

Melissa Putman

Sr. Director
Government and External
Relations

Simon Vismantas

Sr. Regulatory Affairs
Consultant
Government Relations

2020 Health Policy Update

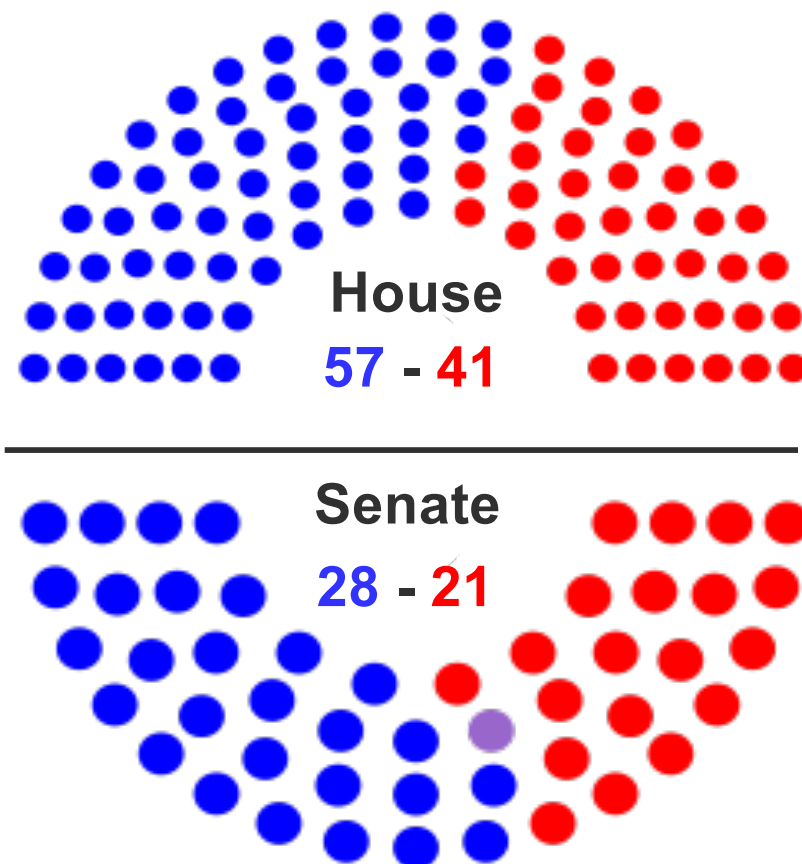




Washington State Health Care Landscape

What happened in 2019?

- Big Democratic majorities
- New legislators are predominately young, progressive, and lack prior political experience
- Gov. Inslee entered and exited 2020 presidential race
- Long session (105 days)
- Budget year
- Federal uncertainty driving state lawmakers to insulate Washington from efforts to repeal the Affordable Care Act



Landmark legislation passed in the 2019 session

Health care had the largest number of bills in committee and covered a board range of issues.



Health Plan



Care Delivery



Behavioral Health



Pharmacy



Public Health

Passage of SB 5526: Cascade Care

First-in-the-nation “public option,” was signed into law and will take effect 2021.



APRIL 30, 2019

The Seattle Medium
A Message From The People... To The People

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Legislature Passes Historic Public Option Healthcare Bill

Posted on Apr 29 2019 - 5:01am by Seattle Medium

Olympia – A bill passed April 27 by the Washington State Legislature would create a new public health insurance option for health care coverage, available through Washington's Health Benefit Exchange. The bill would be known as Cascade Care, and would be the first public health insurance option in the nation.



HealthAffairs

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Public Option 1.0: Washington State Takes An Important Step Forward

Billy Wynne

Cascade Care

1

Standardized
plan design

2

Public
option

3

State-
commissioned
studies

Implementation Timeline

Standard plan design
completed in December 2019

Standard plan and public option
certification
May 2020 – September 2020



Public option procurement
February 2020 – Spring 2020

Cascade Care open enrollment
November 2020 for 2021

Balance billing ban

As of January 1st, consumers may no longer receive surprise bills for:



1. Emergency services



2. Some surgical services



3. Some ancillary services

Balance billing ban

Self-funded groups may opt-in to these protections

- Self-funded groups or their TPA must notify the OIC 30 days in advance of participation.
- OIC website displays the list of participating self-funded groups

Arbitration for disputes between providers and health plans



What are the big issues so far in 2020?

Health care:
What's next?

- Short 60-day session – must pass supplemental budget; just over one month left
- Gov. Inslee officially announced his gubernatorial reelection campaign
- New House Leadership
- Strong appetite to lower the cost of pharmaceuticals
- Continued efforts to address health care affordability
- First year of SEBB program

School Employees Benefits Board Program



- Open enrollment occurred from October 1 – November 15
- More than 145,000 school employees + 184,000 dependents enrolled during OE
- Kaiser Permanente enrolled more than 87,000 school employees through our SEBB plans during OE

- Kaiser Permanente worked closely with WEA and other education organizations to support fully funding the SEBB program



- We continue to track legislation impacting SEBB and PEBB to ensure the strength of these programs

Numerous legislative proposals impacting affordability of health care



- Doubling of current health insurance premium tax
- Taxing health insurance reserves
- Cost commission to set health care spending growth rate in WA
- \$100 cap on cost-share for insulin
- Central insulin purchasing program for the state
- Study of primary care spending in WA



Federal health care landscape

Federal health care: Affordable Care Act revisions

Federal legislative and regulatory changes to the ACA have significantly altered the law

Consumer Protections

- Expanded list of preventive care services for HDHP HSAs



Individual Mandate (penalty repealed)

- A court decision that invalidates the ACA without an individual mandate penalty is on appeal.

Affordability Initiatives

- Cadillac tax & federal HIT repealed
- Expanded use of Association Health Plans
- Health Reimbursement Account Rule (allows employees to use HRAs to purchase individual coverage)
- Expansion of short-term health plans

Federal health care politics

- Health care reform is a major talking point in the 2020 presidential election
- Both parties looking to the elections to determine the future direction of health policy



Donald Trump

Repeal ACA, Republican health care proposal to be released in 2020



Joe Biden

Create a government-run public option and expand premium subsidies.



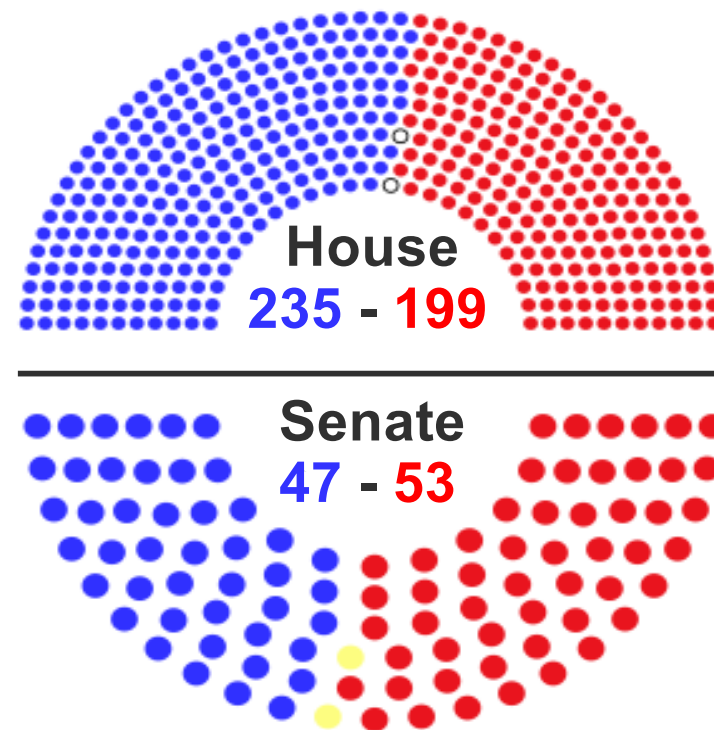
Bernie Sanders

Eliminate private insurers and adopt a single-payer system.



Elizabeth Warren

Eliminate private insurers and adopt a single-payer system.





Health policy: It's messy