Washington Health Benefit Exchange

Exchange Updates

November 19, 2015

Pam MacEwan, Exchange CEO
CEO PRIORITIES 2015-2016

• Improve consumer experience
• Live within our means – build sustainable operations
• Grow enrollment – reaching the uninsured and those who have not accessed subsidies
• Rebuild trust with our stakeholders
EXCHANGE PROGRESS IN 2015

• Successful Premium Aggregation Removal

• Improvements to Healthplanfinder

• Improvements to Renewal Process

• Health Literacy Campaign

• Improved Issue/Complaint Resolution
OPEN ENROLLMENT (NOV. 1 – JAN. 31)

• **Customer Support Center**
  • Average of 325 CSRs
  • Call volume has been steady but manageable

• **System performance and site traffic**
  ▪ System performance is readily handling volumes and response time has been faster than previous years
  ▪ No unplanned downtime

• **Unexpected plan withdrawals from Washington market (MODA, CUP)**

• **QHP Automatic Renewals (early December)**
  • Over 75k households passively renewed
IN-PERSON AND DIGITAL ENGAGEMENT

• 1,600 Brokers (300 new)
• 1,038 Navigators (113 new)

• From Nov. 1 to Nov. 4, more than 43,000 page views on wahbexchange.org
  • Insurance Company Payment Options
  • Application Quick Tips
  • Renew Coverage

• Health Literacy
  • Knowyourplan.org
  • Partner toolkit materials
  • Navigator Enrollment Guide

• 170,000+ outreach materials shipped to
  • Navigator organizations for OE3

HOW MUCH WOULD IT COST?
Below is a list of injuries and what it could cost without insurance:

- Dehydration and Nutrition Disorders: $17,854
- Heart Failure: $16,898
- Back Surgery without Fusion: $59,851
- Fusion for Back Vertebrae: $177,420
- Hip or Knee Replacement: $66,488

Source: Oct. 2013 price data release for fiscal year ending Sept. 30, 2012. Important: These billing and payment data are not indicators of clinical quality and should not be shared as such.
EXCHANGE ENROLLMENT DATA

• Current QHP Enrollment – 150,000
• QHP Enrollment Projections
  • 3-5% Increase
  • Projection – 165,000
• QHP Enrollment Reporting
  • Selecting a plan v. first payment made
2016 WORK PLAN

• Open-Enrollment
• Strategic Plan Implementation (Performance Measures)
• Customer Service Focus (Consumer Survey, Churn Analysis)
• Monthly Financial Reporting
• State and Federal Audits
• Grace Period Report
• 5 Year Spending Plan
• Tax Season (1095A)
• IRS Requirement to Reconcile Taxes
Appendix
EXCHANGE BACKGROUND

✓ Decreased uninsured rate
  • One of the largest drops in rate of uninsurance nationwide
    o Census: 14% (2013) to 9.2% (2014)
    o Gallup: 16.8% (2013) to 6.4% (mid-July 2015)
  • 44% drop in charity care; 47% drop in bad debt in WA in 2014 (WSHA & DOH, 2015)

✓ Enrollment success – nearly 1 in 5 WA residents used Healthplanfinder
  • QHP: 152,000
  • Medicaid (new adult): 556,000; 1.47M (total MAGI Medicaid/CHIP)

✓ Self-Sustaining Revenue ($110M appropriated biennial budget)
  • State 17T: $58.6M (53%) - 2% premium tax + assessment from carriers
  • General Fund- Federal (Medicaid): $40.4M (37%)
  • General Fund- State (Medicaid): $11M (10%)
    ➢ SFY16: $5.872M
    ➢ SFY17: $5.146M
2013 QHP Eligible Uninsured

2013 Medicaid Eligible Uninsured

2015 QHP Eligible Uninsured

2015 Medicaid Eligible Uninsured


*Estimates for 2015 are preliminary and do not account for net changes in employer-sponsored coverage and other private insurance coverage outside the Exchange.*
EXCHANGE BASICS

• Entry point for Medicaid, Qualified Health Plans
• QHP: Individuals >138% of FPL and small groups (1-50)
• Tax credits available for individuals 138%-400% of FPL
• Cost sharing reductions available for <250% FPL
• Metallic tiers for different coverage levels
• Apples-to-apples comparisons for consumers, one-stop shop
• 10 essential health benefits
• Robust customer support network
  • Spokane-based call center
  • State-wide Navigator and Broker enrollment assistance programs
EXCHANGE VALUE

• Real time eligibility (including renewal) determination

• Competitive marketplace
  • Cost of acquisition in individual market

• One door for public and private health insurance
  • Federal exchange charges 3.5% admin fee; no final Medicaid enrollment or renewals

• State-specific consumer assistance, outreach, and marketing
  • Spokane Customer Support Center
  • WA population specific outreach

• Federal subsidies obtained through Exchange (since Jan 1. 2014)
  • Over $600 million to help pay for premiums
  • Nearly $100 million to reduce costs of hospital and provider visits
2015 ENROLLMENT DATA


Enrollees

- 100% Total: 1,599,811
- 90% MAGI Medicaid Total: 1,447,294
- 10% QHP Total: 152,517

QHP Enrollees

- 100% Total: 152,517
- 79% Subsidized Total: 119,969
- 21% Non-Subsidized Total: 32,548

By Metal Level

- 100% Total: 152,517
- 56% Silver Total: 84,899
- 36% Bronze Total: 54,600
- 8% Gold Total: 11,607

By Federal Poverty Level (FPL)

- Did not report Total: 8,816 (6%)
- <100% Total: 4,875 (3%)
- 100-138% Total: 2,708 (2%)
- 139-150% Total: 12,422 (8%)
- 151-200% Total: 44,808 (29%)
- 201-250% Total: 28,246 (19%)
- >400% Total: 10,677 (7%)
- 251-300% Total: 18,328 (12%)
- 301-400% Total: 21,637 (14%)
- 501-600% Total: 1,462 (1%)
- >600% Total: 6,130 (4%)

2015 ENROLLMENT DATA


2015 Disenrollments

- Voluntary: 44% (Total: 13,437)
- Non-payment: 56% (Total: 17,167)

Churn

<table>
<thead>
<tr>
<th>QHP - MEDICAID</th>
<th>MEDICAID - QHP</th>
</tr>
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<tbody>
<tr>
<td>Avg. Monthly Churn Percentage: 1.17%</td>
<td>Avg. Monthly Churn Percentage: 0.08%</td>
</tr>
<tr>
<td>Avg. Monthly Churn Total: 1,582</td>
<td>Avg. Monthly Churn Total: 1,138</td>
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## Average Deductibles & Out of Pocket Maximums

<table>
<thead>
<tr>
<th></th>
<th>Individual</th>
<th></th>
<th>Family</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Average Deductible</td>
<td>Average OOPM</td>
<td>Average Deductible</td>
<td>Average OOPM</td>
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<tr>
<td>Bronze</td>
<td>$5,563</td>
<td>$6,070</td>
<td>$11,191</td>
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<tr>
<td>Silver</td>
<td>$2,723</td>
<td>$5,552</td>
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<tr>
<td>Gold</td>
<td>$982</td>
<td>$4,619</td>
<td>$2,049</td>
<td>$9,199</td>
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<tr>
<td>Platinum</td>
<td>$250</td>
<td>$2,500</td>
<td>$500</td>
<td>$5,000</td>
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<tr>
<td>Catastrophic</td>
<td>$6,600</td>
<td>$6,600</td>
<td>$13,200</td>
<td>$13,200</td>
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</table>

**Notes:** Averages are based on enrollment by metal tier. Deductibles and OOPM amounts in silver tier are for the standard silver plan. Enrollees eligible for cost-share reductions may be subject to lesser amounts based on income.
2016 EXCHANGE PLAN OFFERINGS

Individual QHP Market – Issuers per County

Individual Market
2015: 10 issuers, 90 plans
2016: 11 issuers, 138 plans (5 MSPs)

Healthplanfinder Business/SHOP
2015: 2 Issuers, 23 plans
2016: 2 issuers, 30 plans

Individual Pediatric Dental Market
2015: 5 issuers, 6 plans
2016: 5 issuers, 7 plans
2016 INDIVIDUAL MARKET COST-SHARING

Deductibles

**Individual**
- **Gold:** $500-$1500
- **Silver:** $1,500 - $6,500
- **Bronze:** $3,250 - $6,850
- **Catastrophic:** $6,850

**Family**
- **Gold:** $1,000 - $4,500
- **Silver:** $3,000 - $12,600
- **Bronze:** $6,500 - $13,700
- **Catastrophic:** $13,700

Out-of-Pocket Maximum

**Individual**
- **Gold:** $4,000 - $6,850
- **Silver:** $4,100 - $6,850
- **Bronze:** $6,000 - $6,850
- **Catastrophic:** $6,850

**Family**
- **Gold:** $8,000 - $13,700
- **Silver:** $8,200 - $13,700
- **Bronze:** $12,000 - $13,700
- **Catastrophic:** $13,700
HEALTH LITERACY CAMPAIGN

Vision: All Washington residents know how and where to access health insurance. All Washington residents understand their health insurance options, their rights, their cost, their responsibilities and their coverage. All Washington residents know the value of health insurance in staying healthy across the lifespan.

Clear and Simple Design

Reading Level: 5.3
Key Terms Translated in 8 Languages
## Washington Healthplanfinder Business (formerly SHOP)

<table>
<thead>
<tr>
<th>County</th>
<th># of Groups Enrolled</th>
<th># of Lives Enrolled</th>
<th>Average Covered Lives Per Employer</th>
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<tbody>
<tr>
<td>Benton</td>
<td>6</td>
<td>38</td>
<td>6.3</td>
</tr>
<tr>
<td>Chelan</td>
<td>2</td>
<td>7</td>
<td>3.5</td>
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<tr>
<td>Clallam</td>
<td>2</td>
<td>17</td>
<td>8.5</td>
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<tr>
<td>Clark</td>
<td>27</td>
<td>147</td>
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<tr>
<td>Cowlitz</td>
<td>1</td>
<td>17</td>
<td>17.0</td>
</tr>
<tr>
<td>Douglas</td>
<td>1</td>
<td>10</td>
<td>10.0</td>
</tr>
<tr>
<td>Franklin</td>
<td>1</td>
<td>8</td>
<td>8.0</td>
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<tr>
<td>Grant</td>
<td>1</td>
<td>4</td>
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<td>Jefferson</td>
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<tr>
<td>King</td>
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<td>Kitsap</td>
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<td>Lewis</td>
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<td>Pacific</td>
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</tr>
<tr>
<td>Pierce</td>
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<td>15</td>
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<tr>
<td>San Juan</td>
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<td>11.0</td>
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<tr>
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<tr>
<td>Spokane</td>
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<td>Walla Walla</td>
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<td>10</td>
<td>5.0</td>
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<tr>
<td>Whatcom</td>
<td>3</td>
<td>6</td>
<td>2.0</td>
</tr>
<tr>
<td>Whitman</td>
<td>1</td>
<td>2</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>124</strong></td>
<td><strong>677</strong></td>
<td><strong>5.5</strong></td>
</tr>
</tbody>
</table>

- **Enrollment**: 124 Employer groups covering 677 employees and dependents
- **2014 (pilot)**: 1 issuer (Kaiser), Clark and Cowlitz only
- **2015**: 2 issuers (Kaiser, Moda-statewide), 23 plans
- **2016**: 2 issuers (Kaiser, United-statewide), 30 plans
Washington Healthplanfinder Business (formerly SHOP)

Employer Profile: Strong Technology Consulting
Local, family owned business providing quality, full service IT support to professional offices both large and small throughout Eastern Washington. See http://strongtc.com/

The exchange known as Washington Healthplanfinder Business came along at the right time for Linda Strong and her husband, Andrew, who own Strong Technology Consulting in Colbert, just north of Spokane. Until recently, they had been paying for individual plans, but their business was growing and they needed to hire another employee. “Even though we didn’t have to, we wanted to provide insurance,” says Linda Strong. “We want people who know what they’re doing. Offering a health care plan makes us competitive.”

Strong says she couldn’t find an association or trade group in the company’s line of business that offered insurance. With the group plan the business signed up for at the state exchange, she says, “It ended up being quite a bit less expensive and we got better insurance than we had before with our individual plans.”

# NEW LEGISLATIVE REPORTING REQUIREMENTS

<table>
<thead>
<tr>
<th>Report</th>
<th>Requirements</th>
<th>Ongoing Obligations</th>
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| **Strategic Plan**      | By September 30, 2015 the Exchange must develop a strategic plan that includes, but is not limited to: (i) Comprehensive five-year and ten-year plans for the exchange's direction with clearly defined outcomes and goals; (ii) Concrete plans for achieving or surpassing desired outcomes and goals; (iii) Strategy for achieving enrollment and reenrollment targets; (iv) Detailed stakeholder and external communication plans; (v) Identification of funding sources, and a plan for how it will fund and allocate resources to pursue desired goals and outcomes; (vi) A detailed report including:  
  A. Salaries of all current employees of the exchange, including starting salary, any increases received, and the basis for any increases;  
  B. Salary, overtime, and compensation policies for staff of the exchange.  
  C. A report of all expenses;  
  D. Beginning and ending fund balances, by fund source;  
  E. Any contracts or contract amendments signed by the exchange;  
  F. An accounting of staff required to operate the exchange broken out by full time equivalent positions, contracted employees, temporary staff, and any other relevant designation that indicates the staffing level of the exchange. | Annual update (by Sept. 30) to the Leg. Committees, Board, HCA.  
Monthly updates of italicized items to Leg., Committees, Board, HCA. |
| **5 Year Spending Plan**| By January 1, 2016 the Exchange must develop a five-year spending plan that identifies potential reductions in exchange per member per month spending, and identifies spending reductions in call center, information technology, and staffing.                                                   | Annual update to Leg. Committees, Governor's Office, Board. |
| **Spending Metrics**    | By January 1, 2016, the Exchange must: develop metrics that capture current spending levels that include a per member per month metric; establish five-year benchmarks for spending reductions; monitor ongoing progress toward achieving those benchmarks; and post progress toward achieving the established benchmarks on the corporate web site. | Quarterly updates to Leg. Committees and Board. |
FIVE YEAR STRATEGIC PLAN

Core Outcomes

• Define and Deliver Operational Excellence

• Increase Number of Insured and Access to Affordable Coverage

• Advance Consumer Choice and Decision-Making

• Promote Equity Across System
Core Duties

- Increase covered lives in Washington state
- Provide responsible fiscal and operational stewardship
- Promote enrollment and retention for both Qualified Health Plan and Washington Apple Health populations
- Build a competitive marketplace that accounts for the price, access, quality and innovation of both its products and services
- Promote health equity through policy, education and measuring success
- Create an environment of inclusion for stakeholders, partners and the public