

# Cascade Care Savings

## Continue state funding to keep people covered

- More than 100,000 Washingtonians across the state receive Cascade Care Savings.
- With Cascade Care Savings and federal enhanced premium tax credits, Washingtonians pay an average of \$70 in premiums each month.
- Without both, their average monthly premium costs would be \$600.

The Washington State Legislature created, and Washington Health Benefit Exchange (Exchange) launched, Cascade Care Savings in 2023; a **state premium assistance program** helping Washingtonians afford health insurance on Washington Healthplanfinder, the online insurance marketplace run by the Exchange.

Costly health insurance premiums are a growing barrier to more Washingtonians being insured and accessing health care. While subsidies are not the singular solution to health care affordability, it is a meaningful step in addressing people's cost of care.

### Problem

**Health care affordability is in jeopardy. At the federal level, it is extremely unlikely federal enhanced tax credits will be reauthorized at the end of 2025. At the state level, Cascade Care Savings is fully funded at \$55 million, but only through plan year 2025.**

Without these premium savings, Washingtonians who need financial assistance the most may either forgo health insurance or purchase insurance with lower premiums and higher cost-sharing. Disproportionately affecting **rural residents, communities of color** and **people transitioning off Medicaid**, this may lead Washingtonians to avoid or delay care, take on personal medical debt or rely on charity care.

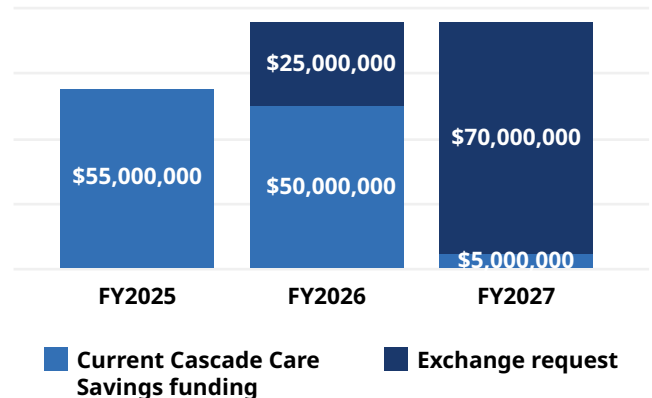
### Solution

**At the state level, appropriate \$95 million from the general fund-state** to the Health Care Affordability account in the 2025-27 biennium (resulting in \$75 million each fiscal year [FY]).

Continuing funding enables Cascade Care Savings to:

- ▶ Partially mitigate the loss of federal enhanced premium tax credits;
- ▶ Keep pace with annual premium increases; and
- ▶ Meet growing demand as more people enroll in qualified health plans.

### Cascade Care Savings funding by fiscal year



## Background

Washingtonians can qualify for Cascade Care Savings if they:

- ▶ Are not eligible for Medicaid or Medicare;
- ▶ Earn below 250% of the federal poverty level (\$37,650 for an individual or \$64,550 for a family of three);
- ▶ Enroll in a Cascade Care Silver or Gold plan; and
- ▶ Use all applicable federal premium tax credits.

Cascade Care Savings works with **federal premium tax credits** to reduce costs for Washingtonians. The American Rescue Plan Act of 2021 and Inflation Reduction Act of 2022 temporarily enhanced the federally-funded premium tax credits — increasing the availability of tax credits to more people. These enhancements are **set to expire at the end of 2025**.

## Meet Adrian: an illustrative example

Living in Deer Park (Spokane County), Adrian is 35 years old and works as a bartender at a local distillery. He earns \$30,120 a year. His employer does not offer health insurance.

Enhanced premium tax credits (ePTC) and Cascade Care Savings helps him afford a Cascade Care Silver plan.

Monthly net premium with ePTC and Cascade Care Savings

**\$90**

Monthly net premium without ePTC and Cascade Care Savings

**\$241**

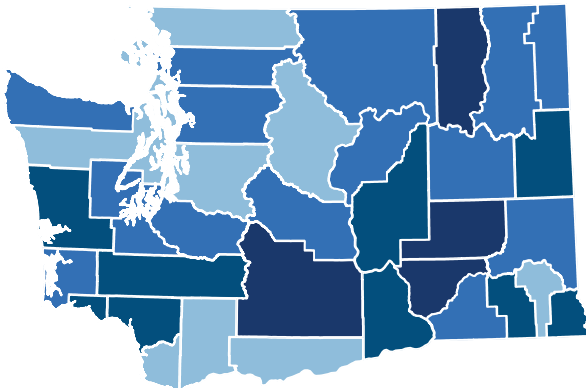


Without ePTC and Cascade Care Savings, his net premium will increase

**168%**



## Percent of Washington Healthplanfinder customers receiving Cascade Care Savings



≤ 35%

36-40%

41-45%

≥ 46%

## Cascade Care Savings promotes health equity

**Rural residents.** More than 44% of Adams, Ferry, Franklin, Grays Harbor and Yakima county residents who enroll in a qualified health plan also receive Cascade Care Savings.

**Communities of color.** A significant number would experience increases in net premiums without Cascade Care Savings, especially American Indian/Alaska Native, Black and Hispanic people.

**Former Medicaid enrollees.** Three out of five Washingtonians who transition off Medicaid and purchase a qualified health plan receive Cascade Care Savings.

## For more information, please contact:

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