Access to Coverage

Senate Health & Long-Term Care Committee

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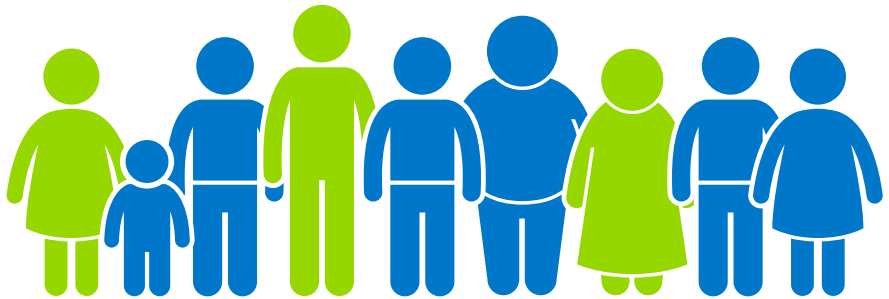
Office of Insurance Commissioner (OIC) Overview

- OIC regulates insurance (e.g. health, homeowners, renters, auto, life) by:
  - Monitoring insurer solvency
  - Protecting and educating insurance consumers
  - Reviewing and approving insurers' rates and policy forms
  - Licensing and overseeing insurance producers (brokers & agents)
  - Reducing insurance fraud and unlawful activities
  - Rulemaking & implementation of legislation
- Health plans covering over 1 million Washingtonians

Health Care Authority (HCA) overview

- The state's largest health care purchaser
- We purchase health care for nearly 3 million Washington residents through:
  - Apple Health (Medicaid)
  - The Public Employees Benefits Board (PEBB) Program
  - The School Employees Benefits Board (SEBB) Program
  - And serve as the designated Single State Authority for behavioral health

We purchase care for more than one third of Washington residents.



Washington State Health Care Authority

Health Benefit Exchange (HBE) Overview

- Public-private partnership established in 2011
- Operates Washington Healthplanfinder

washington healthplanfinder
click. compare. covered.

CASCADE CARE

Washington Apple Health

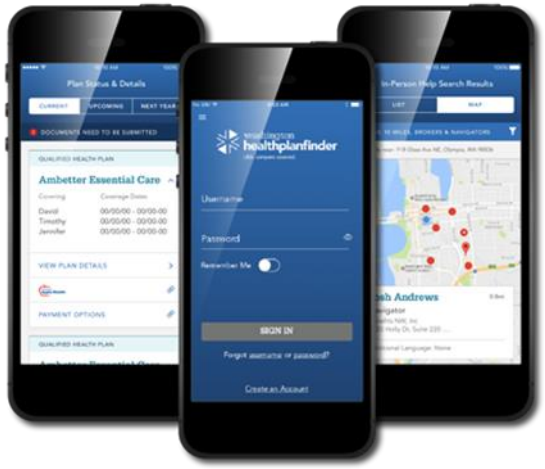
- Access to ACA Marketplace and Medicaid

Reaching Our Customers

Website

Statewide Assister Network

Customer Support Center



Mobile App (Android and iPhone)

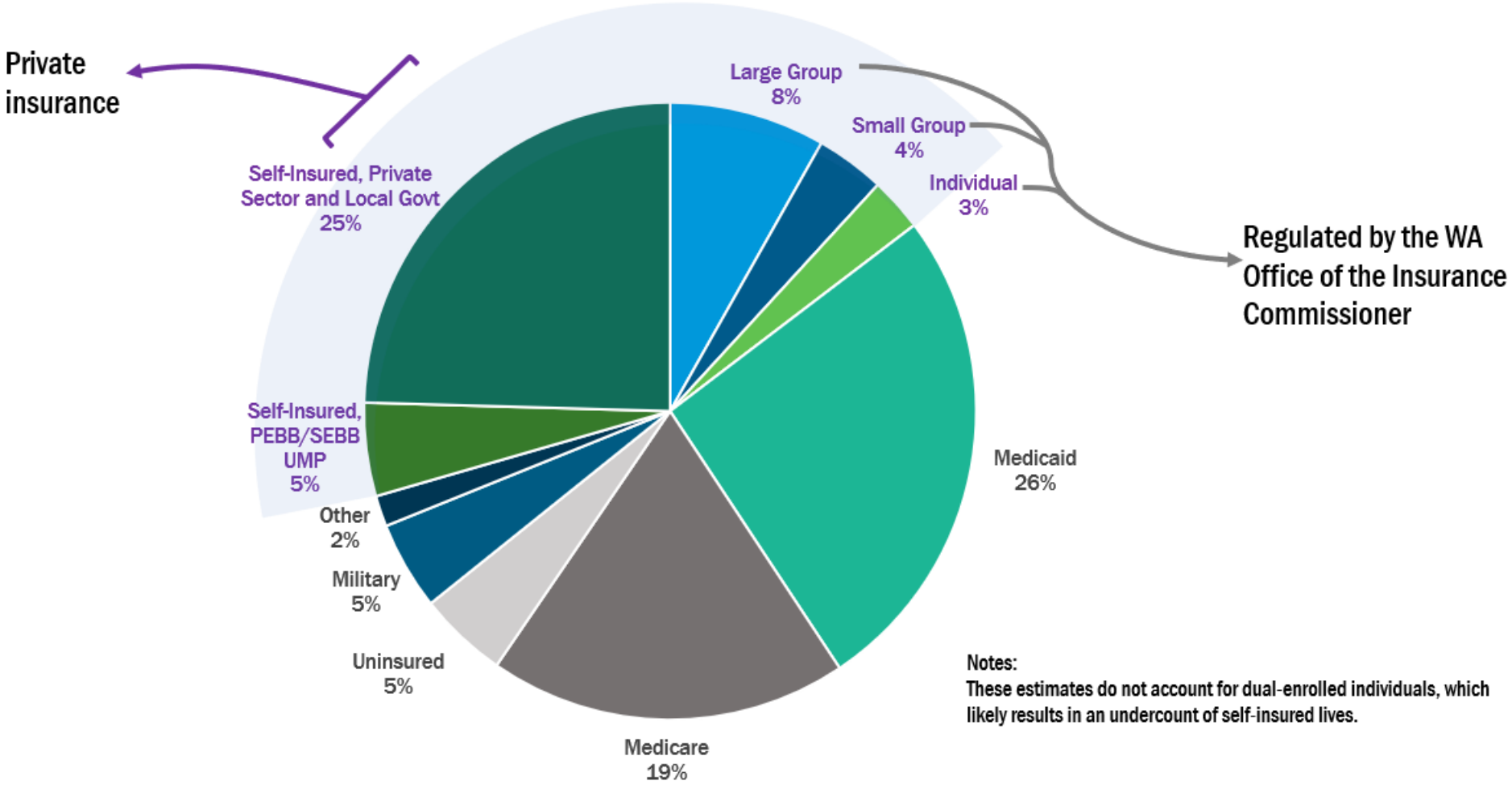
Open Enrollment 2025

On target to reach over
300,000 enrollees

ambetter. FROM coordinated care. | bridgespan | COMMUNITY HEALTH PLAN of Washington™ INDIVIDUAL & FAMILY PLANS | DELTA DENTAL | DENTEGRA Insurance Company | KAISER PERMANENTE®

LifeWise | MOLINA HEALTHCARE | Companion Life EMI HEALTH | PREMERA BLUE CROSS | Regence | United Healthcare | Washington Apple Health

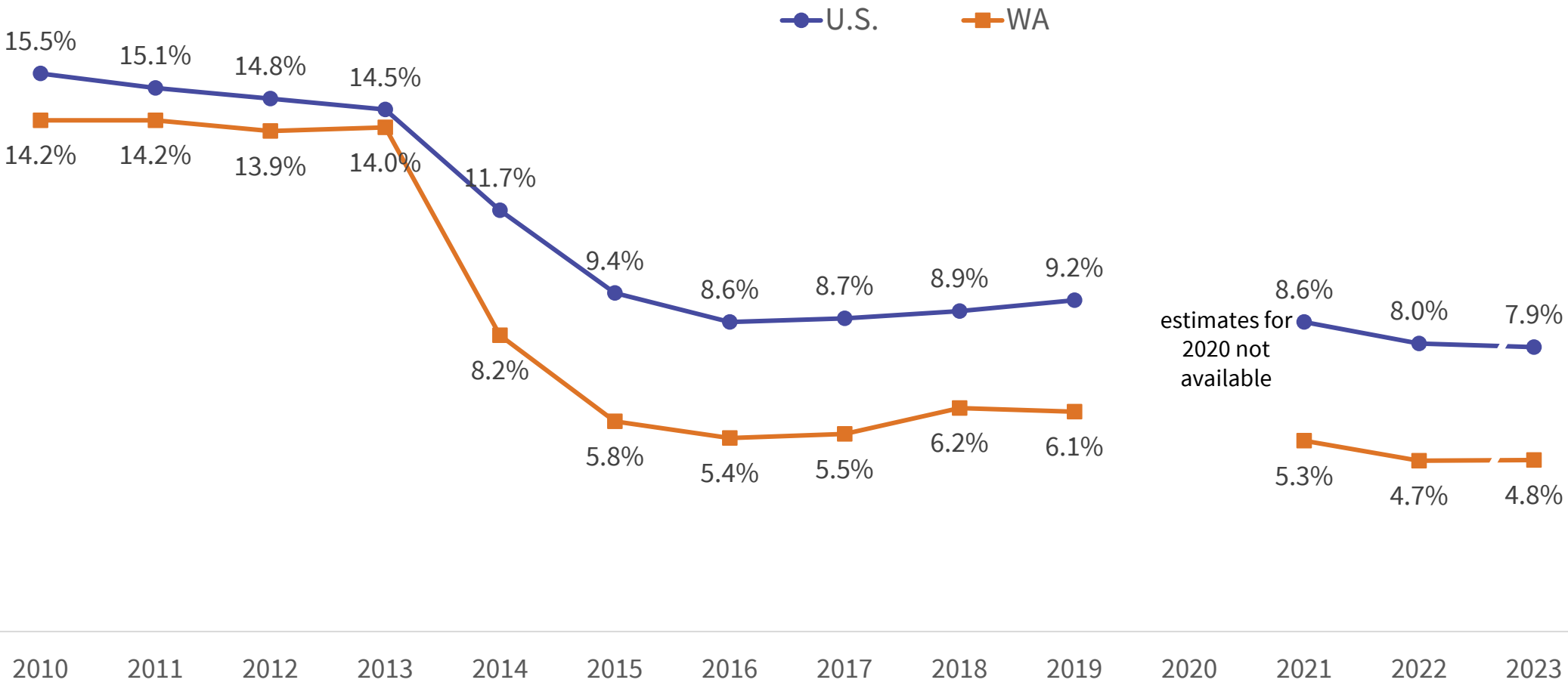
Source of Health Coverage for Washington Residents, 2023



Enrollment by Coverage Type

Broad coverage type	Granular coverage type	Enrolled	Percent
Fully Insured	Large Group	654,988	8.2%
Fully Insured	Small Group	290,028	3.6%
Fully Insured	Individual	224,057	2.8%
Self-Insured	Self-Insured, Private Sector and Local Govt	1,952,371	24.6%
Self-Insured	Self-Insured, PEBB/SEBB UMP	388,703	4.9%
Medicaid	Medicaid	2,063,290	25.9%
Medicare	Medicare	1,506,272	18.9%
Uninsured	Uninsured	373,704	4.7%
Military	Military	368,896	4.6%
Other	Other	128,841	1.6%

Washington and U.S. Uninsured Rates: 2010-2023 (Source: OFM)



Access to coverage

Accessing coverage has two critical elements:

1. An individual/family is eligible for coverage; and
2. The individual/family "takes up" or applies for coverage.

KFF 2024 Employer Health Benefits Survey

- 54% of firms offered health benefits
  - Large employers (200+): 98%
  - Small employers: 53%
- At firms that offer coverage, 81% of workers are eligible
- 75% of eligible workers take up the firm's offer
- In all, 61% of workers at firms that offer health benefits are covered by their employer's health plan

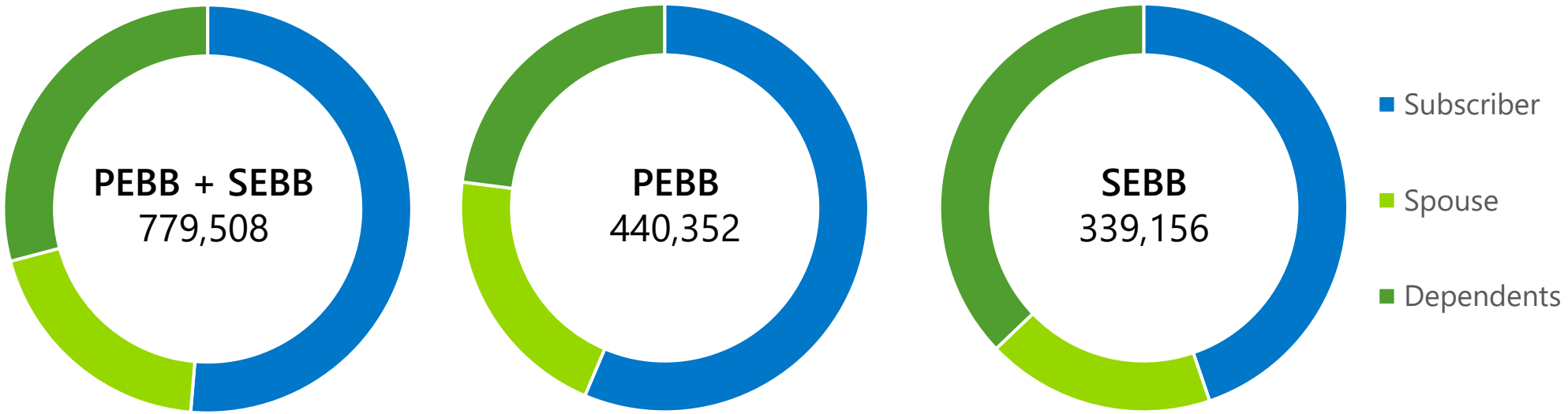
Health Care Authority: PEBB/SEBB and Medicaid

Washington State Health Care Authority

Public and school employee benefits

- PEBB covers public employees, dependents, and retirees
  - State agencies, higher education, elected officials, public and school retirees
  - Counties, municipalities, political subdivisions, tribal government, and other organizations can voluntarily participate
- SEBB covers school district, Educational School Districts (ESD), and charter school employees and dependents
  - SEBB created during 2017 Session; benefits began January 2020
- Provides comprehensive medical, dental, and vision coverage
- Self-funded plan options (Uniform Medical Plan)
- Fully insured plan options (Kaiser Permanente & Premera; United-Medicare Advantage only)

PEBB & SEBB covered lives (Dec. 2024)



90,562 are employees who have waived medical (or their dependents) and are enrolled only in dental and/or vision coverage

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PEBB & SEBB program benefits

- Major medical coverage* (including prescriptions)
- Dental coverage*
- Vision coverage*
- Additional benefits:
  - SmartHealth (wellness): WebMD
  - Life and AD&D insurance (employer paid* and employee paid): MetLife
  - Long-term disability insurance (employer paid* and employee paid): The Standard
  - Medical flexible spending arrangement (FSA), limited purpose FSA, Dependent Care Assistance Program (DCAP): Navia Benefits Solution
  - Voluntary Employees' Benefit Association Medical Expense Plan (VEBA MEP – PEBB Program only): Gallagher VEBA
- Additional retiree medical offerings with Medicare Advantage, Medicare supplements

* Per collective bargaining agreements, a significant portion of the premium for medical, and all of the premium for dental, basic life and AD&D, and basic LTD insurance, are paid by the state and SEBB organizations

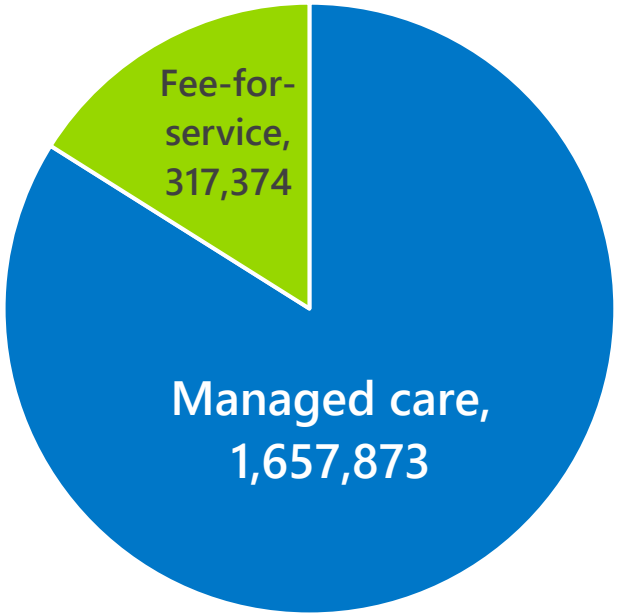
Apple Health (Medicaid)

- Apple Health is the umbrella term/brand name used to refer to federally funded Medicaid and state-funded medical, dental, and vision care programs available to low-income Washingtonians
- Over 65 eligibility programs and 2 million covered lives
  - Classic coverage for individuals over 65 or who are aged, blind, or disabled
    - Managed by DSHS
    - Enrollment through WA Connections
  - Modified Adjusted Gross Income (MAGI) for adults, parents, children, and pregnant individuals
    - Managed by HCA
    - Enrollment through Washington Healthplanfinder

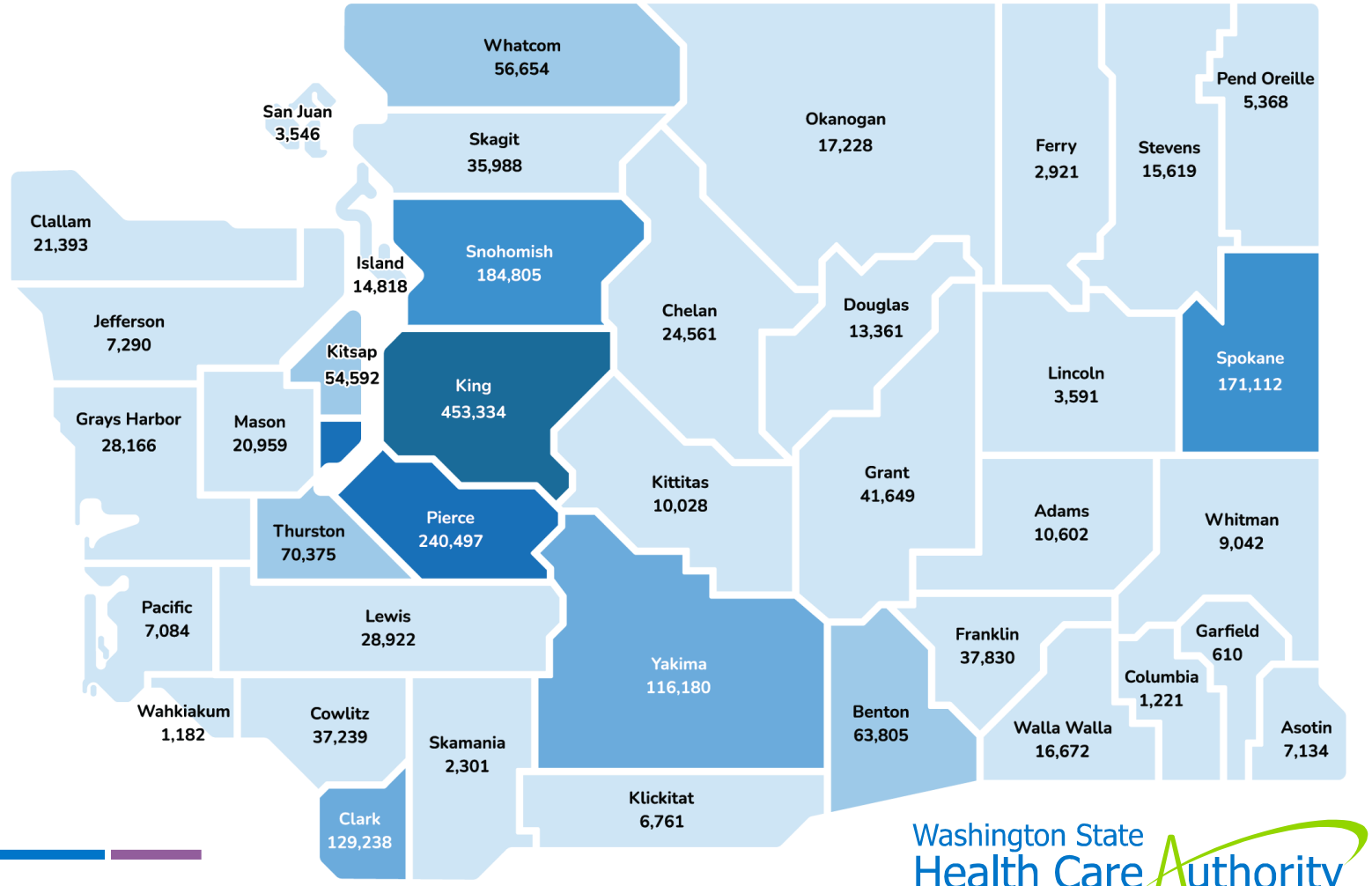
Apple Health (Medicaid), cont.

- Most Apple Health clients are enrolled in Managed Care
  - Five managed care organizations: CHPW, CC, Molina, United, Wellpoint
- Certain populations, including tribal clients, are enrolled in fee-for-service. Tribal clients have the option to enroll into Managed Care.
- Pays for major medical coverage with no enrollee cost-sharing
- Eligibility varies by program and is determined using household income, age, residency and citizenship status
- Apple Health is funded through a mix of state and federal funds

Current Apple Health enrollment (Nov. 2024)



Fee-for-service (FFS) primarily American Indian/Alaska Native and dually eligible Medicare and Medicaid population (with behavioral health offered under managed care)



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Medicaid benefits and services

Apple Health offers complete physical and behavioral health coverage for eligible individuals, including:

- Appointments with a doctor or health care professional for necessary care
- Medical care in an emergency
- Maternity and newborn care
- Mental health services
- Treatment for chemical or alcohol dependence
- Pediatric services, including dental and vision care
- For adults, dental services and limited vision care
- Prescription medications
- Laboratory Services
- Hospitalization
- Non-Emergency Medical Transportation (NEMT)
- Interpreter Services

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Commercial health plan coverage

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Fully insured vs. self-funded

- Fully-insured = individual/employer buys coverage from an insurance company; insurance company is financially responsible for paying claims
  - Covers about 1.2 million Washingtonians (2023)

- Self-funded = employer is financially responsible for paying claims
  - Covers about 2.3 million Washingtonians (2023)

- **OIC regulates fully-insured health plans**

- Federal law preempts the state and OIC from regulating self-funded plans ("central matters of plan administration")

Federal/State Roles in Health Insurance

- Federal law (e.g. Affordable Care Act, No Surprises Act, HIPAA) sets minimum consumer protections – states can be more protective
- Where the state legislature acts:
  - Eligibility for coverage
  - Health plan benefits offered
  - Cost-sharing and other financial protections
    - Balance Billing Protection Act
    - Services covered pre-deductible or without cost-sharing
  - Utilization review, e.g. prior authorization, concurrent review
  - Regulation of health care benefit managers, including pharmacy benefit managers
  - Consumer appeal rights
  - Affordability (e.g. Health Care Cost Transparency Board, Prescription Drug Affordability Board

ACA market reforms in state law

- The legislature has embedded many of the Affordable Care Act (ACA's) insurance reforms into state law.
- Coverage protections:
  - Guaranteed issue (you cannot be denied coverage based on health status)
  - Guaranteed renewal (you cannot be dropped from coverage based on health status)
  - No medical underwriting
  - Dependent coverage up to age 26

OIC and Medicare Coverage

- The federal government sets Medicare eligibility and coverage rules
- The state cannot regulate the business practices of Medicare Advantage or Part D (prescription drug) insurers

However:

- OIC helps WA Medicare beneficiaries understand, compare, and enroll in Medicare plans through free and unbiased volunteers (SHIBA)
- OIC regulates Medigap (Medicare supplement plans)

HBE Programs

Statewide In-Person Assister Network

- Lead organizations across 8 regions
- More than 3,000 brokers and navigators

The Affordability Challenge

Carrier	2025 Rate Increase	Cumulative Rate Increase 2022-2025
BridgeSpan Health Company	15%	53%
Premera Blue Cross	15%	48%
Regence BlueShield WA	22%	43%
UnitedHealthcare of Oregon, Inc.	24%	41%
Kaiser Washington	8%	37%
LifeWise Health Plan of Washington	8%	35%
Molina Healthcare of Washington	6%	24%
Kaiser Northwest	10%	23%
Regence BlueCross BlueShield of Oregon	15%	20%
Community Health Plan of Washington	9%	11%
Coordinated Care Corporation	9%	10%
Average Rate Change, All Carriers	**10%**	**31%**

- Premiums vary based on age, geography and family size
- $600 average gross premium (40-year-old)
- Premiums have doubled over the past decade

Subsidies are Fueling Record Enrollment

- Costly premiums are a growing barrier to being insured and accessing care
- While financial assistance is not the singular solution to affordability, it is a step in addressing customers' cost of care.

ePTC

Federally funded enhanced premium tax credits

CASCADE CARE

State funded Cascade Care Savings

Cascade Care is Driving Affordability

Cascade Care Savings	State premium assistance
Cascade Select	Public option plans
Cascade Care	Standard plans

Cascade Care Savings

- Created by the Legislature
- Launched by HBE in 2023
- Lowest income customer – up to $155 per month in premium reductions
- Higher amounts if ineligible for federal tax credits
- Helps more than 100,000 Washingtonians afford coverage
- **Continuing the program beyond 2025 is our top priority**

New coverage expansions

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washington healthbenefitexchange
powering washington healthplanfinder

Apple Health Expansion

- At the legislature's direction, HCA implemented Apple Health Expansion, a Medicaid look-alike for individuals 19+ with income of up to 138% federal poverty line (FPL) who are otherwise ineligible for another full-scope federally funded Medicaid program.
  - The program was funded by the legislature with a limited budget, $74M
- Currently there are 11,691 individuals enrolled in Apple Health Expansion
  - HCA coordinated enrollment with Department of Social and Health Services (DSHS) and HBE.
  - Enrollment began July 1, 2024, and enrollment closed because the agency met its budgetary cap. Individuals can still apply for the program though they receive a denial because of the budget cap. If space becomes available, HCA will enroll individuals leveraging its enrollment management policy.
- Apple Health Expansion and Managed Care
  - Clients are enrolled into one of four managed care organizations — Community Health Plan of Washington, Coordinated Care of Washington, Molina Healthcare of Washington, or United Healthcare — who administer physical and behavioral health services.
  - MCOs administer physical and behavioral health benefits, care coordination, and interpreter services for Apple Health Expansion clients.
- Temporary Community Engagement Advisory Committee
  - In partnership with DSHS and HBE, HCA engages community-based organizations, advocates, and individuals with lived experience to receive their feedback and input on both Apple Health Expansion and HBE's Qualified Health Plans (1332 waiver) expansions.

Sec. 1332 Waiver – Access for All

Sec. 1332 Waiver – continued

- At the request of the Legislature, HBE applied for and received a sec. 1332 waiver
- Enables all Washingtonians, regardless of citizenship, to purchase coverage on Washington Healthplanfinder
- Able to use Cascade Care Saving to purchase coverage
- Nearly 2,500 Washingtonians are enrolled

Pregnancy/After-Pregnancy Coverage

- SSB 5580 (2024) directed HCA to increase the income requirements to qualify for pregnancy and after pregnancy coverage programs from 198% FPL to 215% FPL.
- Coverage was expanded as of November 2024
- Program standards now match children's medical coverage and ensures continuity of coverage within families

Continuous Eligibility for Kids 0-6

- Continuous eligibility for Medicaid kids was implemented in June 2023
  - Covers kids with household income up to 215% FPL
  - Currently 257,000 kids aged 0-6 have coverage
  - 6 additional states have since implemented continuous eligibility up to age 6 and 4 states are pursuing this option.
- As of January 8th, HCA has received federal waiver approval to also cover continuous eligibility for CHIP kids aged 0-6 with implementation coming soon.

Behavioral Health Access

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Community behavioral health safety net services

- HCA behavioral health treatment resources are a safety net for people with Medicaid and those who do not have private insurance to pay for critical treatment services.
- HCA is the Behavioral Health Authority in Washington State (RCW 71.24.035), federally designated as the
  - State Mental Health (MH) Authority
  - Substance Use Disorder (SUD) Authority
  - State Opioid Treatment Authority

Design and deliver services that are effective, accessible, and fiscally responsible.

Responsible to implement public policy and maintain public safety.

Collaborate with other state agencies to ensure efficient planning and delivery high quality BH services.

Manage the publicly funded BH services.

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Community behavioral health contracting

Prevention and Promotion

Delivered through contracts with counties, community-based organizations (CBO), and Tribes

Early Intervention

Delivered through contracts with Behavioral Health Administrative Service Organizations (BH-ASOs), CBOs

Crisis

Delivered through contracts with BH-ASOs

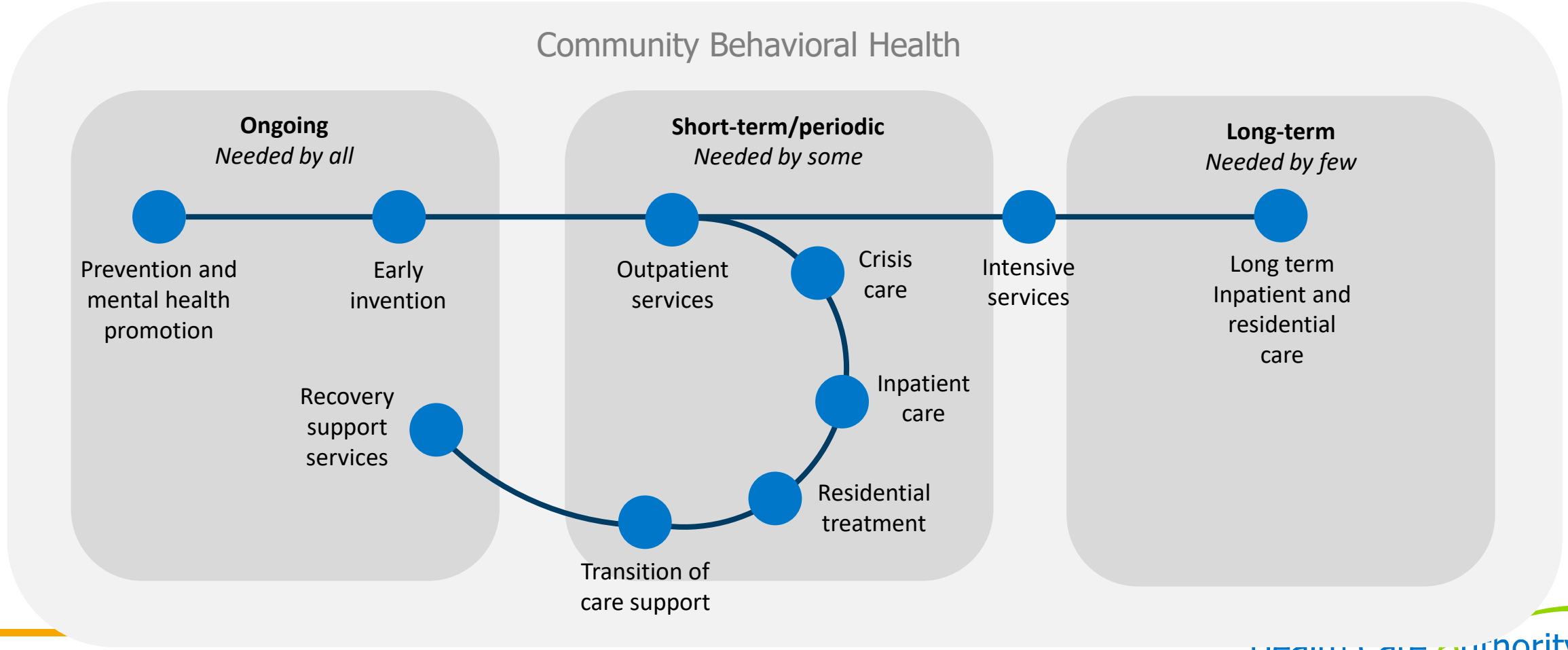
Treatment

Delivered through contracts with BH-ASOs, MCOs, fee-for-service, and Tribes

Recovery

Delivered through contracts with BH-ASOs, MCOs, CBOs, and Tribes

Community behavioral health continuum of care



What is network adequacy?

What network adequacy is	What network adequacy is not
Standards to evaluate whether a carrier/MCO has a sufficient number and type of providers and facilities contracted to meet the needs of the people enrolled in their plans.	A requirement that every in-network provider or facility care for any person enrolled in their health plan at any time.
Can have both quantitative and/or qualitative components	Dependent upon provider/facility capacity
Allows for distinctions between urban and rural areas	A way to measure long appointment wait times
Allows for consideration of the role of telehealth	A way to gain insight into whether providers have the resources to meet the needs of a certain populations

Why "Network Access" Standards?

- OIC's primary concerns:
  - Regulate a healthy insurance marketplace.
  - Providers and health carriers know their contractual obligations.
  - Consumers receive the medically necessary services guaranteed in the health plan.
- Network access standards ensure consumers have in-network access to the medically necessary covered services promised in their health plan at in-network cost-share without a risk of balance billing.

Network Access Standards

Network access standards:

- Health insurers (i.e. “carriers”) must have adequate provider networks to meet the needs of their enrollees (Chap. 243-170 WAC)
- Required monthly carrier reporting
- Provider directory requirements
- Gaps in provider network – Alternative Access Delivery Request process

General Standards for Network Access

- Networks must include sufficient numbers and types of providers and facilities to assure that, to the extent feasible, all health plan services will be accessible in a timely manner *appropriate for an enrollee's condition*.
- When a carrier has an absence of or an insufficient number or type of provider or facilities to provide a particular covered service, the carrier must ensure the enrollee can obtain the covered service within *reasonable proximity and at no greater cost* than if the service were obtained from network providers and facilities.

Carrier Provider Directories

- Carriers must review and update provider directories
  - State law: Monthly
  - Federal law: Quarterly
- OIC rules detail:
  - Required information included for each provider/facility.
  - Whether provider offers telemedicine.
  - How consumers access provider directories.
  - Steps carriers must take to maintain accuracy of directories.

Medicaid: network adequacy limitations

- Meeting Medicaid network adequacy standards does not necessarily translate into real "access," such as getting in to see a provider.
  - Example: There are enough providers contracted for a particular services in an area for an MCO to meet network adequacy standards, but appointment wait times are so long that patients are unable to access services from those providers timely.
  - Example: There is a provider in the area, but they do not have the resources to meet the needs of a certain population. An example of this could be an inpatient level of care is nearby and has open beds, but a person's health needs cannot be met at that facility.
- Additional work is underway or will be coming soon, to better address "access," including new federal requirements.

Joint OIC/HCA initiatives

- HCA and OIC are partnering on a number of initiatives and efforts to reduce barriers and improve access to services. These efforts include but are not limited to:
- Crisis Delivery System work:
  - 988 line response
  - Commercial health plans covering behavioral health crisis services as "emergency services"
  - 2023 SB 5187 sec 215(19)(b) report on addressing crisis services funding gaps
- 19-20 HB 2642: Removing health coverage barriers to accessing substance use disorder treatment services.
- 23-24 SB 6228: Concerning treatment of substance use disorders
- ASAM 4 Criteria Changes

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Questions

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