



Washington Health Benefit Exchange 2018 Plan Landscape and Market Stabilization Project

Exchange Advisory Committee Meeting

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2018 Plan Themes

- All counties have 2018 QHP options
- Premiums increasing, due to uncertainty about enforcement of individual mandate, CSR funding, and federal support of ACA market
- Deductibles rising
- No PPO plans for 2018 plans; market divided evenly between EPO and HMO plans
- 15 plans offer primary care visits before deductible has been met



Overview of 2018 QHP Submissions

- 41 individual QHPs approved for 2018
 - 38 renewals, 3 new QHPs
- 7 issuers offering 2018 QHPs
- 9 counties have one issuer
 - Chelan, Douglas, Ferry, Grays Harbor, Island, Pend Oreille, San Juan, Skagit, Skamania



2018 QHPs by Metal Level

- Almost half (46%) of QHPs are silver plans
 - 22% are gold, 27% are bronze
- 2 carriers not offering bronze plans in 2018
- 8 counties with no bronze offerings for 2018
 - Chelan, Douglas, Ferry, Grays Harbor, Lincoln, Pend Oreille, Skamania, Stevens
- 2 carriers offering catastrophic plans



Approved Deductibles for 2018 in the Exchange

	Gold	
	2017	2018
Deductible Range	\$0 - \$1,540	\$0 - \$3,800
Median Deductible	\$1,200	\$1,250

	Silver	
	2017	2018
Deductible Range	\$0 - \$7,150	\$1,750 - \$7,150
Median Deductible	\$3,000	\$4,500

	Bronze	
	2017	2018
Deductible Range	\$5,000 - \$7,150	\$5,000 - \$7,150
Median Deductible	\$6,000	\$6,350



Accounting for Potential Loss of CSR Funding During PY 2018

- OIC has approved two sets of rates for each 2018 QHP – one set assuming CSR payments are funded and a second set to account for potential termination of CSR payments to issuers
- Rates without CSR funding load the cost onto premiums of silver plans offered inside the Exchange
- Rates for gold, bronze, and catastrophic plans are not affected



Uncertainty Due to Potential Loss of CSR Funding

- Exchange has decided to delay certification until later in September
- Wait as long as possible in hopes of having a better understanding of the federal landscape
- Evaluate options to minimize impact on consumers and promote market stability
- Working closely with OIC



Next Steps for Plan Certification and Open Enrollment

- Exchange Board will certify plans and rates in September
- Exchange will load plans/rates and begin renewal process
- Consumers receive renewal letters by November 1 (start of open enrollment)
- Outreach to customers to encourage them to shop, compare, get in person help if needed



Renewal Process: Cross-Mapping

- Exchange will re-enroll consumers into their current plan if it is being renewed
 - ~150,000 enrollees
- OIC develops methodology for cross-mapping across carriers
 - ~30,000 QHP enrollees' carrier not offering in their county next year
 - OIC draft cross-mapping plan prioritizes keeping consumers enrolled in the same metal level plan with the same network type (PPO, EPO, HMO, etc.)
 - If multiple plans available, maps to lowest cost plan (premium + deductible)



Market Stabilization Project



Market Stabilization Project: Policy Options

1. Claims-based Reinsurance: Claims costs for any enrollee whose costs exceed a fixed “attachment point” are paid through a reinsurance program, up to a “cap,” rather than paying for this care through health insurance premiums. This is seamless to the consumer.
2. Conditions-based Reinsurance: The costs of caring for people with certain high cost/high risk conditions are paid through a reinsurance program rather than paying for this care through health insurance premiums. This is seamless to the consumer.



Market Stabilization Project: Policy Options

3. Possible State-offered solutions will examine impact on:
 - Enrollment
 - Competition
 - Risk pool
 - Affordability
 - Etc.



Market Stabilization Project: Policy Options

- For each policy option, evaluating:
 - Features that could be added to incentivize or promote coverage in rural counties
 - Health plan participation in rural counties
 - Impact on individual health plan premiums
 - Feasibility
 - Whether federal funding could be brought into the state to help finance the option
 - Care management incentives



Market Stabilization Project: Next Steps

- Focusing most immediately on reinsurance to stabilize the market
- Continue to talk to interested stakeholders
- Consider state funding options
- Receive actuarial analysis and recommendations in October
- Evaluate results and determine next steps



Market Stabilization Project: Discussion Questions

- What estimated decrease in premium would make this effort worthwhile?
- What characteristics of state funding sources should be considered?
- How do we ensure rural counties have carrier participation?
- How do we consider consumer perspectives in this discussion?
- How do we approach these efforts to consider a phased approach?





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