

MILLIMAN REPORT

WA Cares Fund Potential Savings for the Medicaid Program

Commissioned by the Office of the State Actuary

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I. OVERVIEW

The Office of the State Actuary (OSA) requested Milliman's help to analyze the financial impact to the State of Washington Medicaid program due to the presence of WA Cares Fund, Washington's new public long-term services and supports (LTSS) program with benefits paid beginning July 1, 2026. Given Medicaid is a payer of last resort, the WA Cares Fund is anticipated to provide first-dollar coverage to support individuals' long-term care needs, which will result in lower Medicaid costs than what would occur absent the program. This report provides information related to why the WA Cares Fund may produce Medicaid savings, as well as projections on where and when those savings may occur.

As of the drafting of this report, we are in the process of performing an updated actuarial valuation of WA Cares Fund, anticipated to be completed in late 2024. Given the timing of that work, the estimates in this report rely upon the program structure and projections starting with the Base Plan included in our [2022 WA Cares Fund Actuarial Study](#)¹ dated October 20, 2022 (2022 Actuarial Study). We then updated assumptions and modeling consistent with our ongoing 2024 work where feasible in performing the projection of potential Medicaid savings, summarized later in this report.

In March 2024, HB 2467 was signed into law, and, in part, created a pathway for qualifying employees who migrate out of Washington to retain eligibility for WA Cares Fund benefits (i.e., benefits were made "portable" for qualifying employees). Please note, this report on potential savings for the Medicaid program does not consider any impact of portability; for this analysis, we only studied the impact to Washington's Medicaid program of individuals qualifying for benefits in-state.

The impact to the Medicaid program presented in this report could be lower or higher to the extent the final design and actual experience of the WA Cares Fund varies from the assumptions included in the 2022 Actuarial Study and updates included in this report. The results in this report should be considered in their entirety in combination with our 2022 Actuarial Study and changes summarized in this report.

Milliman was engaged by OSA as a contractor to perform this actuarial study, including the required modeling and actuarial analysis. The results of this actuarial study are to be shared with OSA and the Washington Department of Social and Health Services (DSHS) to collectively aid OSA's and DSHS's responsibilities in supporting the WA Cares Fund.

Any reader of this report should possess a certain level of expertise and background in actuarial projections related to financing LTSS benefits to understand and appreciate the significance of the assumptions used and the impact of these assumptions on the illustrated results. The reader should be advised by, among other experts, actuaries or other professionals competent in the area of actuarial projections of the type in this report so as to properly interpret the estimates. The information included in this report should only be considered in its entirety. Please see Section IV for additional caveats and limitations.

WHY ARE THERE MEDICAID SAVINGS?

Medicaid is generally cited as the largest payer of LTSS in the United States. In 2021, approximately 44% of LTSS expenditures were paid for by Medicaid.² Medicaid is jointly funded by states and the federal government, but LTSS may require individual out-of-pocket costs as well. Washington's Medicaid program provides LTSS to qualifying Medicaid-eligible individuals, including services in a nursing home, assisted living facilities, and home and community-based services (HCBS). We estimate that the Washington Medicaid program (in total, including state and federal) spent approximately \$5.9 billion in 2023 on LTSS expenditures, including both institutional care and HCBS for physically disabled and developmentally disabled adults.

Medicaid is generally the payer of last resort.³ This means private insurance, including long-term care (LTC) insurance or Medicare, must pay for medical and LTSS costs incurred by a Medicaid-eligible individual before Medicaid.⁴ The WA Cares Fund is assumed to provide LTSS coverage before Medicaid would pay, like other non-Medicaid payers. Given the creation of an additional funding source to pay for LTSS prior to Medicaid, savings would occur under the

¹ Giese, C. et al. (October 20, 2022). *2022 WA Cares Fund Actuarial Study*. Retrieved December 10, 2023 from <https://leg.wa.gov/osa/additional-services/Documents/Report01-2022WACaresFundActuarialStudy.pdf>

² Colello, K. (Updated September 19, 2023). Who Pays for Long-Term Services and Supports? Congressional Research Service. Retrieved September 17, 2024, from <https://crsreports.congress.gov/product/pdf/IF/IF10343#:~:text=Figure%201%20shows%20LTSS%20spending,LTSS%20spending%20nationwide%20in%202021>.

³ U.S. Department of Health and Human Services (June 1, 2018). Medicaid Provisions in Recently Passed Federal Budget Legislation Bipartisan Budget Act of 2018 – Third Party Liability in Medicaid and CHIP. Retrieved September 17, 2024, from <https://www.medicaid.gov/sites/default/files/federal-policy-guidance/downloads/cib060118.pdf>.

⁴ Medicaid and CHIP Payment and Access Commission (June 16, 2020). Third party liability. Retrieved September 17, 2024, from <https://www.macpac.gov/subtopic/third-party-liability/>.

Medicaid program due to WA Cares Fund spending on individuals who are either (1) enrolled in Medicaid at the time of receiving WA Cares Fund benefits, or (2) would have become enrolled in Medicaid absent the WA Cares Fund.

The Washington Medicaid program is jointly funded by the state of Washington and the federal government. If Medicaid expenditures were reduced because of the WA Cares Fund, federal financial participation would also be reduced. Therefore, we analyzed how WA Cares Fund would potentially interact with the Medicaid program and estimated savings to both the state and federal government. Our analysis projects the number of recipients estimated to receive LTSS benefits under the WA Cares Fund that would have received benefits from the Medicaid program, absent the new program. For each of these recipients, we also projected the corresponding fiscal impact to the Medicaid program resulting from the creation of the WA Cares Fund.

II. RESULTS AND CONSIDERATIONS

We estimate annual Medicaid program savings due to the presence of the WA Cares Fund will be approximately \$70 million in 2027. This estimate includes short-term savings in the initial year of the program for members already vested and using LTSS, particularly from the developmentally disabled population. We estimate savings of \$70 million in 2030, increasing to \$90 million in 2035, \$360 million in 2050, and \$1.9 billion in 2095. The savings include both the state and federal components, growing substantially over time as more people become vested in their WA Cares Fund benefit. Trend and population growth also contribute to the increases. The estimates exclude the impact of potential investment income earned on the savings.

Figure 1 illustrates projections of annual Medicaid program savings due to the WA Cares Fund in five-year, point-in-time increments. Attachment 1 includes additional details showing the annual results for all 75 projection years. The projection results include:

- The number of recipients projected to start receiving WA Cares Fund benefits during the year who would have received LTSS benefits from Medicaid absent the WA Cares Fund.
- The total (state and federal) Medicaid fiscal impact resulting from Medicaid enrollees receiving WA Cares Fund benefits, including values in terms of state fiscal year (SFY) 2027 dollars (i.e., untrended) and dollars adjusted for inflation (trended at 2.5%).

Figure 1
State of Washington Office of the State Actuary
Medicaid Fiscal Impact (Federal and State) due to WA Cares Fund

State Fiscal Year	Medicaid Recipients	Annual Medicaid Fiscal Impact (in millions)	
		Untrended (in SFY 2027 dollars)	Trended (with 2.5% inflation)
2027	2,500	(\$ 70)	(\$ 70)
2030	2,400	(\$ 70)	(\$ 70)
2035	2,800	(\$ 70)	(\$ 90)
2040	4,200	(\$ 110)	(\$ 150)
2045	6,300	(\$ 160)	(\$ 250)
2050	8,000	(\$ 200)	(\$ 360)
2055	8,500	(\$ 220)	(\$ 430)
2060	9,700	(\$ 250)	(\$ 560)
2065	10,800	(\$ 270)	(\$ 700)
2070	11,800	(\$ 300)	(\$ 860)
2075	12,600	(\$ 320)	(\$ 1,030)
2080	13,000	(\$ 330)	(\$ 1,210)
2085	13,400	(\$ 330)	(\$ 1,400)
2090	13,600	(\$ 340)	(\$ 1,620)
2095	13,900	(\$ 350)	(\$ 1,860)

Notes:

1. The estimated state-only impact is approximately 45% of the total state and federal Medicaid fiscal impact. The estimate is lower than 50% due to the federal financial participation for expansion versus non-expansion Medicaid populations.
2. For purposes of this figure, we included a trended projection and a projection that excludes trend to better compare to current program spending. The "Untrended" values can be interpreted as the "Trended" values discounted to SFY 2027 using a 2.5% discount rate.

The Medicaid recipients shown in Figure 1 represent the individuals projected to start receiving WA Cares Fund benefits who would have received LTSS benefits from Medicaid absent the WA Cares Fund. We estimate that approximately 36% of non-developmentally disabled LTSS enrollees will begin receiving LTSS concurrent with their enrollment in Medicaid. We assumed that the WA Cares Fund benefits would delay these individuals' enrollment into Medicaid, and Medicaid savings would therefore additionally include non-LTSS costs during this delayed enrollment period. For developmentally disabled enrollees, we assumed that there would be no acute savings as nearly all of them are expected to already be enrolled in Medicaid when they begin receiving LTSS services, based upon historic experience. Most enrollees who will have delayed enrollment have only a small amount of Medicaid liability for non-LTSS because they are dually eligible for Medicare (the primary payer) and Medicaid (the payer of last resort). Approximately 2% of the Medicaid savings shown in Figure 1 are related to non-LTSS during the period of delayed enrollment.

VARIABILITY OF RESULTS

The estimates presented in Figure 1 are point estimates based upon a set of assumptions, which are discussed in Section III of this report. The estimated impact to Medicaid savings is highly sensitive to the underlying projection assumptions used in the modeling.

For a given year, estimated Medicaid savings are a function of savings per beneficiary, claim incidence, and vesting rate. To the extent that actual experience varies from the assumptions in the modeling, estimated Medicaid savings will change proportionally with those variances. For example, if vesting rates are uniformly 10% higher than estimates in the base scenario, we would expect Medicaid savings to increase by 10%.

The modeling is also sensitive to changes in inflation. For estimates after FY 2027, we assumed 2.5% annual trend. To the extent that annual inflation varies from 2.5%, the nominal savings would vary from the estimates provided. For reference, the WA Cares lifetime maximum benefit is tied to increases in a Washington Consumer Price Index (WA-CPI), which is assumed to start at 2.75% annual trend grading down to 2.40% over roughly the first 30 years of the projection.

The estimates reflect an assumption that services covered by WA Cares Fund will be paid at commercial reimbursement rates. With commercial reimbursement rates often being higher than Medicaid reimbursement rates, the WA Cares Fund benefit will not cover as many days of service as it would if services were paid at Medicaid reimbursement rates. We estimate that Medicaid savings would be approximately 10% higher than the estimates presented in this report, if reimbursement rates were closer to Medicaid as an example. Conversely, if WA Cares benefit reimbursement trends faster than Medicaid reimbursement, the savings will materially decrease. For example, if WA Cares benefit reimbursement was 200% of assumed Medicaid reimbursement, we estimate Medicaid savings would decrease by approximately (35%) from the baseline scenario.

The level of Medicaid savings is also highly sensitive to the plan features of the WA Cares Fund program. For the purposes of this report, we modeled all plan features consistent with the program structure and provisions of the Base Plan in our 2022 Actuarial Study with updates as described in the next section. The impact to the Medicaid program presented in this report could be lower or higher to the extent the final design and actual experience of the WA Cares Fund varies from the assumptions from the “adjusted” Base Plan.

ASSUMPTION AND MODELING UPDATES TO 2022 BASE PLAN

We summarize below the key changes made to the assumptions and modeling underlying the Base Plan from our 2022 Actuarial Study. As of the drafting of this report, we are in the process of performing an updated actuarial valuation of WA Cares Fund, anticipated to be completed in late 2024. We incorporated updates where feasible in performing the projection of potential Medicaid savings in this report.

- **WA Cares Fund Program Design**
 - *Benefit eligibility threshold.* The 2022 Base Plan assumed that the WA Cares Fund would use benefit eligibility criteria consistent with two potential pathways under the State of Washington Medicaid program: 1) nursing facility level of care (NFLOC) pathway⁵ and 2) Medicaid personal care (MPC) pathway.⁶ We exclude the MPC pathway for this report. We also add a 90-day forward certification requirement to the benefit eligibility threshold.
- **Data Updates**
 - *Emerging WA Cares Fund experience.* We include adjustments to reflect emerging program experience for employment data.
 - *Medicaid data.* We use analysis from DSHS Research and Data Analysis (RDA) examining the work patterns for Medicaid eligible individuals to inform vesting assumptions.
 - *Other assumptions.* We update key demographic, morbidity, and economic projection assumptions to be consistent with the 2024 OASDI Trustees Report and / or latest best estimates.

⁵ <https://apps.leg.wa.gov/wac/default.aspx?cite=388-106-0355>

⁶ <https://apps.leg.wa.gov/wac/default.aspx?cite=388-106-0210>

OTHER CONSIDERATIONS

The Medicaid savings arising due to the presence of the WA Cares Fund may necessitate additional operational processes in order to be realized. For people enrolled in Medicaid prior to receiving LTSS, processes will likely be needed to assist these enrollees with obtaining their WA Cares Fund benefit and recognizing those payments to providers in determining Medicaid liability. If the Medicaid enrollees do not obtain their WA Cares Fund benefit, the Medicaid liability is unlikely to change, and savings will not accrue. For people who enroll in Medicaid concurrent with receiving their first LTSS, the Medicaid eligibility and enrollment process will need to ensure that people have exhausted their WA Cares Fund benefit. Additionally, capturing the federal portion of Medicaid savings will require coordination with the Centers for Medicare and Medicaid Services (CMS) to demonstrate the savings that would occur with the WA Cares Fund.

The majority of the Medicaid savings from the WA Cares Fund illustrated in Figure 1 occurs in the last 30 years of the 75-year projection. In other words, for most individuals receiving LTSS under the WA Cares Fund, any Medicaid savings that would be accrued would occur many years after they would have paid into the fund. Therefore, understanding the value of potential Medicaid savings should also consider the impact of investment income.

The following issues could materially impact Medicaid savings, but were outside of the scope of our analysis (not intended to be an exhaustive list):

- We did not adjust for any increased use of services due to awareness or use of services, as individuals with coverage may use services at higher rates and then become eligible for Medicaid.
- We did not adjust for any cost increases in the LTSS marketplace outside of historical trend. As an example, increased demand for LTSS or other market forces may put pressure on wages and other costs for personal care workers.
- We did not reflect any impact to nursing home provider taxes.
- We assumed Medicaid LTSS reimbursement levels would trend consistently with commercial reimbursement levels for period after SFY 2027.
- We assumed the trend rate for Medicaid net costs (2.5%) would continue for future benefit years.

III. METHODOLOGY AND ASSUMPTIONS

This section details the assumptions and methodology related to estimating the financial impact of the WA Cares Fund to the Washington Medicaid program. The information in this report should be considered along with the methodology and assumptions for our Base Plan actuarial estimates included in the 2022 Actuarial Study and the modifications discussed in this report.

MEDICAID BASELINE

We used calendar year (CY) 2022 and 2023 Medicaid experience for Washington to develop baseline estimates for the number of Medicaid enrollees who could receive benefits from the WA Cares Fund and the associated average Medicaid cost savings per enrollee due to the WA Cares Fund. Enrollee spans meeting certain criteria were excluded from the experience given the structure defined under the WA Cares program:

1. Enrollees under age 18.
2. Undocumented enrollees.
3. Enrollees who do not have coverage for LTSS under Medicaid, such as those who are dually enrolled in Medicare and Medicaid and have limited Medicaid benefits.

To estimate the baseline number of Medicaid enrollees who could receive benefits from the WA Cares Fund, we identified enrollees who received their first service in the experience period between July 1, 2022 and June 30, 2023 within Washington Medicaid LTSS program data. Enrollees who received their first service concurrently with their first month of enrollment in Medicaid were assumed to have met a 30-day claim adjudication period prior to Medicaid enrollment.⁷ Enrollees who received their first LTSS after their first month of enrollment in Medicaid were assumed to meet the 30-day claim adjudication period 31 days after their first LTSS date of service. We assumed all Medicaid LTSS recipients would be eligible for the WA Cares Fund if they meet vesting and other program requirements, except for the exclusions described above. For enrollees assumed to be vested and using LTSS prior to July 1, 2026, we developed a baseline estimate using CY 2023 enrollment of LTSS utilizers most likely to have work history in the vesting period.

To estimate the baseline Medicaid cost savings per enrollee due to the WA Cares Fund, we used the detailed LTSS claims experience for the identified Medicaid enrollees. We adjusted Medicaid allowed amounts to estimated SFY 2027 reimbursement levels by service type. We assumed the following annualized trend assumptions:

- Long Term Care: 10.8%
- Adult Family Home: 10.8%
- Assisted Living Facility: 15.7%
- Home Health Care: 7.0%
- Nursing Facility: 5.5%

Most of the trend assumptions are materially higher than commercial reimbursement trends because they reflect known material reimbursement changes that occurred since SFY 2023.

We trended Medicare covered liability amounts by 3.5% per year to SFY 2027 and third-party liability amounts by 3.0% per year to SFY 2027. We also trended patient liability amounts by 3.0% to SFY 2027 because these amounts are most often based upon an enrollee's income, which generally trend at a similar rate as supplemental security income. The SFY 2027 Medicaid net cost was then the excess of the trended Medicaid allowed amounts above the trended Medicare covered, third party liability, and patient liability amounts.

We analyzed detailed claims experience for each identified Medicaid enrollee to determine which days of LTSS would be covered by the WA Cares Fund. In our analysis of covered days, we considered the 30-day claim adjudication period discussed above. It also considered the WA Cares Fund lifetime benefit maximum amount and that days of service covered by the WA Cares Fund would be paid at commercial reimbursement rates rather than Medicaid reimbursement rates. We used estimated median SFY 2027 commercial reimbursement rates based on the 2021 Genworth Cost of Care Survey⁸ and inflated the values into the future using 4.0% facility (nursing home and assisted living) trend and 3.0% home health care trend. The SFY 2027 Medicaid savings per enrollee was calculated as the SFY 2027 Medicaid net cost for the days of LTSS covered by the WA Cares Fund.

⁷ As part of the 2020 Actuarial Study, we assumed benefit payment commences following satisfaction of a one-time "deductible" period of 45 consecutive days during which the individual has a qualifying level of disability meeting the benefit eligibility trigger.

⁸ Genworth Cost of Care Survey: Median Cost Data Tables (2024). Retrieved October 1, 2024 from <https://pro.genworth.com/riiproweb/productinfo/pdf/282102.pdf>

For enrollees who were assumed to have met the 30-day claim adjudication period prior to Medicaid enrollment, we assumed that the WA Cares Fund would delay their enrollment in Medicaid by the days between the first and last days covered by the WA Cares Fund. Delayed Medicaid enrollment results in Medicaid savings for non-LTSS, i.e., acute services. We identified members whose first month of Medicaid enrollment included a LTSS claim eligible for WA Cares program. For those members, we summarized SFY 2023 acute costs associated with each LTSS claim covered by the WA Cares Fund benefit. We assumed the member's Medicaid enrollment would be delayed by the duration of the WA Cares Fund benefit and the acute care claims covered by Medicaid for that time period would be additional savings. We trended the acute care costs by 6.0% annually to estimate SFY 2027 Medicaid non-LTSS savings. The SFY 2027 Medicaid net savings for non-LTSS were added to the SFY 2027 Medicaid net cost for the days of LTSS covered by the WA Cares Fund to arrive at the SFY 2027 Medicaid savings per new claimant.

POPULATION PROJECTIONS

We projected the number of potential WA Cares Fund claimants newly using LTSS with Medicaid savings for SFY 2027 through SFY 2102 by assuming that our baseline estimates for claimants would change at the same rate as population growth for Medicaid eligible income levels. For estimating the number of potential WA Cares Fund claimants assumed to be receiving LTSS when the program commences, we trended the baseline estimates based on CY 2022 to CY 2023 eligibility trend for the baseline population.

The estimate of the resident population starts with the census count of the resident population for Washington by age and sex as of 2016. We use a 2016 starting population to build up a stable disabled population and appropriately reflect LTC prevalence at the time of first program payments (2026). The model projects the Washington population by estimating the number of births, deaths, and net migrants for each future year, consistent with the 2022 actuarial study and assumption and modeling updates since the 2022 study as described above.

We reviewed the projected population over the 75-year horizon for reasonableness compared to forecasts in the 2024 Old-Age, Survivors, and Disability Insurance (OASDI) Trustees Report and the Washington Office of Financial Management (OFM) "Forecast of the State Population" from November 2023⁹ (2023 OFM Population Forecast). Our reasonableness review included examining the projected total population count of Washington versus nationwide for each year and the distribution of the population by attained age (i.e., less than 20, 20 to 64, and 65-plus).

MEDICAID SAVINGS PER NEW CLAIMANT

We assumed the Medicaid savings per new claimant would increase by approximately 2.5% per year after SFY 2027. The trend rate was selected to be generally in line with anticipated long-term changes in Washington regional consumer prices.

⁹ Washington Office of Financial Management (2023). Retrieved June 25, 2024 from <https://ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/state-population-forecast>

IV. CAVEATS AND LIMITATIONS

This report was prepared for the internal use of the Washington Office of the State Actuary (OSA) and the Washington Department of Social and Health Services (DSHS) and it should not be distributed, in whole or in part, to any external parties without the prior permission of Milliman, subject to the following exception:

- This report shall be a public record that shall be subject to disclosure to the State Legislature and its committees, persons participating in legislative reviews and deliberations, and parties making a request pursuant to the Washington Public Records Act.

We do not intend this information to benefit or create a legal liability to any third party. This communication must be read in its entirety.

The information in this report provides actuarial modeling and analysis regarding the potential fiscal impact of the WA Cares Fund on the Washington Medicaid program. It may not be appropriate, and should not be used, for other purposes.

Our analysis was based on the WA Cares Fund program design outlined in our 2022 Actuarial Study and the program adjustments described in this report. Future changes to the WA Cares Program, changes to state Medicaid reimbursement or eligibility, federal regulations, or executive orders, as well as to state insurance laws, will impact the conclusions made in this report.

The Medicaid fiscal impacts developed in this analysis are based on our understanding of how Washington's Medicaid program will interact with the WA Cares Fund. Data was not readily available to support all assumptions needed for this analysis. In those cases, we relied on other publicly available data, as well as our research and experience to develop assumptions for these projections. In completing this analysis, we relied on information provided by OSA, DSHS, Washington State Health Care Authority (HCA), and publicly available data, which we accepted without audit. However, we did review this information for general reasonableness.

Milliman has developed certain models to estimate the values included in this report. The intent of the models was to estimate potential savings to the Washington Medicaid program due to the presence of the WA Cares Fund. We reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant ASOPs.

Many assumptions were used to construct the estimates in this report. Actual results will differ from the projections in this report. Experience should be monitored as it emerges, and corrective actions taken when necessary.

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. The authors of this report are members of the American Academy of Actuaries and meet the qualification standards for performing the analyses in this report.

ATTACHMENT 1

Attachment 1
State of Washington Office of the State Actuary
Medicaid Fiscal Impact (Federal and State) due to WA Cares Fund

Total Medicaid Fiscal Impact (in millions)	
Sum, Untrended	Sum, Trended
(in 2027 dollars)	(with 2.5% inflation)
(\$ 16,980)	(\$ 55,110)

State Fiscal Year Ending June	Medicaid Recipients	Annual Medicaid Fiscal Impact (in millions)	
		Untrended (in 2027 dollars)	Trended (with 2.5% inflation)
2024	0	\$ 0	\$ 0
2025	0	\$ 0	\$ 0
2026	0	\$ 0	\$ 0
2027	2,500	(\$ 70)	(\$ 70)
2028	1,900	(\$ 50)	(\$ 50)
2029	2,400	(\$ 60)	(\$ 70)
2030	2,400	(\$ 70)	(\$ 70)
2031	2,400	(\$ 60)	(\$ 70)
2032	2,500	(\$ 70)	(\$ 80)
2033	2,600	(\$ 70)	(\$ 80)
2034	2,700	(\$ 70)	(\$ 90)
2035	2,800	(\$ 70)	(\$ 90)
2036	2,900	(\$ 80)	(\$ 100)
2037	3,200	(\$ 80)	(\$ 110)
2038	3,500	(\$ 90)	(\$ 120)
2039	3,800	(\$ 100)	(\$ 140)
2040	4,200	(\$ 110)	(\$ 150)
2041	4,600	(\$ 120)	(\$ 170)
2042	4,900	(\$ 130)	(\$ 180)
2043	5,300	(\$ 140)	(\$ 200)
2044	5,800	(\$ 150)	(\$ 230)
2045	6,300	(\$ 160)	(\$ 250)
2046	6,900	(\$ 170)	(\$ 280)
2047	7,400	(\$ 190)	(\$ 310)
2048	7,900	(\$ 200)	(\$ 340)
2049	8,000	(\$ 200)	(\$ 350)
2050	8,000	(\$ 200)	(\$ 360)
2051	8,000	(\$ 210)	(\$ 370)
2052	8,000	(\$ 210)	(\$ 380)
2053	8,000	(\$ 210)	(\$ 390)
2054	8,200	(\$ 210)	(\$ 410)
2055	8,500	(\$ 220)	(\$ 430)
2056	8,800	(\$ 220)	(\$ 460)
2057	9,000	(\$ 230)	(\$ 480)
2058	9,300	(\$ 240)	(\$ 510)
2059	9,500	(\$ 240)	(\$ 530)
2060	9,700	(\$ 250)	(\$ 560)
2061	10,000	(\$ 250)	(\$ 590)
2062	10,200	(\$ 260)	(\$ 610)
2063	10,400	(\$ 260)	(\$ 640)
2064	10,600	(\$ 270)	(\$ 670)
2065	10,800	(\$ 270)	(\$ 700)
2066	11,000	(\$ 280)	(\$ 730)
2067	11,200	(\$ 280)	(\$ 760)
2068	11,400	(\$ 290)	(\$ 790)
2069	11,600	(\$ 290)	(\$ 830)
2070	11,800	(\$ 300)	(\$ 860)

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State of Washington Office of the State Actuary
Medicaid Fiscal Impact (Federal and State) due to WA Cares Fund

Total Medicaid Fiscal Impact (in millions)	
Sum, Untrended	Sum, Trended
(in 2027 dollars)	(with 2.5% inflation)
(\$ 16,980)	(\$ 55,110)

State Fiscal Year Ending June	Medicaid Recipients	Annual Medicaid Fiscal Impact (in millions)	
		Untrended (in 2027 dollars)	Trended (with 2.5% inflation)
2071	12,000	(\$ 300)	(\$ 890)
2072	12,200	(\$ 310)	(\$ 930)
2073	12,300	(\$ 310)	(\$ 960)
2074	12,500	(\$ 310)	(\$ 1,000)
2075	12,600	(\$ 320)	(\$ 1,030)
2076	12,700	(\$ 320)	(\$ 1,070)
2077	12,800	(\$ 320)	(\$ 1,100)
2078	12,900	(\$ 320)	(\$ 1,140)
2079	13,000	(\$ 320)	(\$ 1,170)
2080	13,000	(\$ 330)	(\$ 1,210)
2081	13,100	(\$ 330)	(\$ 1,250)
2082	13,200	(\$ 330)	(\$ 1,280)
2083	13,200	(\$ 330)	(\$ 1,320)
2084	13,300	(\$ 330)	(\$ 1,360)
2085	13,400	(\$ 330)	(\$ 1,400)
2086	13,400	(\$ 340)	(\$ 1,440)
2087	13,500	(\$ 340)	(\$ 1,480)
2088	13,500	(\$ 340)	(\$ 1,530)
2089	13,600	(\$ 340)	(\$ 1,570)
2090	13,600	(\$ 340)	(\$ 1,620)
2091	13,700	(\$ 340)	(\$ 1,660)
2092	13,700	(\$ 340)	(\$ 1,710)
2093	13,800	(\$ 340)	(\$ 1,760)
2094	13,800	(\$ 350)	(\$ 1,810)
2095	13,900	(\$ 350)	(\$ 1,860)
2096	13,900	(\$ 350)	(\$ 1,910)
2097	14,000	(\$ 350)	(\$ 1,970)
2098	14,000	(\$ 350)	(\$ 2,020)

Notes:

1. The estimated state-only impact is approximately 45% of the total state and federal Medicaid fiscal impact. The estimate is lower than 50% due to the federal financial participation for expansion versus non-expansion Medicaid populations.
2. For purposes of this table, we included a trended projection and a projection that excludes trend to better compare to current program spending. The "Untrended" values can be interpreted as the "Trended" values discounted to 2027 using a 2.5% discount rate.

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