

SENATE BILL REPORT

SB 6258

As of January 25, 2024

Title: An act relating to phasing in the requirement that only standardized health plans may be offered on the health benefit exchange.

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

Sponsors: Senators Cleveland, Robinson and Nobles.

Brief History:

Committee Activity: Health & Long Term Care: 1/26/24.

Brief Summary of Bill

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

SENATE COMMITTEE ON HEALTH & LONG TERM CARE

Staff: Greg Attanasio (786-7410)

Background: Through Washington's Health Benefit Exchange (Exchange), individuals may compare and purchase qualified health plans (QHPs) and access premium subsidies and cost-sharing reductions. QHPs 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 Exchange.

Health carriers offering QHPs on the Exchange must offer standardized health plans, which

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are bronze, silver, and gold plans designed by the Exchange 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 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 Exchange. If the health carrier chooses to offer a bronze plan, it must offer the standardized bronze plan developed by the Exchange.

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

- one nonstandardized catastrophic plan;
- two nonstandardized bronze plans;
- one nonstandardized silver plan;
- two nonstandardized gold plans; and
- one nonstandardized platinum plan.

Summary of Bill: Beginning January 1, 2026, a health carrier offering QHPs on the Exchange may no longer offer nonstandardized silver plans. Beginning January 1, 2027, only standardized health plans may be offered on the Exchange. Beginning in 2027, the Exchange may establish additional standardized plans at other actuarial value levels, including catastrophic and platinum.

For 2027, the Exchange must develop the following optional 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 Exchange 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 Exchange 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 17, 2024.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.