

Draft 2019 WSHIP Board Policy Agenda

For review at September 26, 2018 Board meeting

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 2019 Policy Agenda does not require statutory amendments.

1. SERVING 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 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 but still provides coverage to some of our state's most vulnerable and medically high-cost residents. As such, WSHIP continues to play an important role in market stabilization and averting disproportional impacts to Washington communities caring for uninsured high risk residents.

- 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, these plans are scheduled to 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. Currently, Medicare Advantage plans do not accept enrollees with advanced kidney disease and most insurers do not sell supplements to Medicare enrollees 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.
- Individual Market – Bare County Safety Net.** 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 currently offered in all counties and no bare counties are expected for 2019.)

Current Status

NON-MEDICARE PROGRAM

Enrollment: 300

Closed to new enrollment

Coverage ends 12/31/22

Claims Costs: \$6,300 PMPM

MEDICARE PROGRAM

Enrollment: 1,100

Open to new enrollment

No statutory sunset date

Claims Costs: \$800 PMPM

PMPM - Per Member per Month

The Board's primary focus continues to be on serving the needs of WSHIP's high risk enrollee population in the best and most effective manner possible, and ensuring readiness to serve bare counties if needed.

2. AFFORDABILITY & ACCESS – INDIVIDUAL MARKET CONCERNS

The Board strongly supports collaborative efforts to improve affordability and mitigate costs while sustaining quality of care and access. Health care coverage premiums and out-of-pocket costs are continuing to increase and the WSHIP Board shares the concerns of many about affordability and access. These issues can be especially difficult for high risk individuals who have extremely high-cost and on-going treatment needs. As potential solutions are explored, WSHIP is committed to providing helpful input based on its expertise serving high risk individuals, and working collaboratively with others to develop solutions.