



2020 WSHIP Board Policy Agenda

Approved by WSHIP Board November 13, 2019

The Board of the Washington State Health Insurance Pool (WSHIP) annually develops a Policy Agenda to inform and educate others about the status of the Pool and issues that are important to address with respect to the needs of WSHIP's stakeholders and operations. **The 2020 Policy Agenda does not require statutory amendments.**

WSHIP plays an important role in fostering market stabilization and averting disproportional impacts to Washington communities caring for high risk residents. For 2020, the Board recommends that WSHIP:

1. Ensure Coverage for High Risk Individuals & Medicare Enrollees Unable to Buy Supplemental Coverage

As the state's high risk pool, WSHIP has two separate health insurance programs — one for high risk individuals (enrolled before 2014) and one for high risk Medicare enrollees who do not have access to a supplement or Medicare Advantage plan due to health status. Established by the legislature in 1987, the Pool is much smaller now due to federal health reforms for individuals but still provides coverage to some of our state's most vulnerable and medically high-cost residents. WSHIP is not a public agency or state-funded program — it is a nonprofit entity funded solely through premiums and a pool structure comprised of Member Plans (carriers).

2. Maintain readiness to expand access to bare counties if needed

By law, WSHIP is also the safety net for the state's individual health insurance market in the event that coverage is not offered in all counties. Individual coverage is offered in all counties in 2020.

3. Engage with state leaders on issues for high risk individuals and innovations to support quality, access, and affordability

The WSHIP Board shares concerns about affordability and access to comprehensive coverage which can be especially difficult for high risk individuals who have extremely high-cost and on-going treatment needs. With Cascade Care implementation underway, and as additional solutions are explored, WSHIP is committed to working with policymakers on these important and challenging issues.

CURRENT STATUS OF THE POOL

WSHIP is funded by premiums limited to the average market rate for comparable coverage plus 10% and assessments to Member Plans. Currently, premiums cover only 30% of claims costs. As a high risk pool, WSHIP is not a licensed health carrier or Qualified Health Plan, and coverage is not eligible for federal premium subsidies.

Non-Medicare Program. Under the Affordable Care Act (ACA), insurers can no longer deny coverage to persons with pre-existing conditions seeking individual health coverage; therefore, very few enrollees remain in WSHIP's non-Medicare program and no new enrollment has been accepted since 2014. **By state law, access to this coverage will end December 31, 2022.**

Medicare Program. The ACA did not change the market rules for Medicare supplements where barriers to supplemental coverage still exist for some high-risk enrollees. This is especially problematic for persons under age 65 who are eligible for Medicare due to kidney disease. Medicare Advantage plans do not accept enrollees with advanced kidney disease until 2021 and most insurers do not sell supplements to persons under age 65. Without supplemental coverage, the high cost of dialysis or kidney transplant can be prohibitive. Additionally, enrollees over age 65 with pre-existing conditions can be turned down for supplemental coverage if they apply after their one-time, six-month open enrollment period. WSHIP's Medicare program is ongoing and not subject to the statutory sunset for the non-Medicare program.

NON-MEDICARE PROGRAM

Enrollment: 300

- Closed to new enrollment
- Coverage ends 12/31/22
- Claims Costs: \$7,000 PMPM

MEDICARE PROGRAM

Enrollment: 1,116

- Open to new enrollment
- No statutory sunset
- Claims Costs: \$850 PMPM

Notes:

*Enrollment data as of Sept 2019
PMPM = Per Member Per Month*