Open-Enrollment Update

▪ Qualified Health Plan (QHP) enrollment continues upward trend
  • 14% increase in plan selection over last year
  • Majority of individual market
  • 15% increase in Young Invincibles (18-34 years old)

▪ QHP Total: Over 200,000
  • Subsidized (62%); Non-subsidized (38%)

▪ New to Exchange: Over 65,000
  • 45% of new are over 400% FPL (non-subsidy eligible)

▪ *New* Family Dental Total: Over 48,000
  • 3 insurers selling 12 Qualified Dental Plans (QDPs)
Exchange Structure

- The Washington Health Benefit Exchange (Exchange) was created in state statute in 2011 as a public-private partnership.

- The Exchange governed by a bi-partisan 11-member Board. Members are nominated by each Legislative Caucus, and appointed by the Governor.

- The Exchange budget is appropriated by the Legislature.

- The Exchange operates Washington Healthplanfinder, an online marketplace for Medicaid and commercial health coverage.

- Over 1.8M consumers – 1 in 4 Washington residents – obtain medical and dental coverage through Washington Healthplanfinder.
1 in 4 WA Residents Use Healthplanfinder

In 29 counties, 30-50% of residents (under 65) use Healthplanfinder to get insured

Share of Population Enrolled Through Washington Healthplanfinder*

Top 10

ADAMS .................. 50%
YAKIMA .................. 47%
OKANOGAN .................. 46%
PACIFIC .................. 40%
GRANT .................. 40%
FRANKLIN .................. 40%
CHELAN .................. 39%
GRAYS HARBOR .................. 39%
KLICKITAT .................. 39%
LEWIS .................. 38%

TOTAL .................. 28%

*Includes both QHP and Washington Apple Health enrollees.
Significant Decline In Uninsured Rate

- *Washington Healthplanfinder* coverage started Jan. 1, 2014
- Uninsured rate has dropped to 5.8%

Data sources:
- a. 2013 estimates - American Community Survey
- b. 2014-15 actual estimates - American Community Survey adjusted for Medicaid undercount
Significant Decreases In Uncompensated Care

![Graph showing decrease in uncompensated care]

**All Reporting Hospitals (78 Facilities)**

<table>
<thead>
<tr>
<th></th>
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<tr>
<td>Charity Care Costs</td>
<td>$414,846,923</td>
<td>$438,120,641</td>
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<td>$322,695,274</td>
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<td>Bad Debt Expense</td>
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<td>$909,250,619</td>
<td>$872,717,379</td>
<td>$592,037,421</td>
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</table>

*Data Source: WA DOH Year End Financial Reports*
Exchange Functions

- Operates one door for Medicaid and commercial coverage
- Fosters competitive and robust individual marketplace
- Provides real-time eligibility (including renewal) determination and verification (integration with federal and state systems)
- Provides transparency and consumer tools (quality ratings, price information, provider look-up)
- Provides state-specific consumer assistance, outreach, and marketing
  - Spokane Customer Support Center
  - WA population specific outreach
- Connects consumers to federal subsidies ($400M annually) and 3rd party payments (e.g., sponsorship program)
Single Point Of Entry For Health Coverage

QHP by County

Top 10
KING......................56,424
SNOHOMISH..........16,420
PIERCE...............14,664
CLARK...............11,429
SPOKANE.............11,262
WHATCOM............7,170
THURSTON ..........5,250
KITSAP ..........5,206
YAKIMA ............3,608
BENTON ............3,217

TOTAL..................166,098

Washington Apple Health by County

Top 10
KING..........338,546
PIERCE.........186,591
SNOHOMISH....136,184
SPOKANE.......131,591
CLARK.........102,470
YAKIMA .........97,366
THURSTON ......54,492
BENTON ........48,964
WHATCOM .....45,855
KITSAP ..........43,936

TOTAL............1,531,402

*Washington Apple Health enrollees consist of Medicaid MAGI (1,482,125) and CHIP (48,277). A total of 621 Washington Apple Health enrollees listed "Other" under county, while 190 enrollees listed "Border" under county.
Competitive and Robust Marketplace

- Legislatively mandated analysis conducted by Wakely Consulting Group, LLC on behalf of the Exchange and the Office of the Insurance Commissioner (released Dec. 1, 2016)

- Key findings include:
  - **Steady growth in carriers, plans and products in the Exchange**: Eight issuers have participated in the Exchange in all years (2014-17) and total plan options have grown from 46 in 2014 to 98 in 2017.
  - **Solid enrollment growth inside the Exchange**: In the Exchange there has been Qualified Health Plan growth statewide (and in virtually every county).
  - **Increased competition in the Exchange**: The market on Exchange is less dependent on any one carrier than it was in 2014.
  - **Stabilization of rates**: Modest growth coupled with a majority of renewing enrollees being able to lower their premiums by switching to the lowest cost plan.

- Report available [here](#). Press release available [here](#).
2017 Exchange Marketplace

Plan Availability

▪ Nine insurers sell 98 plans through Washington Healthplanfinder
▪ 95% of counties have 2+ insurers (map in appendix)
▪ Two statewide insurers withdrew: United and Moda
▪ 2 insurers reduced service areas, 2 insurers expanded service area
2017 Exchange Marketplace

Premium Prices

- Average premium changes 2016 to 2017
  - 13.0% inside Exchange
  - 14.9% outside the Exchange

- Premium tax subsidies available for those up to 400% FPL

- Changes vary by county (map in appendix)

- Average premium change in low-costs plans (example below for a 40-year-old, unsubsidized, non-smoker):
  - Lowest cost bronze plan: 4% ($12/month)
  - Lowest cost silver plan: 3% ($9/month)
2017 Exchange Marketplace

Deductible Prices

- Average deductible changes 2016 to 2017 in the Exchange:
  - Bronze plans: 5% increase
  - Silver plans: 8% increase

<table>
<thead>
<tr>
<th>Metal Level</th>
<th>2016 Average Deductible</th>
<th>2017 Average Deductible</th>
<th>Change in Deductible</th>
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<tr>
<td>Bronze</td>
<td>$5,693</td>
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<td>$284</td>
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<tr>
<td>Silver*</td>
<td>$3,343</td>
<td>$3,620</td>
<td>$277</td>
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<tr>
<td>Gold</td>
<td>$1,148</td>
<td>$1,223</td>
<td>$75</td>
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</tbody>
</table>

*Cost-Share Reductions (CSRs) available for those under 250% FPL in silver plans
Real-time Eligibility and Verification
Transparency & Consumer Tools

- Apples-to-Apples Plan Comparisons
- New Shopping Features
  - Shopping Cart (saves plan selections)
  - Shopping Tips (alerts on comparing plans and reducing costs)
- New Quality Rating System
  - Based on federal standards of quality
  - Health plans will be assigned a rating – 1 star (lowest) to 5 stars (highest)
State-Specific Consumer Assistance

- **Spokane Customer Support Center**
  - 210 Customer Support Representatives (average during OE)
  - Staffing scaled up and down throughout the year

- **Consumer Assister Network**
  - 1884 Brokers
  - 674 Navigators
  - 102 Certified Application Counselors (CACs)
  - 84 Tribal Assisters

- Statewide and population-specific outreach

- Year-round health literacy campaigns
Connecting Residents to Subsidies

Federal Subsidies (Tax Credits & Cost-Sharing Reductions) in 2016* - $400M Annually

*Advanced Premium Tax Credits (APTC) and Cost-Sharing Reductions (CSR) are federal subsidies that lower monthly premium amounts and out-of-pocket costs for low and middle-income Washington Healthplanfinder consumers. Data as of November 2016.
Connecting Residents to Subsidies

Average Monthly Tax Credits & Cost-Sharing Reductions per Subsidized Enrollee – 2016*

Top 10

WAHKAUKUM.............$442
PACIFIC..................$416
GRAY'S HARBOR.........$408
GARFIELD...............$407
ASOTIN.................$405
CLALLAM..............$395
COWLITZ...............$387
SKAMANIA...............$384
FERRY..................$374
KLICKITAT.............$369

*Excludes Washington Healthplanfinder enrollees not receiving a tax credit or cost-sharing reduction. Data as of November 2016.
Exchange Funding

- Received over $300M in federal grants to stand-up the Exchange (remaining federal grant expires in SFY 2017)
- Legislature established ongoing funding mechanisms (2012-13)
- Exchange must be “capable of operating with revenue attributable to the operations of the exchange.”
- Exchange revenue driven by:
  - QHP Enrollment
  - Reimbursement for administrative Medicaid activities
Exchange Funding

- Federal Grants (phased out in SFY 2017, not appropriated)
- General Fund State (GF-S)
- Health Benefit Exchange Account (17T) -2% Premium Tax and Carrier Assessments
- Federal Medicaid (GF-Federal)

SFY2017, 2018, and 2019 are based on the Governor’s Proposed 2017 Supplemental and 2017-19 Budgets
Governor’s 2017-19 Exchange Budget Summary

Requests expenditure authority only, no additional GF-S

Core Operations (Maintenance Level)

- Cost allocation update (net zero impact; fund shift only)
- Printing and postage funding ($600,000 per year)

Strategic Priorities (Policy Level)

- Hardware replacement and security updates (one-time cost of $1.1M in 2018 and $3.2M in 2019)
- IT funding for Healthplanfinder operational improvements ($2M per year)
- Outreach and marketing ($1.5M per year)
Exchange Priorities 2016-2017

- Optimizing Customer Experience
- Responding to Federal Changes
- Growth and Enrollment
- Helping Address Barriers
  - Affordability
  - Changing Products & Provider Networks
  - Rural Access
Appendix
Current Versus Proposed Biennial Budget (in thousands)

**2015-17 Total Funding**
- Federal Grants, $29,523
- Health Benefit Exchange Account (17T) $50,503
- Carrier Assessment and Premium Tax
- Federal Medicaid $49,410
- General Fund-State, $11,126

**Proposed 2017-19 Total Funding**
- Health Benefit Exchange Account (17T) $45,840
- Federal Medicaid $64,731
- General Fund-State, $10,368
- Carrier Assessment and Premium Tax
- Federal Grants, $29,523
- General Fund-State, $11,126
Legislative Reports

www.wahbexchange.org/about-the-exchange/reports-data/

- Reports submitted to legislators include:
  - Annual Strategic Plan
  - Annual Detailed Financial Report
  - Annual Updates to 5 Year Spending Plan
  - Quarterly Spending Metrics Report
  - Monthly Financial Reports
Background: Washington Exchange

Statutory History:

- **In 2011**, legislature established a state-based exchange as, “a public private partnership separate and distinct from the state” governed by a bi-partisan 11-member Board. See [SSB 5445](#).

- **In 2012**, legislature established implementation guidelines for the Exchange and established the Exchange must be self-sustaining. See [ESSHB 2319](#).

- **In 2013**, the legislature established that “self-sustaining” means “capable of operating with revenue attributable to the operations of the exchange.” See [ESHB 1947](#).
Background: Washington Exchange

Recent Legislation:

- **In 2015**, the legislature established reporting requirements for the Exchange, including:
  - Annual Strategic Plan
  - Annual 5-Year Spending Plan
  - Quarterly Reporting on Spending Metrics
  - Quarterly Financial Reports

See 2ESB 6089.

- **In 2016**, the legislature established a financing mechanism so family dental products can be offered through the Exchange. See HB 2768.
2017 QHP Issuers by County

9 insurers selling 98 Qualified Health Plans (QHPs)
Change in Lowest Cost Bronze QHP Premium from 2016-2017
Average monthly premium increase for lowest cost bronze is $12 (4%)

- $1-25 decrease in premium (12 Counties)
- $1-30 increase in premium (19 Counties)
- $30-40 increase in premium (8 Counties)

Based on unsubsidized, 40-year-old, non-smoker
Change in Lowest Cost Silver QHP Premium from 2016-2017
Average monthly premium increase for lowest cost silver is $9 (3%)

Based on unsubsidized, 40-year-old, non-smoker
Average annual premium increases have dropped since the ACA passed and became law.

- Pre-ACA passage (2008-2010): 18.5%
- Pre ACA implementation (2011-2013): 11.2%
- Post ACA startup (2015-2017): 6.7%

Source: Office of the Insurance Commissioner
## 2016 FPL Guidelines

- Currently, residents up to 400% FPL qualify for tax credits that reduce premium costs when coverage is purchased.
- Currently, residents up to 250% FPL quality for cost-sharing subsidies that reduce their out-of-pocket costs when seeking care.

<table>
<thead>
<tr>
<th>Persons in Household</th>
<th>2016 100% Federal Poverty Level Minimum to Qualify for <strong>ACA Assistance</strong></th>
<th>138% FPL <strong>Medicaid</strong> Cap (in States that Expanded)</th>
<th>250% FPL <strong>CSR Subsidies</strong> Cap</th>
<th>400% FPL <strong>Premium Tax Credit Cap</strong></th>
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Washington Healthplanfinder
https://www.wahealthplanfinder.org/

In person and over the phone assistance is available at no cost to you. Our team of brokers and navigators are here to help.

Find a broker
Find a navigator

Welcome to our new homepage!
Washington Healthplanfinder

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