



Washington Health Benefit Exchange

Cascade Care Implementation

Advisory Committee

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Topics

- **Cascade Care**
 - What's included in the bill
- **Implementation of Cascade Care**
 - Standard Plans and state-procured Public Option available through the Exchange for plan year 2021
- **Consumer Outreach and Messaging**



Cascade Care Bill

5526: Cascade Care

First public option bill in the country

APRIL 30, 2019

The Seattle Medium
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Legislature Passes Historic Public Option Healthcare Bill

Posted on Apr 29 2019 - 5:01am by Seattle Medium

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Olympia - A bill passed April 27 by the Washington State Legislature would create a public option for health care coverage, available through Washington's Health Benefit Exchange. The plan would be known as Cascade Care, and would be the first public health insurance option in the nation.

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Public Option 1.0: Washington State Takes An Important Step Forward

Billy Wynne

PUBLIC OPTION: A plan to create a public health insurance option in Washington cleared the Legislature and is awaiting Inslee's signature. Dubbed Cascade Care, the proposal [would create a state-contracted](#) individual insurance option for purchase on the state's insurance exchange by 2021. Backers say rate caps for doctors will make the plans cheaper than insurance from private companies.

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Public Health Care Option Clears Washington Legislature

A plan for a limited public option in Washington state has cleared the Washington Legislature.



Three Main Components

1. Standard Qualified Health Plans (QHPs): Requires HBE, in consultation with HCA, OIC and actuary and other stakeholders, to design and implement standard QHP plans for 2021 plan year
2. State Procured Standard QHPs: Requires HCA, in consultation with HBE, to contract with health carriers to offer state procured standard QHPs (public option plans) for 2021 plan year that have provider reimbursement rate caps and must include quality and value requirements
3. Subsidy Study: Requires HBE, in consultation with HCA and OIC, to develop and submit a plan for implementing premium subsidies through Exchange for individuals up to 500% FPL (report due Nov. 15, 2020)



(1) Standard Plans

- HBE required to establish up to 3 standardized benefit plans for each metal level
- Starting in PY 2021, QHP carriers must offer at least 1 gold and 1 silver standardized plan, and 1 bronze if offered
 - Carriers may also offer non-standardized plans
 - HBE, with OIC, required to study the impact of offering only standard plans, due to the Legislature by December 1, 2023
- Annually, HBE can update plans; must provide notice of plan designs to carriers by January 31; must provide notice and public comment period prior to finalizing
- Exempts any data submitted to the Exchange by carriers for purpose of standard plan design from public records disclosure



What Are Standard Plans?

- Standard plans take the guesswork out of trying to compare plans across carriers
- Cost-sharing and benefit design is the same across all carriers
- Plans are distinguished by factors like premiums, networks, quality, and customer service



Sample Standard Plan

Benefits	Sample Model Plan (Silver Plan 1)	Coordinated Care Ambetter Balanced Care 4 (2018)	Kaiser Northwest KP WA Silver 3500/30	LifeWise Essential Silver EPO 4000	Molina Marketplace Choice Silver 250
Integrated	Yes	Yes	Yes	Yes	No
Deductible (\$)	\$2500	\$7050	\$3500	\$4000	\$4950; \$400
Coinsurance (%; Insurer's Cost Share)	30%	0%	30%	30%	40%
MOOP (\$)	\$7350	\$7050	\$7350	\$7350	\$7350
Emergency Room Services	30%	0%	30%	30%	\$400
Urgent Care *	\$75	\$100	\$50	\$60	\$75
All Inpatient Hospital Services (inc. MH/SUD)	30%	0%	30%	30%	40%
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$35	\$30	\$30	\$30	\$30
Specialist Visit	\$75	\$60	\$50	\$60	\$75
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	\$35	\$30	\$30	\$60	\$30
Imaging (CT/PET Scans, MRIs)	30%	0%	30%	30%	40%
Speech Therapy	\$60	0%	\$30	30%	\$75
Occupational and Physical Therapy	\$60	0%	\$30	30%	\$75
Preventive Care/Screening/Immunization	0%	0%	0%	0%	0%
Laboratory Outpatient and Professional Services	30%	0%	30%	30%	\$40
X-rays and Diagnostic Imaging	30%	0%	30%	30%	\$75
Skilled Nursing Facility	30%	0%	30%	30%	40%
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	30%	0%	30%	30%	40%
Outpatient Surgery Physician/Surgical Services	30%	0%	30%	30%	40%
Generics	\$15	\$15	\$15	30%	\$20
Preferred Brand Drugs	\$55	\$50	\$65	30%	\$60
Non-Preferred Brand Drugs	\$80	0%	50%	30%	50%
Specialty Drugs (i.e. high-cost)	40%	0%	50%	50%	50%
IP MH/BH	30%	0%	30%	30%	40%
Ambulance	30%	0%	30%	30%	40%
IP Maternity	30%	0%	30%	30%	40%

*Gray highlighting indicates benefit is not subject to deductible



(2) State Procured Standard QHPs

- HCA, in consultation with HBE, required to selectively contract with 1+ carriers to offer bronze, silver, and gold ‘public option’ QHPs for PY 2021
 - HCA may not finalize a contract until OIC approval and HBE Board certification complete
- Carrier participation in the public option is voluntary
 - HCA, OIC, and HBE required to study impact of linking carrier and provider participation in the of publicly procured QHPs, with participation in SEB/PEB (due December 1, 2022)
- Provider reimbursement rates are tied to Medicare rates, expected to lower premiums
- Carriers must meet additional requirements focused on increasing quality and value
 - Including Bree recommendations, care coordination and chronic disease management



Reimbursement Rate Requirements

- Aggregate Cap: Total amount carrier reimburses providers and facilities cannot exceed 160% of Medicare
- Primary Care Physician Floor: Reimbursement for primary care services (defined by HCA) may not be less than 135% of Medicare
- Rural Floor: Reimbursement for services provided by rural hospitals (critical access hospitals or sole community hospitals) may not be less than 101% of Medicare (allowable costs)



(3) Subsidy Study

- HBE, in consultation with HCA and OIC, must develop a plan to implement and fund premium subsidies for Exchange enrollees up to 500% FPL
- Goal of the plan must be to enable participating individuals to spend no more than 10 percent of income on premiums
- Plan must also include an analysis of providing cost-sharing reductions
- Plan due to legislature by Nov. 15, 2020



Cascade Care Implementation

Cascade Care Implementation

- Standard plans and public option plans to be offered through the Exchange in open enrollment starting November 1, 2020 for coverage beginning January 1, 2021
- Exchange, HCA, and OIC working very closely together on all aspects of implementation
- Stakeholder involvement will be critical to successful implementation
- Tight timelines to implement standard plans and public option for 2021 – agency coordination will also be essential



Standard Plan Implementation – Exchange Readiness

- Exchange working with other state exchanges on lessons learned and best practices
- Performed feasibility study last year providing baseline understanding of standard plan designs and potential premium impacts
- Currently procuring for actuarial services to design standard plans and participate in stakeholder meetings
- HBE, OIC, and HCA working group meetings underway



Standard Plan Implementation – Stakeholder Involvement

- Standard plans technical working group to be convened starting June of 2019 to provide feedback and technical assistance on standard plan design
- Iterative process of bringing standard plan designs to stakeholder groups and incorporating feedback to inform next drafts
- In addition to stakeholder group feedback, will be seeking public comment on standard plans



Next Steps for Implementation

- Stakeholder listening sessions on standard plans beginning in June
- Actuaries begin designing standard plans in July
- Monthly stakeholder meetings to review draft standard plan designs will begin in September
- HCA developing public option procurement in fall 2019
- Finalize standard plan designs in December so HCA can begin procurement process in the winter
- HBE and HCA design the display of new plans in WA Healthplanfinder, perform consumer testing, and conduct outreach leading up to Nov. 1, 2020 open enrollment



Marketing

Marketing

- Branding and Marketing
 - Focus groups and research
 - Branding work with Ames Brothers and channel development
 - Understanding audience segmentation
- Display
 - Washington Healthplanfinder screens
 - Augmenting consumer decision support tools
 - Surface level help and more
- Outreach
 - Develop messaging and educational materials for stakeholders
 - Navigator/Broker trainings and assistance
 - Agency and carrier partners
 - Leveraging OE7 for ground softening





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