

Cascade Care Workgroup

April 8, 2025



Cascade Care Workgroup Agenda

| Time | Topic | Facilitator |
|------|--|--|
| 1:00 | Welcome and introductions | Laura Kate Zaichkin, <i>Director of Market Competition & Affordability (she/her)</i> |
| 1:10 | 2026 Cascade Care updates <ul style="list-style-type: none">Cascade Care Savings policyCascade Care Vital Gold plan | Shirley Prasad, <i>Director of Government Affairs (she/her)</i> Julia Nestor, <i>Policy Analyst (she/her)</i> Kristin Villas, <i>Senior Policy Analyst (she/her)</i> |
| 1:40 | 2026 Exchange customer supports | Kristin Villas |
| 2:25 | Next steps and adjourn | Laura Kate Zaichkin |



Today's discussion: Supporting 2026 market changes



Plan Mapping



Plan Display & Shopping Tools



Cascade Care

AFFORDABILITY SUPPORTS

Cascade Care Updates



Cascade Care

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



Lower premiums



Higher quality benefits



Lower copays



Easier plan shopping



Available in all counties



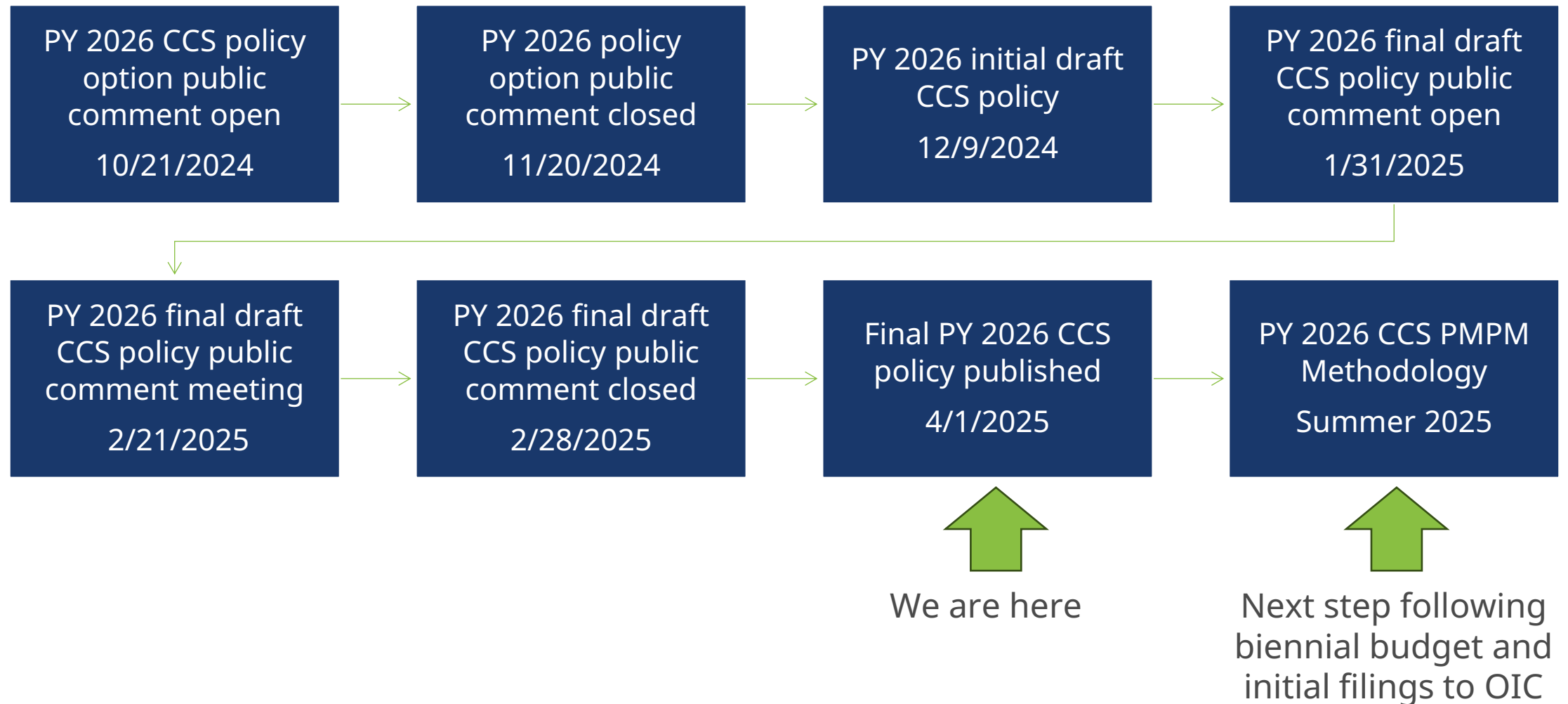
Extra savings for those who qualify



Cascade Care Savings

Final 2026 policy and budget updates

PY 2026 Cascade Care Savings policy timeline



Final 2026 Cascade Care Savings policy

Final PY 2026 Cascade Care Savings policy prioritizes changes that maximize state investment by:

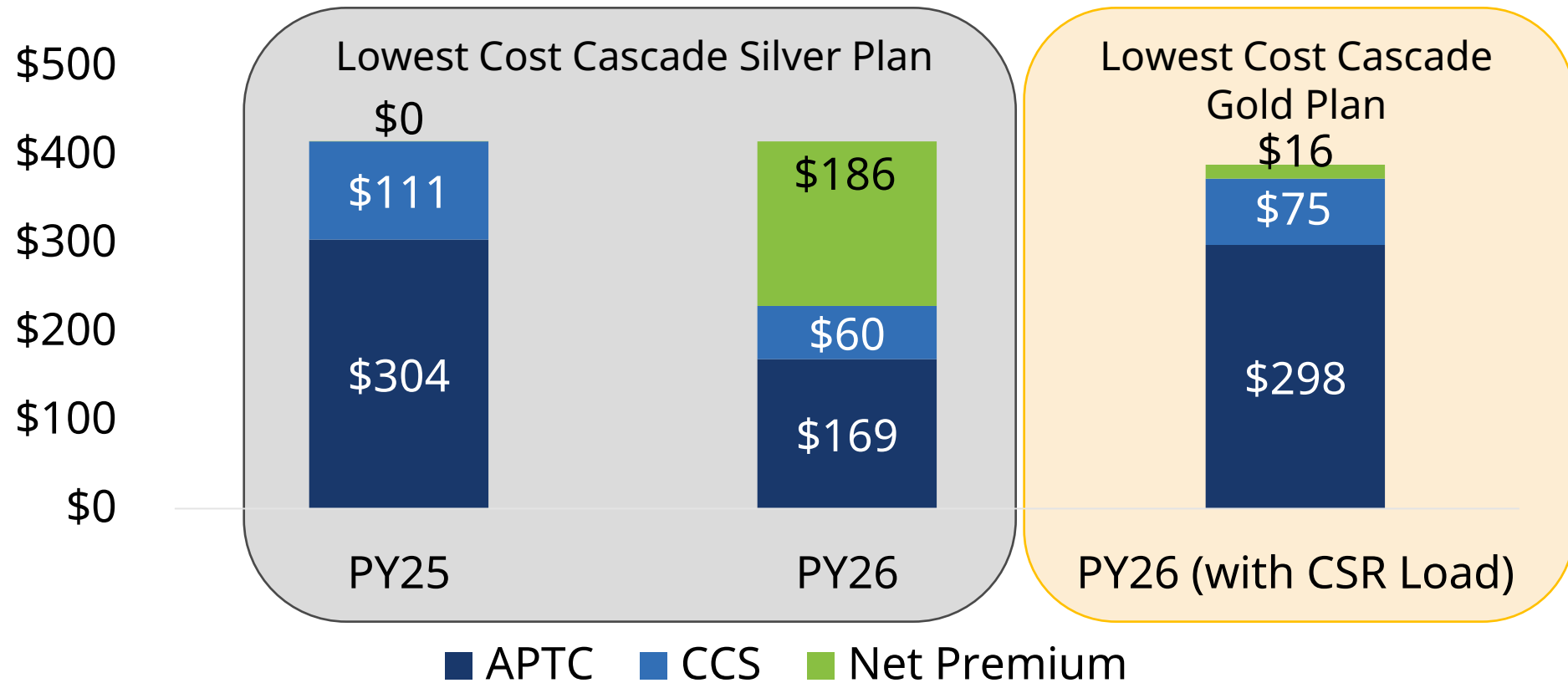
- ▶ Encouraging full use of available federal premium tax credits or other coverage opportunities; and
- ▶ Eliminating the tobacco rating.

[Final PY 2026 Cascade Care Savings policy](#)



PY 2026 Cascade Care Savings illustrative example

- ▶ 2026 policy and market changes are intended to help stabilize customer experience



Note: Scenario based on 40-year-old enrollee in King County with 250% FPL household income (\$38k). PY26 premium values are estimates. Actual values will differ.

Next Steps: Cascade Care Savings amounts for PY 2026

- ▶ Exchange annually develops and stakeholders the per member per month (PMPM) Cascade Care Savings amount available to eligible customers
- ▶ Federal and state policy changes will impact PMPM considerations
- ▶ Seeking Workgroup thought partnership on PMPM methodology





Cascade Care Plans in 2026

Cascade Care Vital Gold plan update

2026 qualified health plan landscape

Continued focus on mitigating choice overload despite introduction of new Gold standard plan

| Requirement | Bronze | Silver | Vital Gold (NEW) | Complete Gold |
|-----------------|-----------------------------------|---|---|---|
| Cascade | Required if carrier offers Bronze | Required | Required | Required |
| Cascade Select* | Required for contracted carriers | Required for contracted carriers (public option fulfills standard plan requirement) | Required for contracted carriers (public option fulfills standard plan requirement) | Required for contracted carriers (public option fulfills standard plan requirement) |
| Non-standard** | N/A | N/A | N/A | N/A |

*Carriers contracted with HCA to offer public option plans **must** offer Cascade Select plans at every metal level, including **both** Vital and Complete Gold. Carriers contracted with HCA to offer public option plans **may** offer Cascade and non-standard plans if carrier chooses to do so.

**Exchange carriers are not required to but may offer non-standard plans. Carriers are limited to 1 non-standard plan at Silver and two non-standard plans at Bronze and Gold. The Exchange is interested in continued transition to fully standardized cost sharing in future plan years.

Potential updated 2026 Cascade Care Vital Gold plan



Considering plan design changes to reach AV at low end of range allowed under CMS proposed rule by:

- ▶ Increasing the maximum out of pocket (MOOP) amount and deductible; and
- ▶ Increasing copays for some outpatient services and generic drugs.

KEEP WASHINGTONIANS COVERED

2026 Exchange Customer Supports



Uniform Silver loading opportunity in Washington


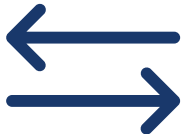

- ▶ OIC issued an emergency rule to standardize Silver loading factors for PY 2026 rates
- ▶ Upshot: Estimated \$110M/year in additional premium support to offset the loss of enhanced premium tax credits (~\$275M/year)
- ▶ The Exchange is supporting OIC's uniform Silver loading approach










Silver loading considerations for customers

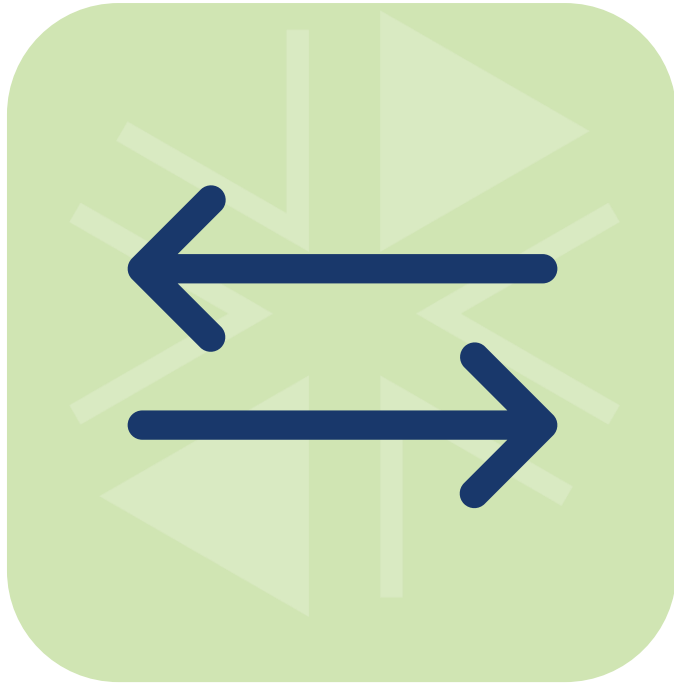
- **Premium impact:** Gross Silver plan premiums become *more expensive* while gross Gold and Bronze plan premiums *decrease*

Legend

| | |
|----------------------|---|
| Helped: |  |
| No effect: |  |
| Should change plans: |  |

| | APTC-eligible | Not APTC-eligible |
|--------|---|---|
| Bronze |  |  |
| Silver |   |  |
| Gold |  |  |

Supporting 2026 market changes



Plan mapping

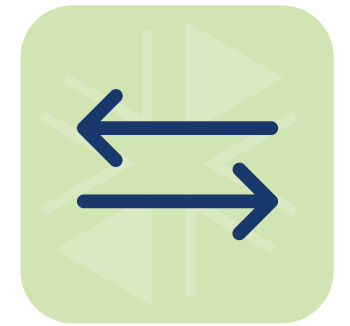
Facilitate enrollment into the lowest-cost, highest-value plans for existing customers



Plan display and shopping tools

Support new customers and those who choose to shop find the best plan for their needs

PY 2026 Cross Mapping Policy



Proposed changes:

- ▶ *Remove:* Bronze to Silver
- ▶ *Add:* Silver to Gold
- ▶ *Refine:* Map enrollees >200% FPL to Gold instead of Silver

Will continue to map enrollees to the same carrier, same network and same benefits if a plan is available that meets those criteria.

Customer Decision Support Solution



- ▶ Exchange integrated a decision support tool into Washington Healthplanfinder in 2018, supported by GetInsured
- ▶ Branded as “Smart Planfinder,” it recommends up to three “Smart Choice” plans
 - ▶ Plan recommendations are based on estimated total annual cost, providers in network and covered prescriptions
- ▶ Customers can opt out if they don’t want to receive plan recommendations

Goals for CDSS: Supporting the customer

- ▶ Increase ease, confidence and trust in the shopping experience and plan selection
 - ▶ Help customers find the best plan for their needs, including maximizing any available financial assistance
 - ▶ Increase likelihood that customers new to Washington Healthplanfinder will enroll, and returning customers will review and renew plan options during open enrollment
- ▶ Advance health equity
 - ▶ Solution should be culturally and linguistically appropriate for customers of diverse backgrounds and needs
 - ▶ Minimize choice error where customer selects a plan that would lead to a worse financial outcome than other plans available



CDSS as a market stewardship tool

- ▶ Support ongoing shift to a standardized market
 - ▶ 80% of customers in a Cascade Care plan as of January 2025
- ▶ Reduce likelihood customers miss out on important affordability mechanisms (e.g., Cascade Care Savings, Silver plan CSRs)
- ▶ Consider carrier quality performance as part of the choice equation



Requirements for customer decision support solution

- ▶ Provide plan recommendations to customers at different stages in the shopping journey
- ▶ Estimated total yearly cost factors in any applicable federal and/or state premium subsidies and cost-sharing reductions
- ▶ Factor in customer health status/anticipated utilization
- ▶ Identify whether specified providers and/or prescriptions are covered
- ▶ Provide an estimated total yearly cost that includes premium estimates and plan-specific costs for receiving care
- ▶ Customers can opt out of receiving plan recommendations
- ▶ Integrated look and feel in Washington Healthplanfinder; customer does not have to leave the Washington Healthplanfinder website



New CDSS vendor in PY 2026: What is changing?

What is the same?

- ▶ Same look and feel in Washington Healthplanfinder
 - ▶ One page with three questions; same location in shopping flow; customer can opt out
- ▶ Top three recommended plans receive “Smart Choice” badge
- ▶ Factors considered in rankings are estimated total yearly cost, providers and covered Rx

What is different?

- ▶ “Behind the scenes” vendor is changing
- ▶ Slight changes to wording of questions asked in CDSS screen
- ▶ Plans displayed after the top three Smart Choice plans will align with uniform Silver loading for PY 2026



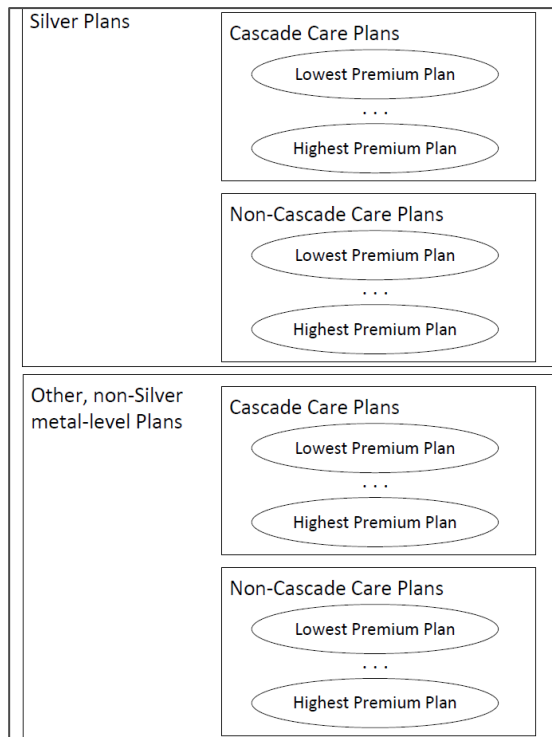
Phase 1 – Including quality score in algorithm

For July 1 Go-Live - Baseline Checkbook algorithm used for remainder of 2025, with one addition:

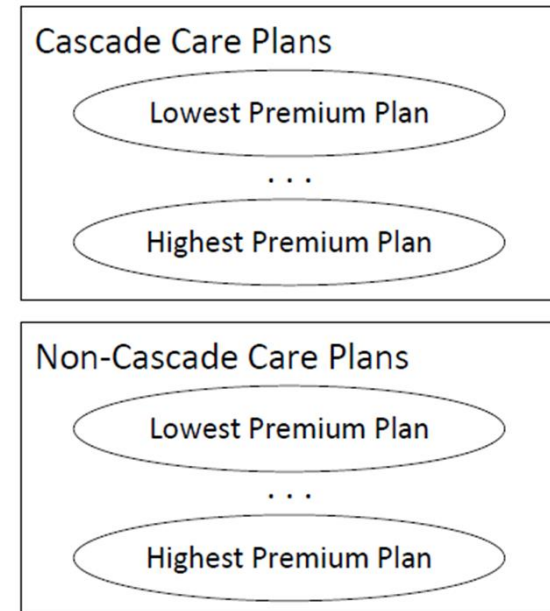
- ▶ Use QRS clinical quality star rating in meaningful plan choice recommendations

Default sort order for PY 2025 after the “Smart Choices” plans will remain the same:

CSR Tiers 4,5,6



CSR Tiers 1,3



Phase 2: Recommended algorithm changes for 2026

- ▶ “Smart Choice” – Top three recommended plans
 - ▶ Only Cascade Care plans*
 - ▶ At least two carriers will be included
- ▶ After Smart Choice plans, plan display changes based on CSR tier to support uniform Silver loading:
 - ▶ Customers in CSR tiers 1, 3 and 4 will see **only Gold and Bronze plans**; Cascade followed by non-Cascade
 - ▶ Customers in CSR tiers 5 and 6 will see **Silver, Gold and Bronze plans**; Cascade followed by non-Cascade

*Exception for AI/AN customers under 300% FPL eligible for zero cost sharing

Seeking feedback on CDSS and plan display changes

- ▶ Let us know what you think about:
 - ▶ Incorporation of quality
 - ▶ Limiting Smart Choices to Cascade Care plans
 - ▶ Silver plans only displayed to CSR-eligible customers below 200% FPL



Cascade Care Workgroup Next Steps

- ▶ **Cascade Care plan design:** PY 2027 design conversations will begin at May workgroup meeting
- ▶ **Public option:** Public option next steps will be discussed at May workgroup meeting
- ▶ **Cascade Care Savings:** PY 2026 PMPM methodology development begins this summer

Next Cascade Care Workgroup meeting is 1 p.m., May 13



- Cascade Care Workgroup roster
- Background information:
- New Vital Gold standard plan design
- ePTC expiration impacts

Appendix



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*
- ▶ David Iseminger, *Health Care Authority*
- ▶ Kristin Meadows, *Premera/Lifewise*
- ▶ Daphne Pie, *Public Health-Seattle & King County*
- ▶ Ashlen Strong, *Washington State Hospital Association*
- ▶ Susanne Towill, *Coordinated Care*

New Low-AV Gold Cascade Care Plan for 2026 - Approved by Exchange Board February 2025

- Designed to support uniform Silver loading
- Will have lower premiums than Cascade Silver plans
- Cascade Care Savings can be applied

Shaded benefit categories are not subject to deductible

| Benefits | 2026 Standard Complete Gold | 2026 Standard Vital Gold | 2026 Standard Silver | 2026 Standard Bronze |
|---|-----------------------------|--------------------------|----------------------|----------------------|
| Deductible and Out-of-Pocket Maximum | | | | |
| Medical/Pharmacy Integrated Deductible | Yes | Yes | Yes | Yes |
| Medical (or Integrated, if Applicable)/Pharmacy Deductibles (\$) | \$1,000 | \$1,900 | \$2,500 | \$6,000 |
| Medical/Pharmacy Integrated MOOP | Yes | Yes | Yes | Yes |
| Medical/Pharmacy Integrated MOOP (\$) | \$7,000 | \$8,800 | \$9,750 | \$10,150 |
| Office Visits | | | | |
| Preventive Care/Screening/Immunization | \$0 | \$0 | \$0 | \$0 |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | \$15 | \$15 | \$20*** | \$40*** |
| Specialist Visit | \$40 | \$40 | \$65 | \$100 |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services-Office | \$15 | \$15 | \$20*** | \$40*** |
| Emergency/Urgent Care Services | | | | |
| Emergency Care Services | \$450 | \$800 | \$800 | 40% |
| Urgent Care | \$35 | \$35 | \$65 | \$100 |
| Ambulance | \$375 | \$375 | \$375 | 40% |
| Outpatient Services | | | | |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center) | \$350 | \$350 | \$600 | 40% |
| Outpatient Surgery Physician/Surgical Services | \$75 | \$75 | \$200 | 40% |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services - Other | \$15 | \$15 | \$30 | 40% |
| Outpatient Diagnostic Tests | | | | |
| Laboratory Outpatient and Professional Services | \$20 | \$30 | \$40 | 40% |
| X-rays and Diagnostic Imaging | \$30 | \$30 | \$65 | 40% |
| Advanced Imaging (CT/PET Scans, MRIs) | \$300 | \$300 | 30% | 40% |
| Inpatient Services | | | | |
| All Inpatient Hospital Services (inc. MH/SUD, Maternity) | \$525* | \$650* | \$800* | 40% |
| Skilled Nursing Facility | \$350** | \$350** | \$800** | 40% |
| Pharmacy | | | | |
| Generics | \$10 | \$10 | \$25 | \$32 |
| Preferred Brand Drugs | \$60 | \$75 | \$75 | 40% |
| Non-Preferred Brand Drugs | \$100 | \$200 | \$250 | 40% |
| Specialty Drugs (i.e. high-cost) | \$100 | \$200 | \$250 | 40% |
| All Other Benefits | | | | |
| Speech Therapy | \$25 | \$30 | \$40 | 40% |
| Occupational and Physical Therapy | \$25 | \$30 | \$40 | 40% |
| Durable Medical Equipment (DME) | 20% | 20% | 30% | 40% |
| Home Health | \$15** | \$15** | \$30** | \$50** |
| Hospice | \$15** | \$15** | \$30** | \$50** |
| All Other Benefits | 20% | 20% | 30% 30 | 40% |
| AV | 81.81% | 78.06% | 71.84% | 64.97% |

Congressional action is needed to keep people covered

Set to expire at the end of 2025, federal ePTCs are critical to ensuring health insurance is accessible and affordable in Washington state.



270,000

Number of residents enrolled in qualified health plans (QHPs).



219,000

Number of QHP enrollees who are eligible for enhanced premium tax credits.



\$1,300

Average yearly decrease in premium costs with enhanced premium tax credits.



\$1,900

Average yearly decrease in premium costs for 55- to 64-year-old residents with enhanced premium tax credits.

Washingtonians face steep premium increases and many will forgo health insurance

The effect of enhanced premium tax credits expiring in Washington state:



72%

Amount net premiums will increase for enhanced premium tax credits recipients.



\$275M

Amount of lost federal funds from enhanced premium tax credits.

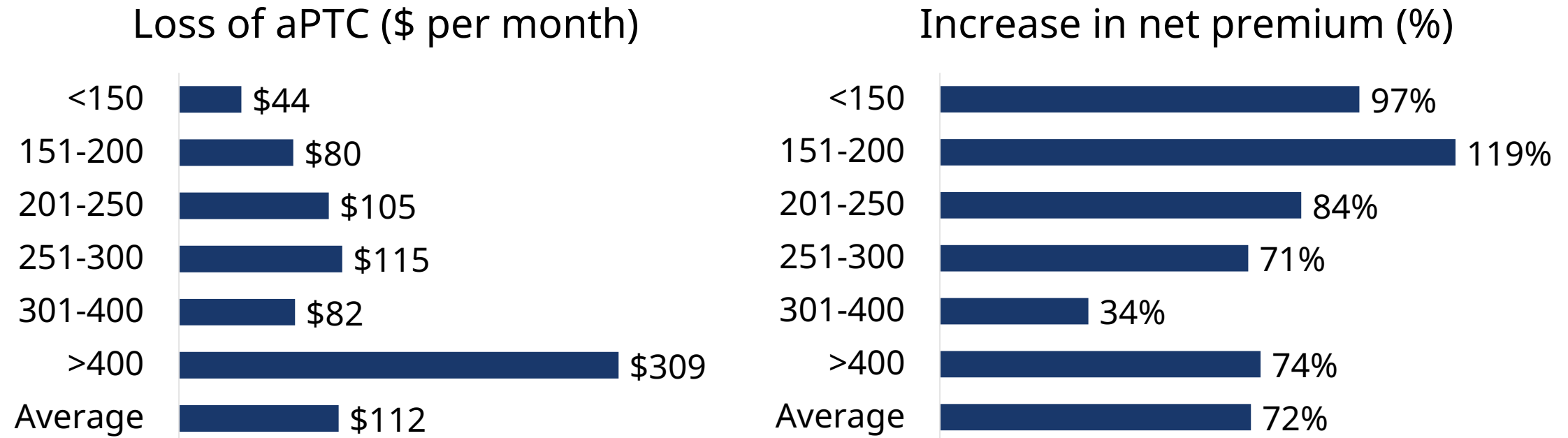


80,000

Number of enhanced premium tax credits recipients who will forgo coverage.

ePTC expiration: Impact will vary by income level

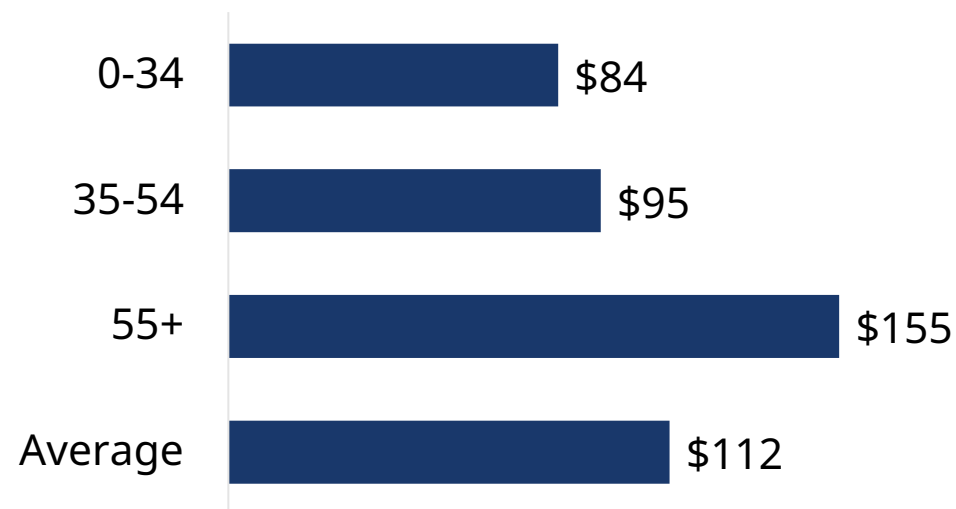
- ▶ People at higher income levels will experience larger losses of aPTC (\$). Those at lower income levels will experience larger (%) increases in net premium.



ePTC expiration: Impact is largest for youngest and oldest customers

- ▶ Enrollees over age 55 will lose the most tax credits on average — a total of \$155 per month.
- ▶ Enrollees under age 35 will see a smaller than average decrease in their tax credits because their premiums are lower. But their net premium will almost double — an 82% increase.

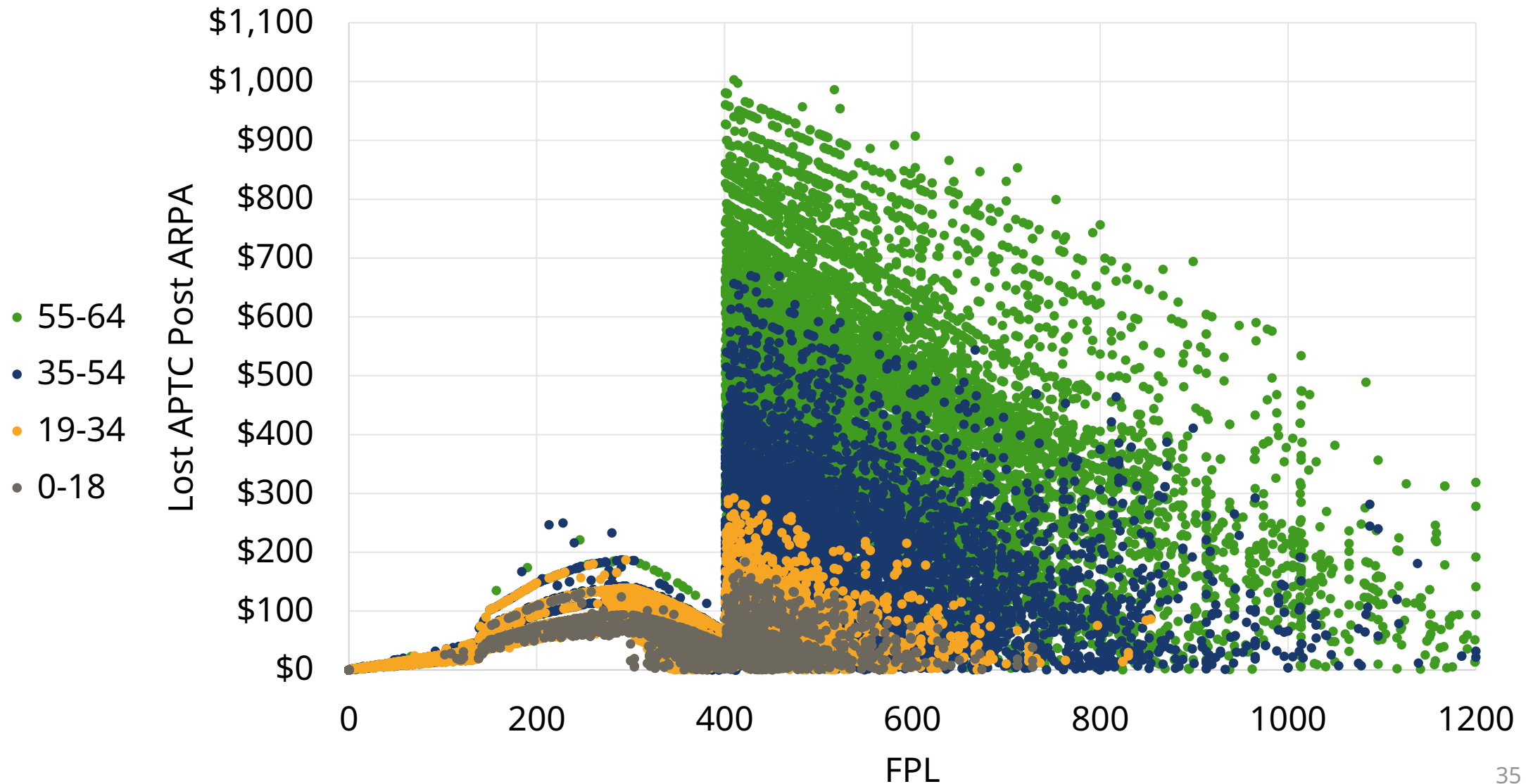
Loss of APTC (\$ per month)



Increase in net premium (%)

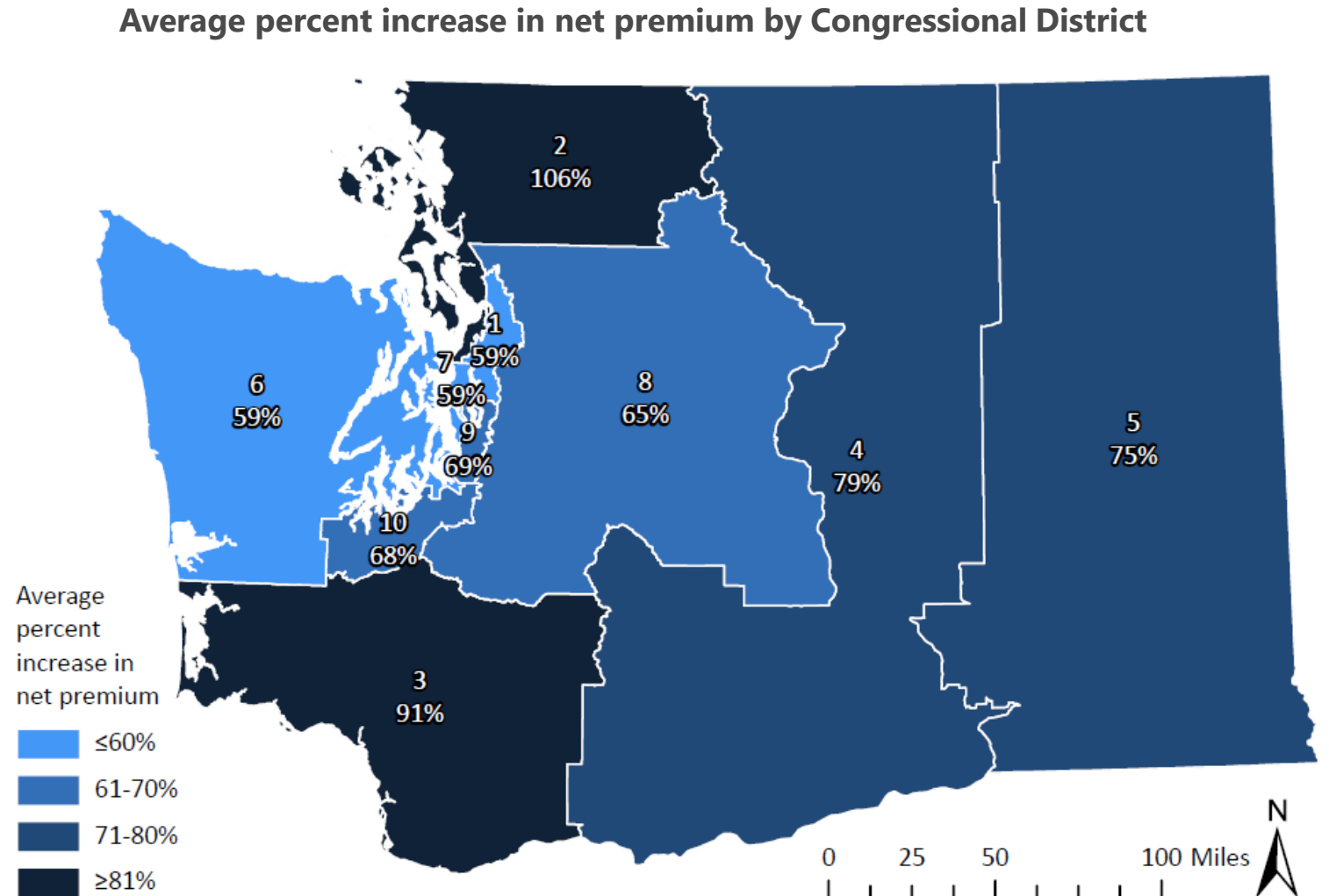


ePTC expiration: The subsidy cliff will particularly impact older enrollees



ePTC expiration: Effect is highest in rural communities

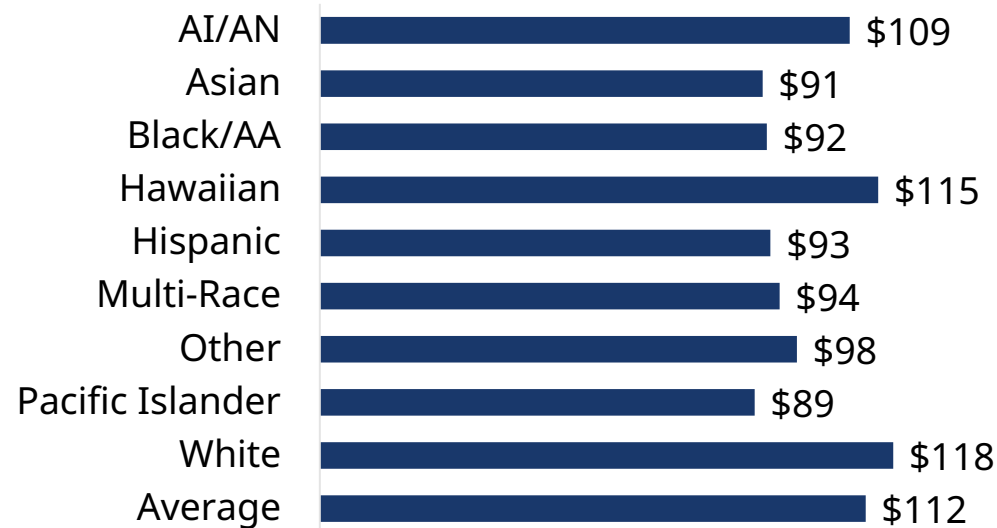
- ▶ Enrollees in rural counties will experience greater increases in net premium (80%) than enrollees in urban counties (70%).
- ▶ The Exchange is also analyzing the affected by congressional district to inform efforts in Washington, DC.



ePTC expiration: Impact is highest for non-white and Hispanic residents

- ▶ Groups who will experience the largest increase in net premiums are American Indian/Alaska Natives (91%), Hispanic (90%), Black/African American (85%), Hawaiian (82%), Pacific Islander (80%) and those reporting multiple races (80%).

Loss of aPTC (\$ per month)



Increase in net premium (%)





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