

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 in the year ahead.

BACKGROUND: WSHIP plays an important role in fostering market stabilization and averting disproportional impacts to Washington communities caring for high risk residents. As the state’s high risk pool, WSHIP has two separate health insurance programs — Non-Medicare coverage for high risk individuals (enrolled before 2014) and Medicare supplemental coverage for high risk Medicare enrollees without access to a supplement or Medicare Advantage plan. The Non-Medicare program is much smaller now due to federal health reforms but WSHIP still provides coverage to about 200 of our state’s most vulnerable and medically high-cost residents. The Medicare program provides supplemental coverage to 1,100 enrollees. WSHIP is also the safety net for the state’s individual health insurance market in the event coverage is not offered in all counties. WSHIP is not a public agency or state-funded program — it is a nonprofit entity established by the legislature and funded solely through premiums and assessments to Member Plans (carriers). **By law, WSHIP’s Non-Medicare plans will end on December 31, 2022 and WSHIP will no longer serve as the safety net for the individual market.**

2021 POLICY AGENDA

The WSHIP Board is committed to working with state leaders on the challenging issues of access to health care and comprehensive coverage. The Board recommends the following 2021 Policy Agenda for WSHIP:

- 1. CONTINUE WSHIP NON-MEDICARE PROGRAM BEYOND 2022 SUNSET** *(Requires amending RCW 48.41)*
This will ensure coverage for WSHIP’s medically fragile enrollees and preserve an important safety net for Washington state residents during this unprecedented time of uncertainty about the future of the Affordable Care Act (ACA) and impacts of COVID-19. The Board’s recent study of the potential impacts of ending WSHIP’s Non-Medicare plans on December 31, 2022 is available on our website at www.wship.org.
- 2. NO CHANGES RECOMMENDED TO WSHIP’S MEDICARE PROGRAM**
This program ensures access to supplemental coverage for high risk Medicare enrollees. In 2021, Medicare Advantage Plans will begin accepting enrollees with End Stage Renal Disease (ESRD) as required by the 21st Century Cures Act. This will reduce, but not eliminate, an important access gap for high risk Medicare enrollees. Market stability impacts of this federal law change are not yet known.

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 because most carriers do not offer supplements to persons under 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 is not subject to the statutory sunset for the Non-Medicare program.

NON-MEDICARE PROGRAM

Enrollment: 199

- Closed to new enrollment
- Coverage ends 12/31/22
- Claims Costs: \$8,300 PMPM

MEDICARE PROGRAM

Enrollment: 1,142

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

Notes:

*Enrollment data as of Sept 2020
PMPM = Per Member Per Month*