
Health Care & Wellness Committee

HB 2361

Brief Description: Phasing in the requirement that only standardized health plans may be offered on the health benefit exchange.

Sponsors: Representatives Riccelli, Macri, Nance, Reed, Simmons and Ormsby.

Brief Summary of Bill

- Phases out non-standardized qualified health plans from the Health Benefit Exchange.
- Allows the Health Benefit Exchange to design optional standardized qualified health plans.

Hearing Date: 1/19/24

Staff: Jim Morishima (786-7191).

Background:

Through Washington's Health Benefit Exchange (HBE), individuals may compare and purchase qualified health plans (QHPs) and access premium subsidies and cost-sharing reductions. Qualified health plans are offered in the following actuarial value tiers: Bronze (60 percent actuarial value), Silver (70 percent actuarial value), Gold (80 percent actuarial value), and Platinum (90 percent actuarial value). High-deductible "catastrophic plans" may also be offered on the HBE.

Health carriers offering QHPs on the HBE must offer standardized health plans, which are Bronze, Silver, and Gold plans designed by the HBE in consultation with the Health Care Authority and the Insurance Commissioner. The standardized plans are required to be designed to reduce deductibles, make more services available before the deductible, provide predictable

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

cost sharing, maximize federal subsidies, limit adverse premium impacts, reduce barriers to maintaining and improving health, and encourage choice based on value while limiting increases in health plan premium rates.

A health carrier subject to this requirement must offer the standardized Gold and Silver plans developed by the HBE. If the health carrier chooses to offer a Bronze plan, it must offer the standardized Bronze plan developed by the HBE.

A health carrier may offer non-standardized plans alongside standardized plans. However, the health carrier is limited to no more than:

- one non-standardized catastrophic plan;
- two non-standardized Bronze plans;
- one non-standardized Silver plan;
- two non-standardized Gold plans; and
- one non-standardized Platinum plan.

Summary of Bill:

Phasing Out Non-Standardized Plans.

Beginning January 1, 2026, a health carrier offering qualified health plans (QHPs) on the Health Benefit Exchange (HBE) may no longer offer non-standardized Silver plans. Beginning January 1, 2027, only standardized health plans may be offered on the HBE. Beginning in 2027, the HBE may establish additional standardized plans at other actuarial value levels, including catastrophic and Platinum.

Optional Standardized Plans.

For 2027, the HBE must develop the following optional non-standardized plans, which a health carrier may offer if it is in full compliance with mandatory standardized plan requirements:

- at least one standardized catastrophic plan;
- at least one standardized Gold plan at the lower range of allowable actuarial value; and
- at least one high-deductible standardized plan that is compatible with a health savings account.

The HBE may develop other optional standardized plans at other actuarial value levels, including catastrophic and Platinum. Optional standardized plans must be developed using the same process as mandatory standardized plans and must also meet the same requirements as standardized plans. The HBE may designate an optional plan as a standardized plan and may evaluate and adjust optional standardized plans to respond to consumer choice and market conditions.

Appropriation: None.

Fiscal Note: Requested on January 15, 2024.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.