	40%	\$600	\$350
Outpatient Surgery Physician/Surgical Services	40%	\$200	\$75
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	40%	\$30	\$15
Outpatient Diagnostic Tests			
Laboratory Outpatient and Professional Services	40%	\$40	\$20
X-rays and Diagnostic Imaging	40%	\$65	\$30
Advanced Imaging (CT/PET Scans, MRIs)	40%	30%	\$300
Inpatient Services			
All Inpatient Hospital Services (inc. MH/SUD, Maternity)	40%	\$800*	\$525*
Skilled Nursing Facility	40%	\$800**	\$350**
Pharmacy			
Generics	\$32	\$25	\$10
Preferred Brand Drugs	40%	\$75	\$60
Non-Preferred Brand Drugs	40%	\$250	\$100
Specialty Drugs (i.e. high-cost)	40%	\$250	\$100
AV	63.64%	70.75%	81.39%

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*Per day copay, maximum five per stay

** Per day copay

Speech/Occupational/Physical Therapy, DME, home health, hospice, and other omitted for space; no changes from 2024 design

Approved 2025 Cascade Care Plans: Silver Cost-Sharing Reduction Variants

Benefits	Silver CSR 73% AV	Silver CSR 87% AV	Silver CSR 94% AV
Deductible and Out-of-Pocket Maximum			
Medical/Pharmacy Integrated Deductible	Yes	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$2,500	\$750	\$0
Medical/Pharmacy Integrated MOOP	Yes	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$7,350	\$2,500	\$1,900
Office Visits			
Preventive Care/Screening/Immunization	\$0	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$30***	\$10***	\$5***
Specialist Visit	\$65	\$30	\$15
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$30***	\$10***	\$5***
Emergency/Urgent Care Services			
Emergency Care Services	\$800	\$425	\$150
Urgent Care	\$65	\$30	\$15
Ambulance	\$325	\$175	\$75
Outpatient Services			
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	\$600	\$325	\$100
Outpatient Surgery Physician/Surgical Services	\$200	\$120	\$25
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	\$30	\$10	\$5
Outpatient Diagnostic Tests			
Laboratory Outpatient and Professional Services	\$40	\$20	\$5
X-rays and Diagnostic Imaging	\$65	\$40	\$15
Advanced Imaging (CT/PET Scans, MRIs)	30%	20%	15%
Inpatient Services			
All Inpatient Hospital Services (inc. MH/SUD, Maternity)	\$800*	\$425*	\$100*
Skilled Nursing Facility	\$800**	\$425**	\$100**
Pharmacy			
Generics	\$24	\$12	\$5
Preferred Brand Drugs	\$75	\$35	\$12
Non-Preferred Brand Drugs	\$250	\$160	\$35
Specialty Drugs (i.e. high-cost)	\$250	\$160	\$35
AV	73.14%	87.89%	94.73%

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** Per day copay

Speech/Occupational/Physical Therapy, DME, home health, hospice, and other omitted for space; no changes from 2024 design

Future Direction of Standard Plans

- Continued pursuit of adding other VBID elements in future years
- Finalizing 2025 standard plans
 - Complete AV certification and distribute to carriers (estimated February)
 - Opportunities to standardize customer experience in (e.g., standardizing SBCs in Guidance for Participation)
- Begin design of 2026 Standard Plans this spring amidst uncertainty in Exchange environment
 - Expiration of enhanced federal tax credits in 2026
 - State budget for Cascade Care Savings for next biennium
 - Potential state legislative activity around market standardization

Cascade Care Legislative Reports

Toplines & Reaction



Main Findings of 2023 Reports



1. Moving toward a standardized market could provide better customer experience with minimal market disruption.
2. Leveraging the public option to increase affordability and enrollment does not materially impact hospitals.
3. Introducing new public option requirements to lower public option premiums by 10% could generate \$60 million to \$90 million annually in federal pass-through funding to support Exchange affordability programs.

Cascade Care Reports

Summary & three Exchange-led 2023 reports can be accessed on the Exchange website:

<https://www.wahbexchange.org/about-the-exchange/reports-data/presentations-reports/>

[Health Care Cost Transparency Board report](#) about impact of public option on consumers.

[2022 HCA report](#) about opportunities to align public option with other HCA-administered programs.



Cascade Care Next Steps

Summary and Look Forward

- **Cascade Care Plan Design**
 - Final standard plans with AV certification expected to be released February.
 - Workgroup will engage in plan year 2026 standard plan design starting this spring.
- **Cascade Select**
 - 2024 enrollment available following open enrollment.
- **Cascade Care Savings**
 - Expected number of enrollees accessing 2024 state subsidy will be available following open enrollment.

Exploring rescheduling of February-March meetings based on Workgroup feedback.

Adjourn



Appendix

- Cascade Care Workgroup Roster
- 2025 Standard Plan Design Background: VBID & 2025 standard plan options with updated AV estimates presented to Exchange Board



Cascade Care Workgroup Members

- Jane Beyer / Ned Gaines, Office of the Insurance Commissioner
- Jennifer Brackeen, Summit Pacific Medical Center
- Emily Brice, Northwest Health Law Advocates
- John-Pierre Cardenas, Kaiser Permanente
- Dekker Dirksen, Community Health Plan of Washington
- Jim Freeburg, Patient Coalition of Washington
- Stu Freed, Confluence Health retired
- Carrie Glover, Dziedzic Public Affairs
- Sean Graham, Washington State Medical Association
- Rhonda Hauff, Yakima Neighborhood Health Services
- Sybill Hyppolite, Washington State Labor Council
- Kristin Meadows, Premera/Lifewise
- Daphne Pie, Public Health-Seattle & King County
- Ashlen Strong, Washington State Hospital Association
- Susanne Towill, Coordinated Care
- Mandy Weeks-Green, Health Care Authority

Cascade Care Plan Design Background

Standard Plan Guiding Principles

- Lower deductibles
- Access to services before deductible, at a copay
- Maximize tax credits with silver plan design
- Preserve premium affordability
- Continue to move toward value-based insurance design to advance affordability, value, quality and equity



Why Value-based Insurance Design?

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

VBID Principles Have Been Present in Cascade Care Plan Designs Since Inception

Value-based Insurance Design Features in 2024 Cascade Care Plans

- Pre-deductible services in all plans
 - Primary care, behavioral health, urgent care, generic drugs, home health, hospice
- Maximize use of co-pays vs. coinsurance
- Continuing to prioritize keeping silver plan deductible as low as possible
 - Choice to focus on balancing in other areas of plan design
 - 2024 Cascade Care silver plans have deductibles an average of \$1,200 lower than non-Cascade plans*
- New in PY 2024: Upfront visits in silver and bronze plans
 - Two \$1 primary care and two \$1 behavioral health visits

*Compared to non-standard plans with integrated deductibles

Option for 2025: Include a Broad High-Value Generics Tier

Tier design promotes equity because selected drug classes treat chronic conditions that communities of color disproportionately face

Drug Category/Class	Example Condition/Explanation
Anti-Addiction	Opioid Use Disorder
Blood Glucose Regulators	Diabetes
Antidepressant/Anxiolytics/Antipsychotics/Bipolar Agents	Depression
Antihypertensive Agents	High Blood Pressure
Antiretrovirals	HIV
Anticoagulant	Stroke
Statin	Heart Disease
Anti-Resorptive Therapy	Osteoporosis
Rheumatoid Arthritis	N/A
Inhaled Corticosteroids	Asthma
Thyroid	Overactive Thyroid

Draft Standard Bronze Design Options

Recommendation: Stable 2025: This is the current 2024 plan design adjusted for expected AV calculator impacts for 2025.

Add High-Value Tier: This option for 2025 includes a new High-Value Generics tier with a \$15 pre-deductible copay.

2024 AV: 64.55%

Benefits	Bronze	
	Stable 2025	Add High-Value Tier
Deductible and Out-of-Pocket Maximum		
Medical/Pharmacy Integrated Deductible	Yes	Yes
Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$)	\$6,000	\$6,000
Medical/Pharmacy Integrated MOOP	Yes	Yes
Medical/Pharmacy Integrated MOOP (\$)	\$9,200	\$9,200
Office Visits		
Preventive Care/Screening/Immunization	\$0	\$0
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$50***	\$50***
Specialist Visit	\$100	\$100
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$50***	\$50***
Emergency/Urgent Care Services		
Emergency Care Services	40%	40%
Urgent Care	\$100	\$100
Ambulance	40%	40%
Outpatient Services		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	40%	40%
Outpatient Surgery Physician/Surgical Services	40%	40%
Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other	40%	40%
Outpatient Diagnostic Tests		
Laboratory Outpatient and Professional Services	40%	40%
X-rays and Diagnostic Imaging	40%	40%
Advanced Imaging (CT/PET Scans, MRIs)	40%	40%
Inpatient Services		
All Inpatient Hospital Services (inc. MH/SUD, Maternity)	40%	40%
Skilled Nursing Facility	40%	40%
Pharmacy		
High-Value Generics		\$15
Generics	\$32	\$32
Preferred Brand Drugs	40%	40%
Non-Preferred Brand Drugs	40%	40%
Specialty Drugs (i.e. high-cost)	40%	40%
AV	63.64%	63.82%

Red font indicates change from 2024; Shaded Items not Subject to Deductible
 *** Eligible for two visits at \$1 copay, after which stated cost-sharing applies.
 Speech/Occupational/Physical Therapy, DME, home health, hospice, and other omitted for space; no changes from 2024 design

Draft Standard Gold Design Options

Stable 2025: This is the current 2024 plan design adjusted for expected AV calculator impacts for 2025.

Recommendation: Stable 2025 Adjusted: This option for 2025 increases the MOOP from \$6,100 to \$7,000 to keep the plan within the AV range.

Add High-Value Tier: This option for 2025 adds a new High-Value Generics tier with a \$5 pre-deductible copay and increases the MOOP by an additional \$300.

2024 AV: 81.89%

Benefits	Gold		
	Stable 2025	Stable 2025 Adjusted	Add High-Value Tier
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 (\$)	\$6,100	\$7,000	\$7,300
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	\$15
Specialist Visit	\$40	\$40	\$40
Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office	\$15	\$15	\$15
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			
High-Value Generics			\$5
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	82.27%	81.39%	81.34%

Red font indicates change from 2024; Shaded Items not Subject to Deductible

*Per day copay, maximum five per stay

** Per day copay

Speech/Occupational/Physical Therapy, DME, home health, hospice, and other omitted for space; no changes from 2024 design



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