

Policy Level

Agency:

107 Health Care Authority on Behalf of the Health Benefit Exchange

Decision Package Code/Title:

PL-MQ 1332 Waiver Implementation

Agency RecSum:

The Health Benefit Exchange (Exchange) is requesting funding to support implementation of a federal Section 1332 State Innovation waiver, and to support activities required to reach uninsured residents that have a new opportunity to obtain health and dental coverage through *Washington Healthplanfinder*.

Fiscal detail:

Operating Expenditures	FY 2024	FY 2025	FY 2026	FY 2027
001-1 GF-State	\$1,004,000	\$1,001,000	\$1,001,000	\$1,001,000
Total Expenditures	\$1,004,000	\$1,001,000	\$1,001,000	\$1,001,000
Biennial Totals	\$2,005,000		\$2,002,000	
Staffing	FY 2024	FY 2025	FY 2026	FY 2027
FTEs	0	0	0	0
Average Annual	0		0	
Object of Expenditure	FY 2024	FY 2025	FY 2026	FY 2027
Obj. C	\$1,004,000	\$1,001,000	\$1,001,000	\$1,001,000
Revenue	FY 2024	FY 2025	FY 2026	FY 2027
001-C GF-Federal	\$0	\$0	\$0	\$0
Total Revenue	\$0	\$0	\$0	\$0
Biennial Totals	\$0		\$0	

Package Description

What is the problem, opportunity or priority you are addressing with the request?

In 2021, the Washington State Legislature authorized the Exchange to seek a federal Section 1332 State Innovation waiver (1332 waiver) to expand coverage for Washington residents who do not currently qualify for state or federal affordability programs. The 1332 waiver was submitted to the federal Centers for Medicaid and Medicare Services (CMS) in May 2022. The waiver population will be able to newly access qualified health and dental coverage through *Washington Healthplanfinder* for plan year 2024 and access Cascade Care Savings (if otherwise eligible).

For additional information contact:

Nicholas Aaseby, Associate Director of Strategic Budget Planning
360-688-1574 nicholas.aaseby@wahbexchange.org

Expanding health coverage is an important component of reducing health disparities, as is addressing confusion around health insurance reforms that impact coverage rates.¹ The 1332 waiver approval and implementation will help advance the Exchange’s health equity goals by supporting access for residents with the highest uninsured rates.

The requested funding will support the continuation of important community outreach and engagement work that started in fiscal year 2023 to inform program design and outreach planning. Continued engagement with and outreach to the diverse populations impacted by the waiver will help ensure a successful program launch starting November 1, 2023. It also ensures that individuals and families who are able to newly access coverage starting in 2024, under the waiver or otherwise, have the support they need to get enrolled and stay enrolled. This includes the direct provision of funds to community-based organizations that work closely with the waiver population to provide culturally and linguistically appropriate enrollment assistance and support to individuals and families who qualify for any of the coverage programs offered through *Washington Healthplanfinder*.

Requested funding will also support ongoing, federally required 1332 waiver implementation activities. As part of ongoing waiver approval, the following activities are required to comply with the reporting and administration of the waiver:

- **Analysis:** each quarter, the Exchange must gather, review and analyze information regarding waiver impacts from anecdotal and prescribed data and metrics. This includes an annual third-party actuarial analysis.
- **Stakeholder Engagement:** at a minimum, the Exchange must hold annual public forums to solicit public comments on the implementation of the waiver and summarize, report, and respond to the feedback. Regular updates to the bipartisan Exchange Board, State Legislature, state-agency partners, and stakeholders will also be needed.
- **Federal Reporting:** The Exchange must submit quarterly and annual reports to CMS that include a narrative discussion, as well as data and metrics on the program. Quarterly reports include progress toward agreed metrics, as well as challenges and any remediation. The annual report includes progress on metrics; annual forum feedback and remediation; technical changes to the waiver; in-depth actuarial analysis on enrollment and premiums; state and federal funding; as well as any other information required by federal agencies. A report, including actuarial analysis, calculating any applicable federal pass-through savings, is also required annually.

What is your proposal?

Nearly 25% of Washington’s uninsured population cannot obtain coverage through Washington Healthplanfinder due to their immigration status. In May 2022, Washington submitted a Section 1332 State Innovation Waiver that will provide access to federally non-subsidized health and dental coverage through Washington Healthplanfinder to all Washington residents, regardless of immigration status, starting in plan year 2024. The implementation and ongoing administration of the waiver requires specific resources, expertise and outreach not currently employed by the Exchange, with specific focus on three critical activities:

1. 1332 waiver annual re-submission

¹ [*Knowledge of Health Insurance Terms and ACA in Racially and Ethnically Diverse Urban Communities \(2019\)*](#)

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2. Building the statewide assister network capacity
3. Health literacy outreach and education

How is your proposal impacting equity in the state?

Community outreach and engagement

It is imperative the Exchange reaches this audience in a lingual and culturally appropriate education and outreach materials enhancing knowledge that new programs exist for all Washingtonians to procure health insurance. This will require culturally diverse and linguistically appropriate campaigns containing educational content and resources. The Exchange plans to build content specific campaigns to multi-ethnic demographics increasing engagement by conducting campaigns digitally targeting these audiences aimed at lowering the uninsured rate to being less than three percent and reducing the year-round coverage gap. Making the improvements needed to fully support and expand this program would enable further directing assistance to be provided to populations disproportionately impacted by health disparities including refugees and immigrants not based on their status.

Disproportional Impact Consideration

Continuing the community outreach and engagement efforts that began in fiscal year 2023 is critical to ensuring Washington residents who do not qualify for state or federal affordability programs are able to successfully enroll into coverage. Through the Navigator Program, the Exchange contracts with eight lead navigator organizations to conduct outreach across Washington state. These contracts were procured in 2019 and are in place through fiscal year 2024. However, as the Exchange strives to reach and enroll these newly eligible populations into coverage options, there will be additional community-based organizations skilled at conducting culturally responsive outreach in the communities the Exchange is seeking to reach and enroll. The provision of funds to these community-based organizations in support of outreach efforts above and beyond that which is conducted via the Navigator Program is an essential component to a successful launch.

Target Populations or Communities

This proposal will help address persistent disparities in health insurance coverage, which contribute to poorer access to care and worse health outcomes for members of racial and ethnic minority groups. The program helps address these disparities by engaging directly with impacted communities, supporting community driven work, and developing culturally and linguistically appropriate materials to help provide effective outreach and enrollment assistance.

While Washington has been successful in reducing the uninsured rate to 6.1% on average statewide, uninsured rates for some groups remain high.² Based on OFM's [Statewide Uninsured Rate Remained Unchanged from 2018 to 2019 \(wa.gov\)](#), in 2019, the uninsured rate of the Hispanic population was 16.8% - approximately four times as high as the uninsured rate for the non-Hispanic population, 4.5%. Additionally, the uninsured rate for the following race groups were notably higher than white uninsured rate of 5.1%: Black at 7.9%, AIAN at 11.2% and "other" single-race at 23.7%.

² [Health Coverage Disparities Associated with Immigration Status in Washington State's Non-elderly Adult Population: 2010-17](#); [Knowledge of Health Insurance Terms and ACA in Racially and Ethnically Diverse Urban Communities \(2019\)](#)

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This work to expand access to coverage aligns with our Board-approved Exchange equity statement: “Equity is a fundamental pillar to the society we seek to build. The process of advancing toward equity will be disruptive and demands vigilance, dismantling deeply entrenched systems of privilege and oppression. We must focus our efforts on people and places where needs are greatest, especially communities of color, and go beyond remedying a particular inequity to address all determinants of health. Our goal is that all Washingtonians have full and equal access to opportunities, power, and resources to achieve their full potential.”

What are you purchasing and how does it solve the problem?

Supporting 1332 waiver annual resubmission

As part of the initial waiver application, the Exchange conducted actuarial and economic analyses related to the changes that will occur after the Section 1332 waiver application is approved and implemented in plan year 2024. Annual actuarial and economic analyses that support the state’s findings that all four of the Section 1332 guardrails will be met are required to ensure ongoing compliance with federal guardrails certification.

In addition to actuarial support, a waiver consultant will work with Exchange staff to coordinate with CMS, state agency partners, and the contracted actuary, to analyze and refine the programmatic and financial requirements of the waiver.

Building the statewide assister network capacity

To reach and enroll these individuals, the Exchange will engage community-based organizations in support of culturally appropriate outreach and education. Initial data from community-based listening sessions indicates that individuals are wary of enrolling online by themselves and will be much more likely to enroll into coverage during an in-person appointment with a trained assister who speaks their language.

Health Literacy Outreach and Education

Confusion and knowledge of health insurance remains a barrier to historically underserved populations. Reaching historically underserved populations is going to require culturally diverse and linguistically appropriate outreach containing educational content and resources.

In anticipation of 1332 waiver implementation, the Exchange has been seeking to better understand the lived experience of individuals previously unable to obtain health coverage due to federal immigration status, as well as the most effective ways to connect with these individuals.

Community based listening sessions with members of different immigrant communities, further engagement with current Lead organizations, learning from fellow state-based marketplaces, and the upcoming immigrant community health landscape scans will all help guide the Exchange’s future outreach and education efforts. Informed by this work, the Exchange will be developing a campaign focused on assessing and addressing the following:

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360-688-1574 nicholas.aaseby@wahbexchange.org

1. The current level of awareness of health coverage options amongst immigrant communities
2. The current level of awareness of and trust in the Exchange and its partners within immigrant populations
3. Areas where additional education may be needed (such as health coverage terminology, the value of having health insurance, where and how to access coverage)
4. Relevant opportunities for outreach and engagement to immigrant populations in Washington state

During the pandemic, the Exchange also conducted focused outreach in areas with geographic areas with high uninsured rates and customized advertising based on information about population composition and preferred media channels. During the 2021 open enrollment period, the Exchange conducted focused outreach in geographic areas with high uninsured rates and customized advertising based on information about population composition and preferred media channels.. The Exchange wants to build on the success of and the lessons learned from this experience, and the experiences of other state-based marketplaces who have been engaging in similar efforts, to reach diverse communities and help individuals facing enrollment barriers take advantage of coverage opportunities newly available under the 1332 waiver, and other state-based coverage expansions.

What alternatives did you explore and why was this option chosen?

The Exchange conducted listening sessions with impacted communities, engaged with current Exchange Lead Organizations, and reached out to other fellow state-based marketplaces to explore options. These activities informed the development of this request to focus on working directly with community partners and addressing community-identified needs.

Assumptions and Calculations

Expansion or alteration of a current program or service

This request improves capacity for culturally diverse and linguistically appropriate outreach and education, and further engagement with community-based organizations, agency partners, and other implementation partners to support state-based coverage expansions under the Section 1332 waiver implementation and otherwise.

Detailed assumptions and calculations

The Exchange is requesting an additional \$1,004,000 in FY2024 with ongoing funding of \$1,001,000 beginning in FY2025 to support the expansion of health coverage.

Operating Expenditures	FY 2024	FY 2025	FY 2026	FY 2027
Salaries	\$80,000	\$80,000	\$80,000	\$80,000
Benefits	\$29,000	\$29,000	\$29,000	\$29,000
Contracts	\$875,000	\$875,000	\$875,000	\$875,000
Goods and Services	\$20,000	\$17,000	\$17,000	\$17,000

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Travel	\$0	\$0	\$0	\$0
Total Expenditures	\$1,004,000	\$1,001,000	\$1,001,000	\$1,001,000

The Exchange is requesting ongoing funding of \$525,000 annually beginning in FY2024 for: conducting culturally diverse and linguistically appropriate outreach, leveraging various modalities that reach impacted populations, including conducting population specific outreach, and supporting educational and knowledge campaigns in multiple languages. These will include, but are not limited to, Spanish, Russian, and various Asian languages.

The Exchange is also requesting ongoing funding of \$175,000 annually beginning in FY2024 for direct support to community-based organizations to conduct culturally appropriate outreach and education. Initial data from the community-led research and engagement currently underway indicates individuals are wary of enrolling online by themselves and will be much more likely to enroll in coverage during an in-person appointment with a trained assister who speaks their language.

The Exchange is also requesting ongoing funding of \$175,000 annually beginning in FY2024 for actuarial and consulting services to support the annual 1332 waiver submission and ongoing reporting.

Workforce assumptions

- **1 FTE- Waiver Coordinator** – To track, monitor, and coordinate waiver analysis and reporting, and to coordinate and support engagement of stakeholders, partner agencies and federal partners.

Strategic and Performance Outcomes

Strategic framework

This proposal directly relates to Results Washington’s Healthy and Safe Communities goal, which is focused on providing access to quality medical care to improve people's lives, notably by decreasing the uninsured rate in Washington. The funding requested in this package will address this goal by expanding access to health coverage.

This proposal is also aligned with the Exchange’s Strategic Plan, which articulates goals of improving health coverage and affordability; advancing diversity, equity and inclusion (DEI) to narrow health disparities, especially in communities of color; expanding innovative approaches to drive health system excellence, including improved customer experience and engagement; and leveraging *Washington Healthplanfinder* to expand offered services.

Performance outcomes

For additional information contact:

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The Exchange will monitor the efficacy of these outreach efforts using standard measures (including enrollment metrics, media impressions, and digital engagement) and community feedback.

Other supporting materials

Copies of the APD have been previously provided to HCA, OFM, the House and Senate.

Other Collateral Connections**Intergovernmental**

None.

Legal or administrative mandates

None

Changes from current law

None

State workforce impacts

None

State facilities impacts

None.

Puget Sound recovery

None.

Other supporting materials

Copies of the APD have been provided to HCA, OFM, the House and Senate.

Information technology (IT)

ABS will pose the question below for each DP. If the answer is yes, you will be prompted to attach an IT addendum. (See Chapter 10 of the budget instructions for additional requirements.)

Information Technology

Does this DP include funding for any IT-related costs, including hardware, software (including cloud-based services), contracts or IT staff?

No

Yes

Please download the [IT-addendum](#) and follow the directions on the bottom of the addendum to meet requirements for OCIO review. After completing the IT addendum, please upload the document to continue.

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