

WSHIP Project Update

Non-Medicare Sunset Evaluation

Board of Directors Meeting

May 13, 2020

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Project Summary: Sunset Evaluation

Project Goal:

Provide the Board with insights and recommendations related to the 12/31/22 statutory sunset for WSHIP's non-Medicare program

Project Approach:

- Enrollee Survey
- Data Analysis
- Market Review
- Broader Impacts Review

Sunset Project: Enrollee Survey

- Enrollee survey will be distributed in May
- Survey will be available on paper and online; English and Spanish versions
- Questions we will seek input on:
 - Why enrollees have remained in the WSHIP program
 - Whether enrollees considered other insurance options
 - If so, what caused them to keep their WSHIP coverage
 - If not, what caused them not to review other insurance options
 - What plans or concerns enrollees may have related to the sunset date

Sunset Project: Data Analysis

- Findings:
 - Enrollment has dropped by 60% in last five years, from 560 to 203
 - 71% of the enrollees have a third-party sponsor
 - HIV/AIDS patients are the most prevalent
 - 65% of enrollees; 27% of claim dollars
 - Kidney disease patients are the costliest
 - 8% of enrollees; 36% of claim dollars
 - Almost 70% of enrollees are male
 - Over half live in King County

Sunset Project: Market Review

WSHIP

- Deductibles range from \$500 to \$5,000
- Maximum out-of-pockets range from \$1,500 to \$15,000

Individual Market

- In 2020, nine insurers offer individual plans on the Exchange and nine offer off the Exchange
- All rating areas have at least four carriers
- Deductibles range from \$1,000 to \$8,000
- Maximum out of pockets range from \$5,900 to \$8,150

Sunset Project: Broader Impacts Review

- IN PROGRESS - Input is being sought from the broader health community
- Evergreen Health Insurance Program (EHIP) shared findings with us from their recent exploration of alternative coverage options for WSHIP clients:
 - Moved fewer clients out of WSHIP than anticipated (65 were moved to off-Exchange plans, 9 to ACA plans, 134 remained in WSHIP)
 - There were fewer coverage options than EHIP initially thought
 - Most EHIP clients with WSHIP coverage are ineligible for an ACA plan
 - Off-Exchange plans not available in all counties; many others have only one
 - Due to variations in networks, many EHIP clients would need to change providers. (Prior experience shows this results in some clients becoming lost to coverage.)
 - Clients turning 65 have no coverage options outside WSHIP if ineligible for Medicare

Sunset Project: Impacts to WSHIP

Anticipated impacts to WSHIP:

- Some operational functions will no longer be needed such as provider network, care management, and most pharmacy benefit administration
- Assessment amounts will be significantly less
- Ability to serve bare counties will be more challenging (requires quickly re-establishing discontinued program capabilities)

Sunset Project: Observations To-Date

- Enrollees ineligible for ACA plans are at most risk of becoming uninsured after sunset date if off-Exchange market remains limited
- Off-Exchange market is more challenging to navigate due to differences in application process & documentation requirements
- Disruption in care for high risk individuals is a concern when plan options require changing providers
- Third party sponsorship is not a barrier for EHIP clients but could be for others
- Ability of WSHIP to serve bare counties after the sunset will require quickly re-establishing discontinued program capabilities
- Unpredictable nature of the individual market makes planning difficult
 - Plan options & county coverage change from year-to-year
 - Additional uncertainty related to COVID-19 pandemic

Sunset Project: Next Steps

- Distribute enrollee survey and complete broader health community interviews
- Collect and summarize input; identify common threads
- Consider potential impact of external timeline events (i.e., election, Universal Workgroup)
- Present key insights and preliminary recommendations to Joint EC/Planning Committee
- Draft *Non-Medicare Sunset Date Evaluation Report* for Board approval