Washington Health Benefit Exchange

House Health Care & Wellness Committee
November 16, 2017

Pam MacEwan, CEO
Open Enrollment is Here. Select a Plan by December 15th to Get Covered for 2018.

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

Get Started
## Strong Start to Open-Enrollment (Nov. 1, 2017 – Jan. 15, 2018)

- 24% increase in *Healthplanfinder* traffic, over 320,000 unique site visits
- Over 50% increase in new enrollees
- High utilization of new consumer tools

<table>
<thead>
<tr>
<th></th>
<th>OE5 Nov. 1-Nov. 8, 2017</th>
<th>OE4 Nov. 1-Nov. 8, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calls to the Customer Support Center</td>
<td>35,144</td>
<td>27,135</td>
</tr>
<tr>
<td>New applications submitted</td>
<td>4,550</td>
<td>2,964</td>
</tr>
<tr>
<td>Usage of <em>Smart Planfinder</em> (new)</td>
<td>49,592</td>
<td>N/A</td>
</tr>
<tr>
<td>Downloads of <em>WAPlanfinder</em> mobile app (new)</td>
<td>3,607</td>
<td>N/A</td>
</tr>
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</table>
Consumer Deadlines & Resources

▪ Residents must enroll by December 15 for coverage that begins January 1.

▪ Open enrollment in Washington ends **January 15**

▪ 12 full-service enrollment centers and broker assistance sites are located throughout Washington state

▪ Toll-free Customer Support Center (1-855-923-4633) is open weekdays from 7:30 a.m. to 8 p.m. and on Saturdays from 10 a.m. to 2 p.m.
  ▪ Extended hours will also be offered leading up to sign-up deadlines.
2018 Plan Availability

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

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

- More limited provider networks: No Preferred Provider Organizations (PPOs)
## 2018 QHP Issuers

<table>
<thead>
<tr>
<th>Issuer</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>BridgeSpan</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Community Health Plan of Washington</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td>Coordinated Care</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Kaiser Washington</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Kaiser Northwest</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>LifeWise</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Molina</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Premera</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Regence</td>
<td>✓</td>
<td>X</td>
</tr>
</tbody>
</table>
2018 QHP Issuers by County

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

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

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

- Higher deductibles:
  - Median silver QHP deductible will increase from $3,000 in 2017 to $4,500 in 2018
  - CSRs still available for silver enrollees under 250% FPL
Importance of Shopping During OE

- Subsidized QHP enrollees (62%) have 2018 options that are less expensive, due to increased premium tax subsidies

- Unsubsidized QHP enrollees (38%) will experience premium increase

- Unsubsidized QHP enrollees in silver plans will experience the most significant premium increases due to loss of CSR funding

- May find better value in gold or bronze plans
17 counties where a bronze plan is free* on Washington Healthplanfinder for a subsidized 40-year-old earning $20,000 (166% FPL), 2018

Source: Washington Health Benefit Exchange
*Note: Consumers will be charged at least $1 for their coverage as required by Section 1303 of the Affordable Care Act
Importance of Market Stabilization

- Individual market is important for self-employed, small business employees, part time workers, early retirees, and their families

- Individual market is smaller and more volatile than the employer, Medicaid, and Medicare markets

- Individual market is prone to greater adverse risk selection as people come and go from purchasing coverage

- Encouraging participation from young and healthy enrollees is key to stabilizing the risk pool

- Past year has brought uncertainty and change (e.g., end of federal reinsurance in 2016, repeal and replace activities).

- Carriers have responded by raising rates, withdrawing from some rural counties, and narrowing provider networks
Potential 2019 Market Stabilization and ‘Bare County’ Policy Solutions

- Reinsurance – to stabilize market & lower premiums
- Premium Wraps – to assist with higher premium costs
- Cost Sharing Wraps – to assist with deductibles and co-pays
- Additional ‘bare county’ safeguards
  - Current statute directs ‘bare county’ residents to purchase unsubsidized coverage through WSHIP
  - Offering a WSHIP product on the Exchange would allow people to access tax credits
- Buy-In – to Medicaid or PEBB
Key Considerations

▪ Does the proposed solution:
  ▪ Stabilize the individual market by retaining or increasing QHP enrollment and maintaining a single risk pool
  ▪ Maximize the federal subsidies available through Healthplanfinder
  ▪ Make premiums more affordable
  ▪ Leverage Healthplanfinder to provide a seamless point of entry and eligibility verification
  ▪ Normalize risk experience and improve predictability for carrier pricing and participation
Exchange Contacts

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  ▪ Joan.altman@wahbexchange.org
Appendix
OE5 Communications Channels

Direct - 1:1 outreach
- Correspondences
- Emails
- Phone calls
- Brokers and Navigators
- Insurance companies
- Other

Broad-based outreach
- Washington Healthplanfinder (shopping and rate pages)
- Corporate site
- Insurance company sites
- Earned media
- Social media and digital
State-Specific Consumer Assistance

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

- Consumer Assister Network
  - 2000 Brokers
  - 650 Navigators
  - 100 Certified Application Counselors (CACs)
  - 90 Tribal Assisters

- Statewide and population-specific outreach

- Year-round health literacy campaigns
Lead Navigator Organizations

Service Area by County
Enrollment Center Locations

- Bellingham
- Burlington
- Federal Way
- Lakewood
- Olympia
- Puyallup
- Seattle
- Spokane
- Sumner
- Tukwila
- Vancouver (2)

More information available at: https://www.wahbexchange.org/new-customers/application-quick-tips/customer-support-network/
Financial Assistance

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

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

<table>
<thead>
<tr>
<th>Persons in Household</th>
<th>100% (Minimum for financial assistance)</th>
<th>138% (Medicaid eligibility)</th>
<th>250% (Max income for cost-sharing reductions)</th>
<th>400% (Max income for premium tax credits)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$12,060</td>
<td>$16,643</td>
<td>$30,150</td>
<td>$48,240</td>
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<tr>
<td>2</td>
<td>$16,240</td>
<td>$22,411</td>
<td>$40,600</td>
<td>$64,960</td>
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<tr>
<td>3</td>
<td>$20,420</td>
<td>$28,180</td>
<td>$51,050</td>
<td>$81,680</td>
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<tr>
<td>4</td>
<td>$24,600</td>
<td>$33,948</td>
<td>$61,500</td>
<td>$98,400</td>
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<tr>
<td>5</td>
<td>$28,780</td>
<td>$39,716</td>
<td>$71,950</td>
<td>$115,120</td>
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</table>

Source: 2017 FPL Guidelines
# 2018 Exchange Plans by Metal Tier

<table>
<thead>
<tr>
<th>Carrier</th>
<th>Gold</th>
<th>Silver</th>
<th>Bronze</th>
<th>Catastrophic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinated Care</td>
<td>1</td>
<td>9</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>BridgeSpan</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Kaiser NW</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Kaiser of WA</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Lifewise</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Molina</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Premera</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>19</strong></td>
<td><strong>11</strong></td>
<td><strong>2</strong></td>
</tr>
</tbody>
</table>
Washington Healthplanfinder (HPF) Enrollment

QHP enrollment numbers have grown year-over-year; 1 in 4 Washington residents enroll for coverage through HPF

<table>
<thead>
<tr>
<th>Year</th>
<th>QHP</th>
<th>WAH</th>
<th>Total</th>
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<tbody>
<tr>
<td>2015</td>
<td>152,517</td>
<td>1,447,294</td>
<td>1,599,811</td>
</tr>
<tr>
<td>2016</td>
<td>166,098</td>
<td>1,531,402</td>
<td>1,697,500</td>
</tr>
<tr>
<td>2017</td>
<td>177,166</td>
<td>1,520,845</td>
<td>1,698,011</td>
</tr>
</tbody>
</table>

Exchange Expenditures

- Includes both appropriated and non-appropriated funds
- Prior to January 2015, the Exchange was fully funded with federal grants
- Beginning January 1, 2015, the Legislature appropriated funds to the Exchange (Health Benefit Exchange account (17T) and Medicaid)
- As of July 1, 2017 the Exchange no longer has federal grants and all funding is appropriated by the Legislature

### Exchange Expenditures

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Expenditures</th>
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<tbody>
<tr>
<td>SFY2012</td>
<td>$748,938</td>
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<tr>
<td>SFY2013</td>
<td>$42,065,556</td>
</tr>
<tr>
<td>SFY2014</td>
<td>$121,087,015</td>
</tr>
<tr>
<td>SFY2015</td>
<td>$92,255,662</td>
</tr>
<tr>
<td>SFY2016</td>
<td>$78,993,084</td>
</tr>
<tr>
<td>SFY2017</td>
<td>$62,187,034</td>
</tr>
<tr>
<td>SFY2018</td>
<td>$58,498,000</td>
</tr>
<tr>
<td>SFY2019</td>
<td>$61,443,000</td>
</tr>
</tbody>
</table>
## 2017-19 Appropriated Budget
(in thousands)

<table>
<thead>
<tr>
<th>Budget Summary</th>
<th>SFY 2017</th>
<th>SFY 2018</th>
<th>SFY 2019</th>
<th>2017-19 Biennium</th>
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<tbody>
<tr>
<td>001-1 GF-State</td>
<td>$5,184</td>
<td>$5,184</td>
<td>$5,184</td>
<td>$10,368</td>
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<tr>
<td>17T-1 Health Benefit Exchange</td>
<td>$23,804</td>
<td>$28,040</td>
<td>$28,696</td>
<td>$56,736</td>
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<tr>
<td>001-C GF-Federal</td>
<td>$25,311</td>
<td>$25,274</td>
<td>$27,563</td>
<td>$52,837</td>
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<tr>
<td><strong>Enacted Budget</strong></td>
<td><strong>$54,299</strong></td>
<td><strong>$58,498</strong></td>
<td><strong>$61,443</strong></td>
<td><strong>$119,941</strong></td>
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</table>
2018 Legislative Priorities

▪ Supplemental Budget
  ▪ Annual Cost Allocation Update – Maintenance level; net-zero adjustment
  ▪ Call Center and System Integrator Procurements – Policy level; increased appropriation of $3.4M; no new GF-S

▪ Clean Up of Enabling Statute
  ▪ Limited updates to RCW 43.71 so state-defined operations can continue in the event of a full or partial ACA repeal.

▪ Market Stabilization
  ▪ Support and inform efforts to stabilize the individual health insurance market in 2019
Legislative Reports
www.wahbexchang.org/about-the-exchange/reports-data/

- Reports submitted to legislators include:
  - Annual Strategic Plan
  - Annual Detailed Financial Report
  - Annual 5 Year Spending Plan Updates
  - Annual Grace Period Report
  - Quarterly Spending Metrics Reports
  - Quarterly Financial Reports