Washington Health Benefit Exchange Standard Plans Stakeholder Feedback

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June 1, 2021

Standard Plans - Stakeholder Feedback

- *May 10th Meeting* -

At the May 10th Cascade Care Workgroup meeting, WAHBE staff initiated a conversation around adjusting standard plan designs for PY 2023. Stakeholders were asked to provide written feedback on the following background questions, to help guide standard plan development work over the next few months:

1. What is going well – design components that should be maintained?
2. Do you have any specific concerns about 2021/22 plan designs that should be considered for the 2023 Plan designs?
3. Are there components of standard plan designs that you want considered as part of the 2023 plan design process?
4. Are there best practices in our market or found in other states that we should consider standardizing for 2023?
5. Should HBE consider standardizing more than one plan at each metal level for 2023?
6. Should HBE consider standardizing a HSA – compatible HDHP option for 2023?

Below is a summary of the written feedback from stakeholders.

1. What is going well – design components that should be maintained?

Carriers expressed appreciation for the changes made to the 2022 plan designs around mental health visits to assist in achieving mental health parity compliance, and a desire for these changes to be maintained. They also expressed interest in standard plans maintaining low deductibles and multiple copays.

Consumer advocates expressed interest in retaining stable plan designs moving into PY 2023, including keeping available as many services before the deductible as possible, AVs at the top of the allowable range, low or no deductibles, copays, and standardization of as many benefit categories as possible. They also expressed appreciation for the significantly lower deductibles available in 2021 standard plans and the improved transparency and predictability for consumers.

2. Do you have any specific concerns about 2021/22 plan designs that should be considered for the 2023 Plan designs?

Two carriers suggested that HBE should focus on maintaining premium affordability, with one of those carriers suggesting this could include increasing the MOOP or cost-sharing for high-cost service categories that can drive premium savings.

Another carrier noted that the mixture of integrated deductibles within the standard silver plan variations may lead to consumer confusion and practical/operational issues.

3. **Are there components of standard plan designs that you want considered as part of the 2023 plan design process?**

Carriers generally noted that maintaining the same standard plan designs year-over-year has been appreciated and believes it provides consistency for customers. One carrier suggested that updates should only reflect changes to health care cost trends in Washington. Another carrier noted that bringing consistency to the inpatient copay maximum and cost-structure would reduce consumer confusion. That the deductible applies to specialty visits but not primary care in the Bronze plan design, was also highlighted as a watchpoint for further review.

One carrier did note that there could be benefit to offering "peace of mind" plans, such as a basic or HSA-qualified plan, or another form of lean bronze plan. This carrier also suggested that HBE should consider lowering the AV of the Cascade Silver plans.

One consumer advocacy group expressed interest in better understanding bundled benefits currently provided in plan metal levels to find ways to further improve plan transparency and predictability. They also noted interest in the Workgroup receiving and analyzing preliminary data reports of the coming months about changing enrollment due to the increase in federal subsidies, the impacts of the subsidies on premiums and out-of-pocket costs, and about how consumers are making their plan selections and what factors drive decisions.

Another consumer advocacy group expressed interest in standardizing additional categories of benefits with the goal of reducing surprises for enrollees. They expressed a desire in HBE re-examining the "all other benefits" category to understand if it might be possible to move these services into categories with specific associated cost-sharing levels. The goal of this would be to increase consumer transparency and discourage carrier gaming, by classifying services into this category. This group also suggested that HBE should shift the Bronze standard plan design away from coinsurance to a copay model to avoid it being an illusory benefit. They expressed that it is better to shock consumers with high copays than "dupe" them with coinsurance that appears affordable until the true out-of-pocket costs are revealed.

4. **Are there best practices in our market or found in other states that we should consider standardizing for 2023?**

One carrier recommended that standard plans incorporate a 5th drug tier, or provide carriers the option to do so, to allow carriers/HBE to make tier 1 drugs more affordable for customers purchasing generics.

5. **Should HBE consider standardizing more than one plan at each metal level for 2023?**

There was general consensus from consumer advocates and most carriers that HBE should not pursue additional standard plans at this time. Stakeholders generally agreed that additional standard plans could overwhelm or confuse consumers and undermines the standard plan's purpose of simplifying the shopping experience.

Consumer advocates did note that there may be a need to increase the number of standard plans as nonstandard plans are further scaled down or phased out. They also expressed interest in better understanding the impact of new federal and state subsidies might have on Washington's market before adding new standard plans.

One carrier did suggest there could be an opportunity to create both a high and low AV standard Silver plan to offer consumers more variety in plan design and potentially a lower premium, non-standard silver plan limitations that will take effect in 2023 as a result of the passage of ESSB 5377.

6. Should HBE consider standardizing an HSA – compatible HDHP option for 2023?

There was also consensus from consumer advocates and carriers that HBE should not pursue an HSA-compatible HDHP for 2023.

Consumer advocates cited research that shows consumers often fail to take full advantage of HSA plans because they aren't aware of how they function, and that the AMA, through a national survey, found that 30% of HDHP enrollees had not even opened an HSA account and the majority that did hadn't deposited any money in it. They also noted that HSA plans further disparities in health care, since they advantage those with high incomes or who are healthy, but provide minimal benefit to underserved consumers or people with chronic conditions, since out-of-pocket costs will exceed any potential HSA tax savings.

Carriers expressed general support for health carriers being able to offer HDHPs through the Exchange, but that those plans should remain non-standard. One carrier noted that since all HSA plans have the same plan design, there is no way to differentiate a standard HSA plan and branding an HSA plan as standard will only cause more confusion for customers. One carrier also noted that if HBE *does* consider an HSA-compatible plan, that it be optional for carriers to offer.

7. Additional Feedback?

NOHLA provided additional feedback in a number of areas:

- Suggested that HBE seek in-house actuarial support to become better equipped to advice on the shifting needs of Exchange customers. Noted that several of the most successful SBMs employ or contract with dedicated independent actuaries for advice on standard plan and subsidy designs. Suggested that an actuary could help support:
    - Standard Plan designs
    - Silver loading and pricing relativity/trends
    - APTC draw-down
    - State subsidies
    - 1332 waiver application
    - Utilization analysis from APCD data
    - Stakeholder relations
    - Other market insights
- Encouraged HBE to remain conscious of the timing for receiving a finalized Federal AV Calculator (FAVC) and the impact changes to it might have on 2023 plan designs. Suggested HBE should plan ahead for potential standard plan design changes that could be required, be in touch with CMS contacts, and engage stakeholders about how to handle any late-stage decisions.
- Asked that HBE share key enrollment and utilization data with stakeholders:
    - Plan enrollment and average pre-subsidy premium pricing, on a per-plan basis for non-standard and standard plans, including monthly enrollment trends pre and post-ARPA
    - Available customer experience survey data related to affordability challenges
    - Available APCD or carrier data on utilization

- Asked that HBE begin planning for 2023 premium subsidies by August of 2021, including beginning to collect stakeholder feedback. NOHLA suggested the initial focus could be on engaging with community organizations focused on immigrant health regarding the budget language requiring a program be created for them by 2024, but that other aspects of subsidy design could wait until more information is known about whether Congress will extend ARPA.
- Expressed interest in continuing to work on cost-containment, and appreciation that Pam is participating in the Health Care Cost Transparency Board.
- Asked that HBE work with OIC to analyze plan designs of non-standard plans.
- Asked that HBE consult stakeholders on how to map customers who's non-standard plans are going away in PY 2023.

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Appendix

Stakeholder Comments

May 13, 2021

Evan, Joan, and HBE colleagues,

Thank you, as always, for the opportunity to provide feedback about the direction of the standard plan design process. We appreciate your partnership as we work together to ensure affordable access to high-quality and high-value plans on the Exchange.

As our state begins to recover from COVID-19 and the economic recession, we have the opportunity to improve affordability, address disparities, and monitor consumer needs and challenges in our rapidly-changing state and federal policy environment. Premium subsidies from the American Rescue Plan Act (ARPA), the child care sponsorship program, and Cascade Care "2.0" will all improve premium affordability over the coming years, to varying degrees and over different time periods. As the market adjusts to increased premium subsidization, we will have the opportunity to continue to provide robust plans, explore ways to drive down out of pocket costs and advocate for cost-sharing assistance, and further improve plan transparency and predictability.

- **Increasing number of standardized plans:**

  We do not advise adding more than one standard plan at each metal level for 2023, as this would likely increase confusion for consumers. In the current plan year, consumers can choose from 115 plans statewide, depending on their geographic location, which can ultimately make it more difficult for consumers to select the highest-value and most appropriate plan for their health care and financial needs. Until the market adjusts to the massive influx of funds from the ARPA subsidies and our state's new child care subsidy program, we won't have sufficient data to fully evaluate the need for adding additional plans.

  However, there will be an opportunity to reevaluate the number of standardized plans offered on the Exchange as additional provisions of SB 5377 are implemented, including the new limit on non-standard plan offerings starting in PY 2023, and the Exchange analysis of the potential impact of only offering standard plans beginning in 2025. It will be important to increase the number of standard plans as non-standard plans are scaled down and/or phased out.

- **Adding an HSA-compatible HDHP:**

  We do not advise adding an HSA-compatible HDHP option for 2023, given our concerns about the lack of consumer literacy around HSA plans in general, the equity implications of offering this type of plan, and the lack of affordability of HDHPs. Research shows that consumers often fail to take full advantage of HSA plans because they aren't aware of

how they function. According to a 2020 Journal of American Medical Association article, a national survey of 1,600+ respondents found that 30% of HDHP enrollees had not opened an HSA account. For those who did have an HSA account, the majority of people had not deposited any funds into the account within the last year.[1]

We are concerned that providing an HSA-compatible HDHP would deepen existing disparities because HSA accounts are most advantageous to high income and healthy consumers but are of minimal benefit to underinsured consumers or people with chronic conditions, which is due to the likelihood that out-of-pocket costs will exceed any potential HSA tax savings.[2] Additionally, people with low educational attainment, who are disproportionately low-income, are less likely to add funds to their HSA account and therefore take advantage of this type of plan. Furthermore, high out-of-pocket costs in plans like HDHPs are associated with patients foregoing needed care and accruing significant medical debt.

Going forward, more consumers will be able to buy up to higher metallic levels given the additional subsidies created by ARPA (if they are made permanent and are extended beyond 2022) and the Cascade Care subsidies starting in 2023, hopefully creating less of a market need for HDHPs in general.

- **Maintaining components of standard plan designs:**

  We maintain continued support to make as many as services as possible available before the deductible, to provide plans with predictable cost-sharing, and to maximize premium subsidies. We are pleased with the significantly lower deductibles available in 2021 standard plans and the improved transparency and predictability for consumers, which contributed to the large number (40%) of new enrollees choosing a standard plan.

  The Cascade Care Workgroup showed particular leadership and foresight in linking mental/behavioral health and Substance Use Disorder services to co-pays in 2021 standard plans, given the sharp increase we've seen in mental health challenges for Washingtonians during the COVID-19 pandemic.

- **Planning for 2023 and beyond:**

  It would be useful to better understand the bundled benefits currently provided in plan metal levels so that these can be considered and potentially standardized to further improve plan transparency and predictability for consumers.

  As the market adjusts to the significant influx of federal dollars, it will be critical for our Workgroup to receive and analyze preliminary data reports over the coming months from the Exchange and its actuaries about changing enrollment rates and impacts on premium and out-of-pocket costs. In addition, it would be useful to have a deeper

understanding of how consumers are making their plan selections, and what factors drive their decisions.

Going forward, we would like to explore opportunities together with our agency, consumer advocate, and insurance carrier partners to pursue state funding for cost-sharing assistance, which will be crucial as we pursue true affordability in our state's marketplace.

Lastly, we appreciate the Exchange committing to publicly sharing Cascade Care Workgroup member comments and hope this will aid productive and efficient collaboration.

Thank you again for receiving our comments and for your work to improve how Washington residents obtain health insurance.

Respectfully,

Sam Hatzenbeler, Health Policy Associate
Economic Opportunity Institute

[1] Kullgren, Jeffrey and Elizabeth Cliff. "Use of Health Savings Accounts Among US Adults Enrolled in High-Deductible Health Plans." Journal of the American Medical Association, 2020. https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2768350

[2] Kofman, Mila. "HSAs: A Great Tax Shelter for Wealthy, Healthy People, but Little Help to the Uninsured, Underinsured, and People with Medical Needs." American Medical Association Journal of Ethics, 2005. https://journalofethics.ama-assn.org/article/hsas-great-tax-shelter-wealthy-healthy-people-little-help-uninsured-

underinsured-and-people-medical/2005-07#:~:text=The%20HSA%20Threat%20to%20Comprehensive,cost%2C%20high%2Ddeductible%20coverage.

NoHLA
Northwest Health Law Advocates

May 17, 2021

Evan Klein, Senior Policy Analyst
Washington Health Benefit Exchange
Submitted via email to: evan.klein@wahbexchange.org

Re: Plan Year 2023 Cascade Care Standard Plans

Dear Mr. Klein and colleagues:

Thank you for the opportunity to provide comments about how the Washington Health Benefit Exchange (WAHBE) should consider Cascade Care Standard Plans in the 2023 Plan Year (PY) and beyond.

Northwest Health Law Advocates (NoHLA) is a nonprofit legal advocacy organization that works to ensure all Washington State residents have access to affordable health care. Given this mission, we appreciate the chance to participate in the Cascade Care Workgroup stakeholder process.

Please see below for our preliminary input. First, we offer process suggestions about the resources, timing, and public input opportunities that will be needed in the PY 2023 plan design effort. Second, we offer substantive feedback on the principles that should guide WAHBE's plan design, as well as potential areas for improvement in the plan designs themselves. Throughout, our comments are informed by the many dynamic variables that need to be considered in PY 2023 plan design, including:

- Consumer health coverage needs that continue to be shaped by the pandemic, affordability, and equity concerns;
- Temporarily-enhanced federal subsidies from the American Rescue Plan Act (ARPA) that may expire at the end of PY 2022;
- Federal dialogue about making ARPA subsidies permanent, changing the Advance Premium Tax Credit (APTC) benchmark, and changing the individual market risk pool through Medicare expansion;
- A temporary state child care worker subsidy pilot that WAHBE will pilot in PY 2021-2022; and
- Longer-term changes to Cascade Care Select plans and a new Cascade Care subsidy program that WAHBE will launch in PY 2023.

Our comments include suggestions to help manage these competing demands in a way that is transparent to stakeholders, flexible in a complex environment, and ultimately consumer-centered. We expect our feedback will evolve over time as more information becomes known.

1. Process Suggestions

a. Seek in-house actuarial expertise to support Cascade Care plan and subsidy designs.

As WAHBE moves into the dynamic landscape ahead, we strongly recommend that WAHBE consider bringing a dedicated actuary in-house. Despite talented staff and outside actuarial firms, WAHBE is not

well-equipped to meet this moment without in-house actuarial support who can advise on the shifting needs of Exchange enrollees in our specific market in Washington State.

As you know, several of the most successful State-Based Marketplaces employ or contract with dedicated independent actuaries for advice on standard plan designs, subsidy designs, and broader market trends (e.g., California and Massachusetts). In these states, the Exchange actuary works hand-in-hand with actuaries from the Division of Insurance and carriers to build quality products that meet consumer affordability needs in a fashion that responds to market-specific demands. We see several opportunities for an in-house actuary as WAHBE enters in a new phase of maturity and active engagement with the market:

- Standard plan design. An in-house actuary could review standard plan designs and resulting carrier pricing and non-standard plan design strategies with greater expertise, offering on-demand counsel in response to changes to the Federal Actuarial Value Calculator and real-time market trends. An in-house actuary could also advise on the market impact of phasing down additional non-standard plans (i.e., only standard plans on the silver tier), as contemplated in the legislative report described in E2SSB 5377.
- "Silver load" and pricing relativity. An in-house actuary could assist the Office of Insurance Commissioner in reviewing carrier pricing trends, including any issues that may need attention. In the wake of the withdrawal of federal cost-sharing reductions, Exchange market pricing has grown increasingly complex – for example, carriers "need" different "premium loads" based on their own enrollment by income band. An in-house actuary could help spot irregularities in silver load pricing and pricing "relativity" between metallic tiers. Experts have noted that this kind of attention to pricing could yield significant savings for consumers.[1]
- APTC draw-down. Related to the above point, an in-house actuary could help WAHBE maximize federal APTCs by anticipating plan design and subsidy program impacts to the Second Lowest Cost Silver Plan benchmark in each region, while considering any trade-offs for unsubsidized consumers. If Congress transitions to a gold benchmark, an in-house actuary could assist the Exchange in preparing its plan and subsidy program shelf for this new market landscape.
- State subsidy design. An in-house actuary could build a market-specific subsidy model owned by WAHBE (rather than a vendor) that could allow the Exchange to rapidly review potential state subsidy designs as the federal subsidy landscape changes and carrier premiums become known each year. The actuary could also assist in implementing the new state subsidy program – for example, in Massachusetts, the in-house actuary managed state-CSR enriched plan designs and reconciliation of carrier advance payments to reflect actual claims.
- 1332 waiver application. An in-house actuary could assist in the development of any needed 1332 waivers resulting from E2SSB 5377. Other SBMs have been able to leverage their in-house actuaries (with appropriate assurances about independence) to support the actuarial modeling that is a required element of 1332 applications to the federal government.
- Utilization data. An in-house actuary could monitor market trends in utilization and cost by reviewing datasets from the All-Payer Claims Database. This would help WAHBE understand consumer needs and costs in relation to standard plan designs.
- Stakeholder relations. An in-house actuary with familiarity in Washington's commercial market could serve as an "ambassador" to carrier actuarial/finance teams, providing key insight on

[1] Dorn, S. et. al., "Misalignment Between Premiums and Coverage Generosity Imposes Heavy Cost Burdens on Consumers in Health Insurance Exchanges" (April 2021), at https://familiesusa.org/resources/misalignment-between-premiums-and-coverage-generosity-imposes-heavy-cost-burdens-on-consumers-in-health-insurance-exchanges/.

business practices or implementation challenges that would otherwise impede consumer-friendly market progress. The in-house actuary would also serve as a key partner to the Office of the Insurance Commissioner (OIC) and Health Care authority, offering additional capacity focused on the individual market and Cascade Care.

- Market opportunities. An in-house actuary could offer insight about corners of the insurance market that may need attention from WAHBE. For example, in Massachusetts, the Chief Actuary provided market intelligence that ultimately informed a revamp of the unsubsidized and small group plan shelf.

We recognize that actuarial staff represent an investment. We suggest that such an investment is essential at this time, given WAHBE's evolving role in the market, the many factors that will influence plan design in the coming years, and the urgent need for affordable plans that balance these factors.

b. Plan ahead with stakeholders for the impact of the 2023 Federal Actuarial Value Calculator.

As we raised on the May 10th stakeholder call, we are concerned that the statutory requirement for HBE to finalize PY 2023 plan designs by January 2021 will present timing challenges, given all that is unknown about the extension of ARPA subsidies into 2023 and the Biden Administration's approach to the Notice of Benefit and Payment Parameters and Federal Actuarial Value Calculator (FAVC).

In recent years, draft federal guidance has been delayed until early winter in the year prior to the plan year in question. It seems reasonable to expect that with key appointments still outstanding at the Centers for Medicare and Medicaid Services, draft PY 2023 guidance will be issued on a later timeline this year as well. It also seems prudent to plan for potential changes in the Federal Actuarial Value Calculator that will impact WAHBE's standard plan designs. Because the continuance tables in the FAVC remained relatively steady for PY 2022, we may see a large "jump" in actuarial value for the standard plans as the 2023 FAVC catches up to health care cost trends. We may also see additional federal guidance about how to handle the issue of copay accumulation to the deductible, which relates to the "unique plan design" approach WAHBE took in PY 2022. Given the possibility that this guidance will come late in the year, we are concerned that the stakeholder timeline WAHBE outlined will not offer adequate input into what are likely to be "end-stage" decisions, potentially after the January 2021 deadline.

To address this issue, we suggest that WAHBE should plan ahead of time for potential changes in standard plan design required by changes in the FAVC. WAHBE should be in touch with CMS contacts now to explore the likelihood of changes in the 2023 FAVC. In addition, WAHBE should engage in a dialogue with stakeholders about how to handle any late-stage decisions. For example, might stakeholders agree as a matter of consensus that WAHBE could extend its final plan designs until February, if there is late-breaking federal guidance that requires additional input? Might WAHBE be able to anticipate and queue up the kinds of decision-making on standard plan designs that would be required if actuarial value levels "jump" in the 2023 FAVC? We encourage WAHBE to think about how to add these contingencies into the timeline staff outlined on the May 10th stakeholder call.

c. Share key enrollment and utilization data with stakeholders to inform the design process.

We also reiterate stakeholder requests at the May 10th call for additional data to inform the standard plan design process. Stakeholders would benefit from the following information:

- Plan enrollment and average pre-subsidy premium pricing, broken down on a per-plan basis for both non-standard and standard plans, including any monthly enrollment trends before and after ARPA implementation;
- Any available WAHBE customer experience survey data related to affordability challenges for particular kinds of plans or benefits; and
- Any available All-Payer Claims data or carrier data on utilization – for example, data on the number and types of enrollees who reach their out-of-pocket maximum (MOOP) or deductible limits.

Cascade Care Workgroup participants will be better equipped to provide informed feedback if WAHBE is able to provide some or all of this data. It will be particularly important to understand the impact of ARPA subsidies on purchasing and utilization patterns, as consumer behavior from past years' experience in the Exchange market may no longer apply in this new landscape.

d. Begin planning for 2023 premium subsidy design by August 2021.

Though we appreciate WAHBE's effort to begin collecting stakeholder feedback on PY 2023 designs now, we are comfortable with a measured approach to some elements of Cascade Care subsidy program planning.

We encourage WAHBE to begin planning some aspects of the subsidy program in the near term. For example, we suggest that it would be valuable for WAHBE to begin engaging with community organizations focused on immigrant health in the near future regarding the budget language that requires a program by 2024 for those who do not qualify for federal programs, given the need to consider different program pathways.

On the other hand, it may be appropriate to defer other subsidy program design elements until more is known about whether Congress will extend the ARPA subsidy approach in a reconciliation package this summer. Without that information, it is premature to design specifics of the PY 2023 premium subsidy. By August 2021, we should have more information about Congress' potential activity to launch a more informed discussion about WAHBE's approach to Cascade Care premium subsidies in PY 2023.

e. Support a transparent public comment process.

We strongly support WAHBE's commitment to a transparent Cascade Care workgroup comment process, including the new effort to make stakeholder comments public. Thank you for this commitment to transparent decision-making.

We expect that some carriers may express concerns with this approach, as they may have business considerations they prefer not to reveal in a group setting. We urge WAHBE to maintain a commitment to transparency in the face of any such opposition. If there are operational or business challenges that will impede the implementation of a particular consumer-friendly standard plan design or subsidy design, that is an important insight that all stakeholders should know so that we can work together to overcome such barriers.

f. Continue to work on overarching cost containment measures.

We recognize that WAHBE cannot solve the problem of escalating health care prices through the Cascade Care design process. It is the sad truth that WAHBE and the Cascade Care Workgroup cannot succeed in building truly consumer-friendly, affordable standard plan designs so long as underlying health care unit prices continue to rise. It will take coordinated efforts from a range of political leaders, government agencies, and industry stakeholders to proactively manage the drivers of health care cost growth that are reflected in health care premiums and actuarial value. Toward this end, we are pleased to see that Chief Executive MacEwan is participating in cost containment work through the Health Care Cost Transparency Board. We look forward to WAHBE's work in this space.

2. Substantive Suggestions

a. Maintain core plan design principles.

On the whole, we support WAHBE in retaining stable plan design principles moving forward into PY 2023. We continue to favor the following enrollee-friendly design principles inherent in the PY 2022 plans:

- Actuarial values at the top of the allowable range for each metal level, recognizing that consumers are likely to buy on premium price rather than considering total out-of-pocket costs due to information asymmetries;
- Low or no deductibles on key services—such as primary care, behavioral health services, and generic prescription drugs—to reduce barriers to essential care and demonstrate the value of retaining coverage year-over-year;
- Copays rather than coinsurance, given research that shows copays help consumers better understand the potential out-of-pocket liability they may face;[2]
- Logical "stair-step" cost-sharing across metallic tiers, so that enrollees can intuitively understand that cost-sharing increases as the metallic tier decreases; and
- Standardization of as many benefit categories as possible, to reduce "surprises" at the point of care.

Taken together, these principles point to richer plan designs. We recognize that there may be premium pricing trade-offs for such plans. However, particularly with state and federal subsidy enhancements that are likely to apply in PY 2023, we encourage WAHBE to maintain the preference for richer plans.

b. Unless there are notable market changes, do not pursue additional standard plans at this time.

As noted above, WAHBE is entering a time of great change in the market. We do not yet know the impact of ARPA subsidies on plan purchasing behavior – for example, we may see dampened desire for bronze plans, as consumers are newly able to "buy up" to other metallic tiers. We also do not know the impact of any federal subsidy extensions or state subsidies on the market. As a result, we urge WAHBE to exercise caution in considering any additional standard plans until more information is known.

[2] *See, e.g., "*Early Consumer Testing of Actuarial Value Concepts," Kleiman Communication Group and Consumers Union (Sept. 2011), p. 12, at http://consumersunion.org/wp-content/uploads/2013/04/prescriptionforchange.org_testing_actuarial_value_concepts1.pdf; Quincy, L., "What's Behind the Door: Consumers' Difficulty Selecting Health Plans*,"* Consumers Union (Jan. 2012), at https://consumersunion.org/wp-content/uploads/2013/03/Consumer_Difculties_Selecting_Health_Plans_Jan2012.pdf.

We can see that there may be some value in considering additional standard plans in the future. For example, if Congress extends federal ARPA subsidies or changes the APTC benchmark to gold, it may make sense for WAHBE to consider standardizing an additional gold plan or even a platinum plan, for consumers who are newly able to "stretch" toward richer plans. We welcome additional dialogue on this subject in the future, but at this time do not see a compelling case for additional standard plans given extensive literature that suggests consumers are overwhelmed by too many plan choices.[3]

We also continue to have concerns with the proposal to add an HSA-compatible high deductible bronze plan. As the Cascade Care Workgroup has previously discussed, HSA-compatible plans have limited utility in the context of an Exchange Marketplace which does not connect enrollees to the back-end HSA administrative functions, effectively nullifying any potential HSA "savings." Moreover, we do not see a need to further drive enrollment into bronze plans with high deductibles. We understand that there may be a desire for HSA-compatible bronze plans for certain limited segments of the market, such as higher-income individuals who are able to effectively "self-insure" and wish to use HSA-compatible plans for tax purposes. We suggest that this niche market may be well served with non-standard plans.

c. Standardize additional categories of benefits with the goal of reducing surprises to enrollees.

We would like to see WAHBE re-examine the "all other benefits" category in the current standard plan designs to understand if it might be possible to move some or all of these services into categories with specific associated cost-sharing levels – ideally copays rather than the coinsurance currently used in the "all other benefits" category, for the transparency reasons noted above. We are concerned that in the current designs, the "all other benefits" category: (1) reduces consumer transparency at the point of purchase and point of care, since the category uses coinsurance rather than the copay structure used elsewhere, and (2) encourages carrier gaming, since it incentivizes carriers to classify services to this category in order to capture the reduced utilization of coinsurance.

We understand that even with full categorization, there will always be a certain degree of flexibility inherent in the benefit categories, as carriers may categorize particular services differently. However, there is no reason why WAHBE should not be able to work with carriers to standardize additional categories of benefits under a co-pay structure. For example, the standard plan designs do not currently categorize durable medical equipment to a particular category. We encourage WAHBE to work to understand which services are currently categorized to the "all other benefits" categories and attempt to move these services to a more transparent categorization and associated co-pay structure for PY 2023.

d. Consider shifting the standard bronze plan to a copay design rather than a coinsurance design.

While we understand there is some value in plan design stability year-over-year, we encourage WAHBE to revisit the standard bronze plan design in PY 2023.

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[3] See, e.g., Lynn Quincy and Julie Silas, *The Evidence is Clear: Too Many Health Insurance Choices Can Impair, Not Help, Consumer Decision Making,* Consumers Union (Nov. 2012), at http://consumersunion.org/pdf/Too_Much_Choice_Nov_2012.pdf; Ellen Peters et al., More Is Not Always Better: Intuitions About Effective Public Policy Can Lead to Unintended Consequences, Social Issues Policy Review (Jan. 2013), available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3758756/#.

We are concerned to see that the PY 2023 standard bronze design features 40% coinsurance, in many cases after the $6,000 deductible (including on core benefits such as preferred drugs). This is dangerously close to an illusory benefit, and certainly not a design that WAHBE should sanction as a plan receiving the Cascade Care "seal of approval." We are well aware of the difficulties of designing a consumer-friendly bronze plan in the current FAVC – indeed, it is growing increasingly difficult to design a bronze plan that stays within the allowable AV range at all. With this constraint in mind, the only responsible standard plan design is a design that transparently articulates the true out-of-pocket costs of bronze plans to consumers. While WAHBE cannot control the run-away health care cost trends reflected in today's bronze cost-sharing, WAHBE can at least make sure that consumers understand the skimpy nature of the coverage they will receive if they must select a bronze plan.

In this vein, we suggest that WAHBE model bronze plan designs that use a copay structure. Some consumers may be shocked by co-pays that will inevitably run into the hundreds of dollars for some services. However, this may be preferable to "duping" consumers with coinsurance that seems affordable until the true out-of-pocket costs are revealed after the point of service. Further, a copay structure that more clearly conveys out-of-pocket costs may incentivize movement to CSR-enriched silver plans among lower-income consumers, particularly if enhanced state and federal subsidies apply in PY 2023. We encourage WAHBE to offer potential copay plan designs for the Workgroup's consideration.

e. Prepare for the possibility that the FAVC may require cost-sharing increases for some plans in PY 2023 and discuss contingency preferences with stakeholders.

Given the FAVC timing concerns noted above, we suggest that it may be prudent for WAHBE to discuss preliminary stakeholder preferences for any plan design changes that may be required if the PY 2022 plan designs do not remain within allowable actuarial value ranges in PY 2023.

Of course, we prefer to keep all types of consumer cost-sharing low and predictable. However, we understand there may be difficult trade-offs to consider on a rapid timeline if any of the standard plans "fall out" of the PY 2023 FAVC. It may be reasonable for WAHBE to vet some contingency designs with stakeholders ahead of time. We will reserve specific feedback on plan designs until more is known, but suggest that if cost-sharing increases are needed, WAHBE should only increase cost-sharing in a way that is readily understood by consumers in a year-over-year comparison (i.e., increasing copays or MOOPs, rather than converting to coinsurance designs). We also suggest that WAHBE should maintain its current effort to prioritize first-dollar coverage of key services before the deductible to the greatest extent possible.

f. Work with OIC to analyze the plan designs of non-standard plans.

While the Cascade Care Workgroup is focused primarily on standard plans, we suggest that it may be useful to review and discuss the plan designs of non-standard plans offered on the WAHBE shelf as well. In the March 10th meeting, we were dismayed to see a non-standard plan design described as "Silver Plan Option C" on p. 17 of the presentation that included a 50% coinsurance on non-generic *preferred* drugs, after the deductible.[4] This is not the kind of plan design that should receive certification to be sold on the Exchange. It appears to be a blatant attempt to attract favorable risk.

[4] https://www.wahbexchange.org/wp-content/uploads/2021/04/Cascade-Care-Workgroup-Mtg-Std-Plans-5.10.2021-1.pdf

As carriers ramp down their non-standard offerings in preparation for new limitations on the number of non-standard plans , we suggest that WAHBE partner with Office of the Insurance Commissioner to identify such outlier plans and encourage carriers to phase these plans out of the market.

g. Discuss potential plan-mapping hierarchies with stakeholders ahead of PY 2023.

Along similar lines, we suggest that WAHBE engage the Cascade Care Workgroup in a dialogue about the market transition to fewer non-standard plans in PY 2023. As carriers remove some non-standard plans from the Exchange market in PY 2023, WAHBE will need to make decisions about how to "map" enrollees from one plan year to the next. While some elements of this plan-mapping hierarchy are governed in federal rules, WAHBE has flexibility to make some decisions—for example, whether to map enrollees to a similar plan with a higher premium but richer plan design, or a similar plan with a lower premium and skimpier plan design. It may be valuable for WAHBE to discuss these decisions in principle with stakeholders to inform future action.

Thank you again for the opportunity to provide preliminary feedback on this important issue. We look forward to convening with you and a broad range of stakeholders to chart a path forward on Cascade Care standard plan designs and subsidy programs that meet the affordability needs of consumers.

Sincerely,

Emily Brice

Senior Attorney & Policy Advisor
Northwest Health Law Advocates

Premera Blue Cross
PO Box 327 – MS 000
Seattle, WA 98111-0327

Evan Klein
810 Jefferson St SE
Olympia, WA 98501

May 17th, 2021

Subject: Cascade Care Workgroup – Standard Plan Design Feedback

Dear HBE Members,

Premera Blue Cross and LifeWise Health Plan of Washington ("Premera") appreciates the opportunity to provide feedback on Standard Plan designs and processes. Premera recognizes the efforts of HBE to bring these plans to fruition and the impact Standard Plans have had on customers in 2021. We are grateful that HBE seeks and implements carrier feedback, and are excited to move forward in this important endeavor together.

We present the following feedback, which are answers to the questions posed in the email sent by Evan Klein on May 10th, subject "RE: Cascade Care Workgroup Meeting Materials - 5.10.2021" for your consideration.

Should HBE consider standardizing more than one plan at each metal level for 2023?

Premera does not believe HBE should standardaize more than one plan per metal level in 2023. Premera appreciates HBE's efforts to simplify the shopping experience for consumers, and believes it has been effective. We believe by adding more, simililary-designed plans with similar naming conventions HBE will cause customer confusion rather than clarity. The "Paradox of Choice" that HBE has endeavored to remove for customers would be re-emphasized. For these reasons, we belive it is in the best interest of the customers for HBE to not offer more than one Standard plan per metal level.

Premera would like to note that customers' plan-purchasing decision is a complex decision. Premera's research suggests that a carrier's network is extremely important to consumers in making a decision. Consumers must also evaluate "Switching Costs" – is the utility one gets from switching to another plan/carrier worth the cost of disrupting the current status quo? As HBE has seen, these switching costs are very high. Customers also consider how clearly carriers articulate benefits and plans and answer questions – among many other factors.

Should HBE HBE consider standardizing a HSA-compatible HDHP option for 2023?

Premera does not believe HBE should offer an HSA plan. With standard Bronze, Silver, and Gold plans, HBE has been successful in differentiating plan designs that are unique to Standard Plans. Because all HSA plans have the exact same plan design, there is no way for HBE to create a differentiated plan design – adding a "standard" HSA plan will only cause more confusion for customers, not clarity. Additionally, there is a considerable amount of education and logistics associated with HSA plans – i.e. what is an HSA plan, setting up a bank account, etc. Because of these nuances, it will be difficult for HBE and carriers to partner and make these HSA plans successful for customers. We consequently think it's best that HBE not offer HSA plans.

Premera Blue Cross
PO Box 327 – MS 000
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Are there specific components of the 2021/2022 standard plan designs that should be maintained

In 2020/2021, achieving mental health parity for the standard bronze plan was difficult. The changes that have been made this cycle in designing one cost-share for mental health office visits and one cost-share for mental health "all other" has alleviated those difficulties. We desire that this designation continue.

HBE has successfully differentiated the design of standard plans with low deductibles and multiple copays. This unique design sits well in the marketplace and we suggest that it continue.

Apart from the targeted improvement for the Bronze mental health parity, Premera appreciates that HBE has maintained the same standard plan experience and design year-over-year. These plans are new for carriers and customers and we believe consistency is the key to an effective customer experience as they purchase these plans and interact with their carriers in how these plans are administrated.

Do you have any specific concerns that should be addressed by the 2023 plan designs?

Premera would like to note that we are only five months in to the standard-plan experience. There is a lag in enrollment and experience, and we don't have a firm grasp on understanding the performance of Standard plans yet. We don't yet have a firm grasp on customer satisfaction, or administrative and operating effectiveness. Consequently, we are limited in the insight we can provide HBE at this time, and have not made any conclusions regarding these plans and customer experience. We suggest that HBE give the standard plans more time in the market before making conclusive judgements.

We are happy to share AARPA and SEP data with HBE regarding Standard Plans, as well as data regarding 2022 Open Enrollment.

Thank you again for the opportunity to provide input on this important edeavor. Please feel free to contact me if you would like to discuss any of the comments in this letter.

Sincerely,

Kristin Meadows

Vice President of Individual Market
Kristin.Meadows@PREMERA.com

Good afternoon Evan:

Thank you again for allowing KPWA and KPNW a little more time to respond to the recent WAHBE presentation on Standard Plans and preparing for 2023 OE. In addition to these comments, we have included additional comments requested by OIC on Health Savings Accounts and High Deductible Health Plans because your respective organizations will be considering these plans and implications to your mutual work.

Should HBE consider standardizing more than one plan at each metal level for 2023?

- *Kaiser does not recommend more than one standard plan at each metal level. The point of standardization is to make it easy for consumers to do an apples-to-apples plan comparison. If there are multiple standard plans per metal tier, and a carrier only has to offer 1, that defeats the point of standardization.*

Are there specific components of the 2021/2022 standard plan designs that should be maintained?

- *WAHBE's one plan per tier to maintain true apples-to-apples comparison should be maintained. Each plan designed in a "good for consumers" way with highly utilized services before deductible and emphasis on copays over coinsurance.*

Are there specific components of standard plan designs that you want considered as part of the 2023 plan design process?

- *Not at this time.*

Do you have specific concerns that should be addressed by the 2023 plan designs?

- *We encourage WAHBE to continue to work directly with the OIC to assure alignment of standards and mutual interpretations of the Cascade Care and Cascade Select Plans for 2023.*

Should HBE consider standardizing a HSA compatible HDHP option for 2023?

- *We support health carriers being able to offer HDHP plans on Washington Healthplanfinder, but we do not believe HDHPs should be a standard plan. Instead, they should remain a non-standard plan offering. Health carriers should not be required to offer a standard HDHP plan in order to participate on the Exchange.*
- *About 2/3 of WAHBE's membership is subsidized. While a standard HDHP plan that is HSA-compatible would have a lower premium, the fundamental concept of HDHP is at odds with what WAHBE is trying to achieve with standard plans. Standard plan design principles include a focus on reducing deductibles, making services available before the deductible, and predictable cost-sharing.*
- *HDHP plans that are HSA-compatible require a higher level of consumer education at the time of shopping so that consumers know how the plans work and are not disappointed when they go to use services and find they have to pay in full for services that are subject to the deductible until that deductible has been met. If health carriers believe there is a market for HDHP plans, they will continue to offer them.*

Questions from OIC:

- How challenging is it for an individual to set up and utilize an HSA?
  Health Savings Accounts (HSA) are financial tools from banks that prospective enrollees may choose to set up. HSAs are not a requirement in order for consumers to enroll in a high deductible health plan (HDHP). As a health carrier, we cannot speak to the level of effort for someone to set

up and utilize an HSA. It is a matter of setting up a money market or savings account at a bank, which is not typically considered to be a complex activity.

- Additional points about HDHP HSA-compatible plans being standard plans?
    - *We support health carriers being able to offer HDHP plans on Washington Healthplanfinder, but we do not believe HDHPs should be a standard plan. Instead, they should remain a non-standard plan offering.*
    - *While HDHPs may not be the choice for everyone, they do provide a value-priced option for consumers by having an lower overall premium in exchange for a higher plan deductible. It is important for consumers to plan for the total cost of care and look at not only the monthly premium but also at the cost of using services and meeting the deductible.*
    - *HDHP plan deductibles, out-of-pocket maximums and other cost sharing features are well within the range of allowable ACA plans. Keeping HDHP plans as an option allows health carriers to offer a diversified set of health plans and increases consumer choice for families of differing financial means and expected medical service utilization.*

Again, thank you for the opportunity to provide feedback on these important issues.

Jill A. McMahon
QHP Program Manager

Kaiser Permanente
Health Plan Regulatory Exchange Operations
500 NE Multnomah St.
Portland, Oregon 97232

Hello,

Below is United's feedback on the questions posed during last week's Cascade Care workgroup meeting. Thank you!

1) **What is going well – design components that should be maintained?**
    a. Copays before the deductible are beneficial to the member and should be maintained, where possible.
2) **Do you have any specific concerns about 2021/22 plan designs that should be considered for the 2023 Plan designs?**
    a. As the WABHE looks to develop plans for 2023, there should be a focus on maintaining premium affordability, which may include increasing the MOOP and high cost service categories that can drive premium savings for the member.
3) **Are there components of standard plan designs that you want considered as part of the 2023 plan design process?**
    a. The HBE should focus on maintaining the cost sharing structure for benefits year-over-year in making updates for 2023 plan designs. This limits confusion for members renewing their plans each year. We encourage the HBE to update cost sharing amounts each year to keep up with health care cost trends in Washington.
4) **Are there best practices in our market or found in other states that we should consider standardizing for 2023?**
    a. We recommend that the HBE consider transitioning to a 5 Tier drug formulary, or providing carriers the option of deploying a 5 Tier formulary in future years. A 5 Tier structure allows carriers and the HBE to make Tier 1 drugs more affordable for members purchasing generic drugs.
5) **Should HBE consider standardizing more than one plan at each metal level for 2023?**
    a. The HBE should focus on their current standard portfolio offering, and allow carriers to create plans to meet unmet market demand. Adding additional standardized plans, in addition to non-standardized plans may overwhelm consumers.
6) **Should HBE consider standardizing a HSA – compatible HDHP option for 2023?**
    a. If the HBE considers standardizing an HSA option, they should make this offering optional.

Sheela Tallman | Vice President, External Affairs
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Good afternoon,
On behalf of Molina Healthcare, please find our feedback on the questions posed at the last Cascade Care Workgroup meeting below.

- Should the Health Benefit Exchange (HBE) consider standardizing more than one plan at each metal level for 2023? **No, Molina believes there should be only one standardized plan at each metal level for consumers to benefit from the "apples to apples" comparison in the shopping experience. Additional plans would diminish the value of the standard plans and bring additional confusion to the market.**

- Should HBE consider standardizing a HSA-compatible HDHP option for 2023? **No, Molina does not intentionally design or offer HSA compatible plans. Additional information would be helpful on the Exchange's intentions, i.e. to either convert an existing standard plan into an HSA eligible plan or to add a separate, new HSA eligible plan, and if that would be an optional or mandatory offering.**

- Are there specific components of the 2021/2022 standard plan designs that should be maintained? **Molina would encourage maintaining the MH/SUD office visit & other outpatient services subclassifications, not just for MH parity, but for increased consumer clarity on the benefits.**

- Are there specific components of standard plan designs that you want considered as part of the 2023 plan design process? **Consistent with prior feedback, based on our review of the market, we noticed that benefits which do not have an AV impact and aren't expressly identified on the Wakely Cascade cost share document for 2021, have wildly different cost shares applied to some of these benefits across carriers. Additional clarification would put the standardized plans in closer to parity, as intended. Also, bringing consistency to the inpatient copay max and cost structure would reduce consumer confusion.**

- Do you have any specific concerns that should be addressed by the 2023 plan designs? **The mixture of integrated deductibles within the standard silver plan variations is likely to cause confusion and practical/operational issues next year. It would be helpful to understand how this will operate next year (e.g. how will accumulators migrate for members moving within silver CSR plan variations).**

Please let us know if you have any questions. Thank you!

Gretchen Gillis
Director, Government Contracts
Molina Healthcare of Washington
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May 26, 2021

Washington State Health Benefit Exchange
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RE: 2023 Standard Plan Design Feedback

Thank you for the opportunity to provide feedback regarding Standard Plan design changes that the Washington Health Benefit Exchange (WAHBE) is considering for Plan Year 2023. In the May 10th Cascade Care Workgroup meeting, feedback was requested on the below questions.

Should HBE consider standardizing more than one plan at each metal level for 2023?

We believe there is an opportunity to create more than one standard plan for each metal tier that would benefit consumers. While HBE is given the authority to *design* up to 3 standard plans at each metal tier, we do not believe HBE should *require* carriers to offer more than one standard plan at each metal tier. The number of current plan offerings is already overwhelming to consumers, and requiring carriers to offer more than one at each metal tier would not only add to the volume of plan offerings, but also add to consumer confusion. That said, we do think there is value in HBE designing more than one standard plan at the silver level given the new requirement in ESSB 5377 that limits carriers to one nonstandard silver plan beginning in 2023. For that reason, there could be value in having at least two standard plan designs, most especially, at the silver level that is optional for carriers. The current standard silver plan design has an actuarial value (AV) that is at the high end of the range and we strongly believe the second standard plan design should be intentionally designed at a lower AV level to offer consumers more variety in plan design and, potentially, a lower premium price.

Should HBE consider standardizing a HSA-compatible HDHP option for 2023?

Compared to our experience in other states, HSAs are difficult to offer in Washington due to state regulations. The guidance around preventive care does not align with federal preventive care guidelines, so we do not currently offer HSA plans in Washington. We would prefer HSA plans to be nonstandard plans – meaning, if a carrier wants to offer one, they could be offered as a nonstandard plan. We do not support requiring carriers to offer an HSA standard plan. For some segments of the population (i.e., unsubsidized), they may want high-deductible and HSA-compliant plans. There is potential to increase the various populations that Washington Healthplanfinder serves, particularly right now given the new rules under the American Rescue Plan Act (ARPA).

Are there specific components of the 2021/2022 standard plan designs that should be maintained?

We like the standard plan design structure that calls out unique benefits and costs, and the alignment with the AV calculator. We appreciate all specifics around the cost share for all benefit components that are required to be completed on the plans and benefit template. Having this level of cost share detail ensures that the standard plan designs are indeed standard across carriers.

Are there specific components of standard plan designs that you want considered as part of the 2023 plan design process?

Acupuncture and Chiropractic specialties have the primary care cost shares, but all other specialty services have the specialty cost share. We recommend a review and potentially added service type details under the Specialty benefit category. Enrollees were also surprised to have their deductible apply to Specialty visits when not applied to Primary Care visits.

Do you have any specific concerns that should be addressed by the 2023 plan designs?

As we have previously shared with HBE, we faced significant challenges in adhering to the federal MH parity requirements while also meeting with OIC's interpretation as to how the standardized plans and their distinct benefit cost-sharing structures were to conform to HBE's mandated design. We hope OIC will be more open to feedback from HBE and carriers as we enter into the plan filing process for 2022. We strongly encourage HBE to clearly communicate early and often to OIC as it relates to any standard plan design changes and applicability with federal MH parity requirements to avoid this issue in the future. We strongly suggest additional coordination between OIC and HBE to avoid this and other potential issues throughout the plan filing process.

Thank you again for the opportunity to provide feedback as you begin this work to develop the 2023 Standard Plan designs. We look forward to more dialogue on this topic, and are happy to answer any questions and provide any additional information given our experience in Washington's Marketplace, as well as Centene's experience in other state-based exchanges.

Sincerely,

Andrea Tull Davis
Vice President, Government Relations & Communications
Marketplace (Exchange) Product Lead
Coordinated Care

Evan & team,

My apologies as I thought I had hit Send on this earlier this week and have been out with a medical emergency, but providing feedback on the standard plans on behalf of Regence/BridgeSpan.

We certainly appreciate the continued engagement of the carrier teams in this process, and the opportunity to provide feedback as WAHBE looks to revising the plans for PY 2023 to better meet consumer needs as we all collectively work toward lowering costs for these consumers.

Offering some considerations for the WAHBE team & wider workgroup for the plan designs:

- Regence/BridgeSpan does have some concerns, as the number of plans we can offer narrows, that the Standard Plans do not necessarily offer solutions for the entire market. We are hoping WAHBE will consider the population who just wants the basic coverage, basic insurance…not copays on everything. We are hearing this time and again from our consumers and brokers.
- For many families, cost is a more important consideration than coverage (still). We believe in broad offerings at each metal level to cover the needs of WA families.
- We would love to see a low cost silver option. HBE should consider lowering the AV of the Cascade Silver plans. It currently makes the Gold plans cheaper and that is confusing to the marketplace.
    - Our biggest observation after year #1 is that we see most of our membership in a much leaner plan than the standard plans, so we are hoping HBE can at least consider the options of offering more options for leaner, more basic plans for our collective consumers:
        - These are people who are generally healthy and do not want to pay for all of the extra bells and whistles. Delivery of care (such as virtual care) and networks will remain vital parts of these offerings.
        - In WA, most of our membership is currently on plans like this. Next year, we will have to get rid of one of those plans to be in compliance with the new WA rules about what we offer.
            - We dipped in with Regence and were able to get membership with a market that eluded us before: young healthy people. They wanted plan for “peace of mind” and purchased because of the pandemic. They wanted a “just in case” plan they could afford. It is difficult to keep this population because when they realize they don’t get value out of the plan and rarely visit the doctor, they see no need to keep it. We need to be able to offer low-cost lean option to keep this population participating in the market.
            - Consider creating a more basic plan or HSA qualified plan?
            - A much more lean bronze plan may also make sense.
        - On the call, it was mentioned that in the short-term we should consider even richer plans due to the subsidy and government assistance. If the market becomes saturated with these rich plans that are reliant on generous government assistance, then there is a large risk of people dropping out of the market if/when that assistance is drawn back. It also doesn’t allow carriers to design and offer some of those leaner plans so if assistance is scaled down, carriers will need to scramble to come up with new lean plans, possibly last-minute.
    - Regarding the statistic of 40% of new customers choosing a standard plan, there was a rather significant push for consumers to choose these via marketing and the plan display

order on HPF. Would like to see the satisfaction of those members and if they stay on their plans, which will not be evident until after this OEP.

It sounded like some of the consumer advocacy groups represented in the workgroup were keen on advocating for the standard plans with consumers, and encouraging even more focus on them. We would be very interested in any feedback – even at a summary level – of what is driving that approach. I heard the copay structure mentioned as helping to plan for if not manage cost when services are needed. With the exception of integrated systems like Kaiser Permanente, most plans previously offered copays/coinsurance at different levels that would be as reliable for predicting costs, but with a much less elaborate scheme (i.e. every service typically would not offer a unique copay amount like the standard plans do). Do the advocacy groups feel the amounts of the new copays are better in line with the services than what we previously available on the marketplace? Is there any other feedback around this you could share?

Again, thank you for the opportunity to engage as we all look to furthering our shared goals for the ACA marketplace.

Zac Aulson
Exchanges Program Director
CAMBIA HEALTH SOLUTIONS