Washington State Health Insurance Pool

RATE-SETTING PRINCIPLES

A. WSHIP rates will conform to statutory requirements (RCW 48.41).

B. At the discretion of the WSHIP Board:

1. Rates will be set in such a way as to provide incentives for enrollment in cost-effective plans.

2. Rates for age 65 and over on Medicare plans will be set at the statutory maximum in light of the availability of alternatives such as Medicare Advantage and Part D plans. Rates for under age 65 on Medicare plans will be set at the statutory minimum until alternatives become available.

3. Rates for Medicare plans will be set at a single rate for 65 and over and a single rate for under 65 based on market rates.

4. Rates for plans that have been closed to new enrollment will be set at the statutory maximum when other alternatives exist.

5. Premium subsidies may be increased in the event grant money becomes available, but any such subsidies will be consistent with these principles.

C. These principles will be reviewed by the WSHIP Board periodically.