



Wisconsin Office of the  
**COMMISSIONER**  
**OF INSURANCE**

## **2025 Wisconsin Healthcare Stability Plan Annual Forum**

July 23, 2025 11 A.M.

# Agenda

1. 1332 State Innovation Waiver
2. Wisconsin Healthcare Stability Plan (WIHSP)
  - WIHSP: What is it?
  - WIHSP Example: Plan Year 2024
  - WIHSP: Payment to Insurers
  - WIHSP: Individual Market Impact
3. Questions



# 1332 State Innovation Waiver (1332 Waiver)

- Section 1332 of the Affordable Care Act (ACA) allows states to apply for exceptions from certain ACA provisions
- The Wisconsin Healthcare Stability Plan (WIHSP) operates under a 1332 Waiver and 2017 WI Act 138
- Initial 1332 Waiver and Extension
  - Initial waiver: January 2019 through December 2023
  - 5-year extension: January 2024 through December 2028



# Wisconsin Healthcare Stability Plan (WIHSP): What is it?

**Goal:** create a stable individual insurance market where individuals have a choice of health plans with affordable premiums

**How:** WIHSP reimburses insurers for a portion of the high cost claims they paid for individuals in a given plan year

- 15 individual market insurers
- Payment parameters are established to define the portion of costs that are reimbursed
- Payment parameters can change from year to year and are established by May 15<sup>th</sup> before the applicable plan year

**Funding:** federal pass-through funds and state General Purpose Revenue (GPR)

- Pass-through funds represent the estimated federal savings available from reduced premiums
  - Reduced premiums means the federal government pays less in premium tax credits
- WIHSP is currently limited to \$230 million (*state & federal funds*) for PY2024 and will increase to \$265M for PY2025



# WIHSP Example: Plan Year 2024

## **PY 2024 by the Numbers:**

\$45,000 attachment point (minimum claims)

48.28% coinsurance (program share)

\$142,000 cap (maximum claims)

\$256,782,968.83 million in WIHSP claims filed for PY 2024

- \$199.1M (\$195.6M current year + \$3.5M carry forward) in federal pass-through funds; \$30.9 million in general purpose revenue (GPR)
  - PY 2025 federal pass-through is \$223.3 million

PY 2024 payments will be made to insurers following an initial audit of the claim filings, but no later than August 15, 2025



# WIHSP: Payment to Insurers

Plan Year	Total WIHSP Claims (millions)	Federal Funding (millions)	State Funding (millions)
2019*	\$174.0	\$127.0	\$47.0
2020*	\$183.0	\$142.0	\$42.0
2021**	\$203.0	\$229.0	\$0
2022***	\$230.7	\$208.3	\$21.7
2023	\$210.0	\$213.5	\$0.0
2024***	\$256.8	\$199.1	\$30.9
2025****	Unknown until 5/2026	\$223.3	Unknown until 5/2026

*\*WIHSP Statutory Cap for PY 2019 through PY 2021 was \$200 million.*

*\*\*OCI received Joint Committee on Finance approval to fund the PY 2021 \$3.0 million overage. Unspent federal funds were carried over to the next plan year.*

*\*\*\*The Statutory Cap of \$230 million was exceeded in PY2022 and PY2024. Insurer payments were reduced by .305% and 10.43%, respectively, to meet the \$230 million limit.*

*\*\*\*\*The Statutory Cap was raised to \$265 million for payments in PY2025 and thereafter.*



# WIHSP: Individual Market Impact

## Member Premium Changes with and without Reinsurance<sup>1</sup>

	2019	2020	2021	2022	2023	2024	2025
Member Premium Change <i>with</i> Reinsurance	-3.3%	-3.2%	-3.4%	-0.3%	7.6%	6.1%	8.2%
Member Premium Change <i>without</i> Reinsurance	7.8%	9.3%	10.4%	14.8%	21.4%	18.2%	19.5%
Impact of Reinsurance	-10.3%	-11.4%	-12.5%	-13.2%	-13.7%	-12.1%	-11.2%

<sup>1</sup> Source for plan years 2019-2022: Wakely Consulting Group, LLC, (2022) "Section 1332 State Innovation Waiver Extension Actuarial and Economic Analysis"

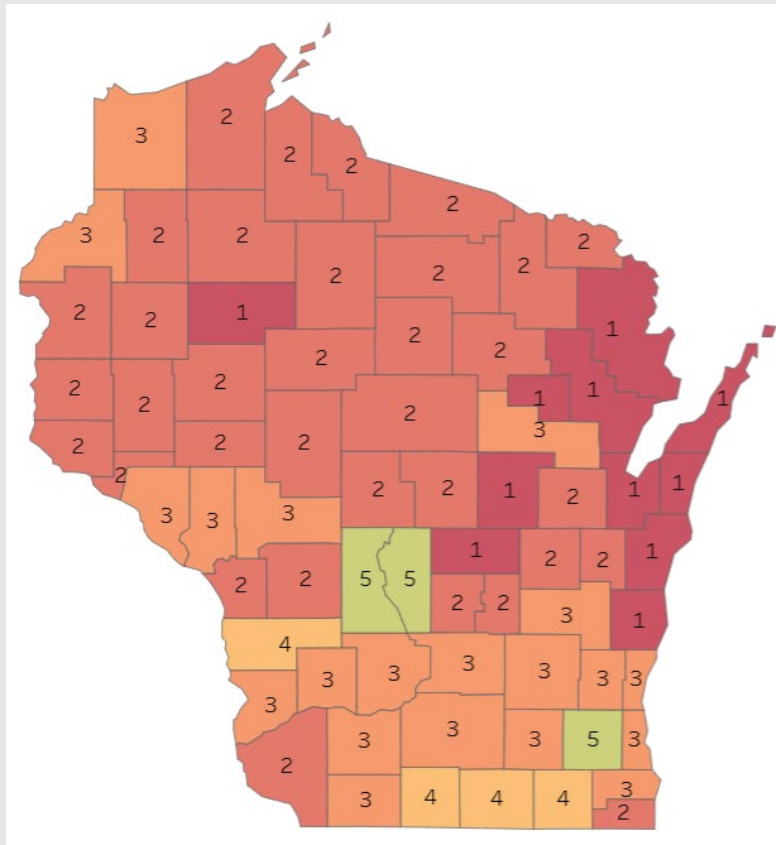
Source for plan years 2023-2025: WI Office of the Commissioner of Insurance



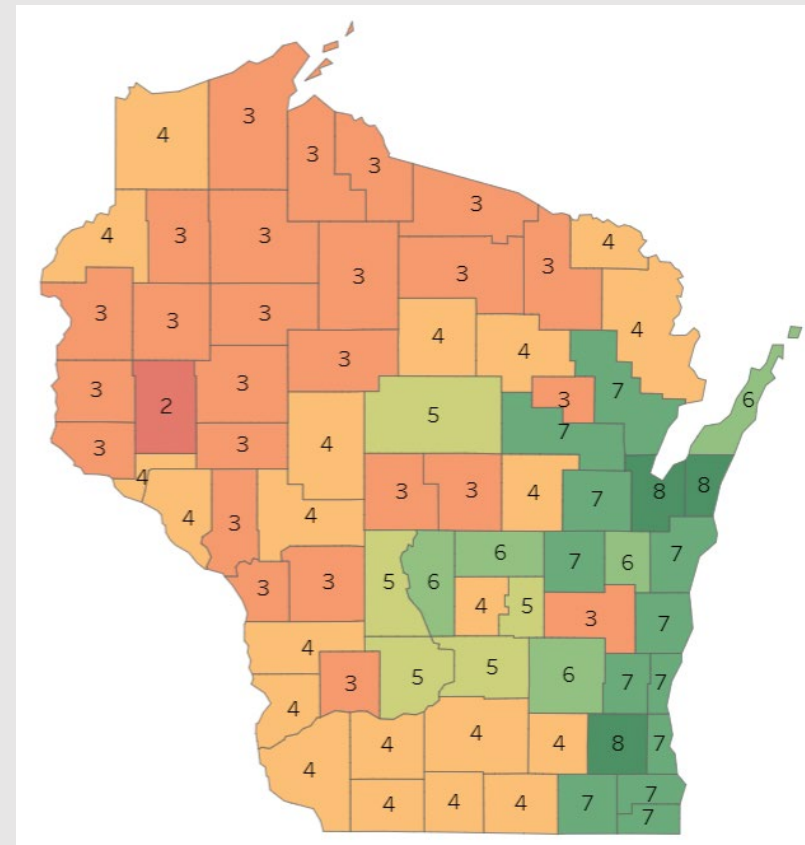
# WIHSP: Individual Market Impact

## Service Area Expansion

2018



2025

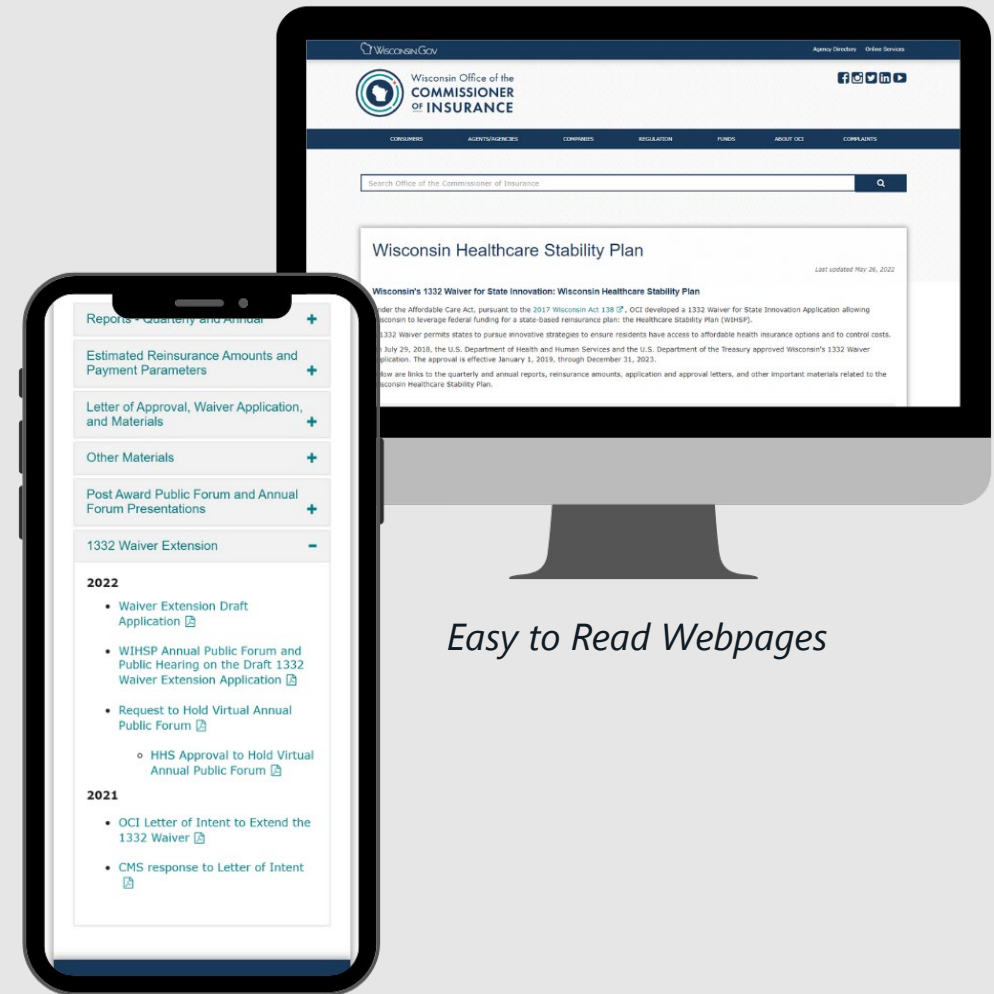




# Links & Resources

WIHSP information is available on the OCI website: [oci.wi.gov/WIHSP](https://oci.wi.gov/WIHSP)

Send comments or questions to:  
[OCIWIHSP@Wisconsin.gov](mailto:OCIWIHSP@Wisconsin.gov)



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**Thank you!**



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