



Executive Director Report

November 2017

By Sharon Becker, Executive Director, November 1, 2017

Administration

Open Enrollment and Rate Notices – WSHIP’s open enrollment begins this month. This is the period each fall when enrollees may switch plans for coverage that will begin January 1. Notices to enrollees include WSHIP’s 2018 premium rates, along with information about coverage alternatives available from the Washington Healthplanfinder and private market.

Notice of Standard Plan Discontinuation – WSHIP’s indemnity plan (the “Standard Plan”) will be discontinued on December 31, 2017. (WSHIP’s PPO plans will continue to be available in 2018). Notices regarding this plan discontinuation have been sent to individuals currently enrolled in the Standard Plan. Per statute, these enrollees have the option of enrolling in one of WSHIP’s PPO plans or shopping for new coverage from the Washington Healthplanfinder or private market.

Medicare Advantage Plan Analysis – Leif Associates has completed their yearly analysis of Medicare Advantage Plans in order to determine counties with “reasonable choice” for 2018. The results of this year’s analysis will be presented at the November Board meeting.

Board

Governor Appointments – The Governor appointment for WSHIP’s small business Board position is still pending. No applications have been received to-date.

Washington Health Benefit Exchange (HBE)

2018 QHP Certification and Open Enrollment – The HBE Board has certified 41 individual Qualified Health Plans (QHPs) from 7 issuers. (There were 98 QHPs from 9 issuers in 2017, and 138 QHP’s from 11 issuers in 2016.) Open enrollment begins November 1.

Here are some additional notable themes:

- All counties continue to have QHP coverage
- Fewer insurers offering fewer plans: 9 counties have only one insurer (Chelan, Douglas, Ferry, Grays Harbor, Island, Pend Oreille, San Juan, Skagit, Skamania); 7 counties with no bronze plans
- More limited provider networks: No PPO’s
- Higher premiums and deductibles: average premium increase is 36%; median silver QHP deductible will increase from \$3,000 in 2017 to \$4,500 in 2018

OIC/HBE Market Stabilization Project

Actuarial Study – The Office of the Insurance Commissioner (OIC) and the Washington Health Benefit Exchange (HBE) engaged the actuarial firm Wakely to do an analysis of state-based options to stabilize the individual market for 2019. The analysis focused on two reinsurance program options -- claims-based and conditions-based -- with additional consideration of options for bare counties and affordability programs for people buying health plans through the Exchange. A copy of the report

and additional information about the project is available on the OIC's website at:

<https://www.insurance.wa.gov/individual-health-insurance-market-stabilization>

Stakeholder Meeting November 8 – The OIC and HBE will present the actuarial report findings and discuss next steps at a stakeholder meeting in Olympia on November 8 from 2–4 pm in the Legislative Bldg., Columbia Room. In addition, the report's key findings will be presented to the Legislature's Joint Select Committee on Health Care Oversight on Nov. 15 in Olympia.

Federal Administration

Discontinuation of Cost-Sharing Reduction (CSR) Payments – On Friday, October 13, 2017, the Trump Administration announced it is ending Cost-Sharing Reduction (CSR) payments to issuers effective immediately. Cost-sharing reductions are funded by the federal government and are paid to insurers to reduce cost-sharing for lower-income people who select silver plans on the Exchange. As such, Commissioner Kreidler has directed 2018 issuers who are offering silver plans on the Washington Healthplanfinder to use the higher approved rates for silver plans.