Washington Health Benefit Exchange

Senate Health & LTC Committee
January 18, 2018

Pam MacEwan, CEO
Key Lessons Learned From 90s Reform Efforts

- Bipartisan support is essential for reform to endure
- Subsidized coverage to make coverage affordable
- Level playing field for carriers and providers
- Individual mandate to sustain risk pool
- Limited open-enrollment period to encourage consumers to maintain coverage and provide predictability to carriers
Where Do We Go From Here?

• What has changed?
  • Exchange/Healthplanfinder
  • Medicaid expansion replaced Basic Health
  • Defined open enrollment period
  • Outreach and consumer engagement
  • Federal subsidies for individual market
  • Health care costs have continued to sky rocket
Where Do We Go From Here?

- Maintain/grow enrollment
- Minimize market segmentation
- Risk pool
- Coverage
- Benefits
- Networks
- Quality

Affordability

Accessibility

Sustainability

Predictability

No Magic Bullets

- Informed, engaged consumers
- Streamlined consumer experience
- Maintain/grow enrollment
- Minimize market segmentation
- Risk pool

No Magic Bullets
Exchange Contacts

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Appendix
Open Enrollment is Here. Select a Plan by December 15th to Get Covered for 2018.

You can apply for or renew coverage for Washington Apple Health (Medicaid).
Financial Assistance

- Residents up to 400% FPL may qualify for tax credits that reduce premium costs when coverage is purchased.

- Residents up to 250% FPL may qualify for cost-sharing subsidies that reduce their out-of-pocket costs when seeking care.

<table>
<thead>
<tr>
<th>Persons in Household</th>
<th>100% (Minimum for financial assistance)</th>
<th>138% (Medicaid eligibility)</th>
<th>250% (Max income for cost-sharing reductions)</th>
<th>400% (Max income for premium tax credits)</th>
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Source: 2017 FPL Guidelines
2018 Plan Availability

• Fewer insurers:
  o 7 Exchange issuers (down from 9)
  o 9 counties have only one insurer offering QHPs
    ▪ Chelan, Douglas, Ferry, Grays Harbor, Island, Pend Oreille, San Juan, Skagit, Skamania

• Offering fewer plans:
  o 41 QHPs (down from 98)
  o 7 counties without bronze plans – 2 major carriers do not offer bronze plans
    ▪ Chelan, Douglas, Ferry, Lincoln, Pend Oreille, Skamania, Stevens

• More limited provider networks: No Preferred Provider Organizations (PPOs)
2018 QHP Issuers by County

7 insurers selling 41 Qualified Health Plans (QHPs)
9 counties with 1 issuer
2018 Plan Pricing

• Impact of discontinued federal Cost-Sharing Reduction (CSR) funding:
  o Eligible silver plan enrollees still receive cost-sharing assistance
  o To compensate for loss of funds, premiums on silver plans increased an additional 9-27% (depending on the plan)
  o Silver premium increases resulted in increased tax credits for most subsidized enrollees
  o Rates for gold, bronze, and catastrophic plans not affected

• Higher premiums:
  o 36% average premium increase (10% due to loss of CSR funds; remainder due primarily to medical and pharmacy cost increases and federal uncertainty)

• Higher deductibles:
  o Median silver QHP deductible will increase from $3,000 in 2017 to $4,500 in 2018
  o CSRs still available for silver enrollees under 250% FPL