## WEBINAR Q & A

# The Future of the ACA Individual Market

*Policy Shifts and the Proposals Before Congress*

Watch the Replay →

*This webinar was held on July 10, 2025.*

**These questions** were unable to be addressed during the webinar, or we wanted to expand our answers. For more information, or to discuss ways that HMA can help your organization adjust to these changes, please contact any of the webinar speakers.

### LEARNING OBJECTIVES

- Interpret projected coverage and premium impacts
- Understand expiring premium tax credits' role
- Assess potential responses and strategies

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**Q: What happens if the cost-sharing reductions (CSRs) aren't appropriated, how would plans react?**

A: If CSRs aren't appropriated, it is assumed that silver loading will continue to be allowed for plan year 2026.

**Q: Do we know yet if the subsidy cliff will be reinstated or will the graduating approach up to 400% FPL stay intact for enhanced premium tax credits (ePTCs)?**

A: Current law reinstates the subsidy cliff starting in 2026.

**Q: Regarding the key policy impacts on slide 9, what percentage of the impacts shown are expected to come in the first year (2026)?**

A: There is a good reference for the timeline on Page 22 of the whitepaper. There have been a few changes since the paper was published, notably that the shortened open enrollment period was delayed until 2027 in the final rule, and CSR appropriation is no longer applicable.

**Q: Do the immigrant numbers include Cover All Kids?  In New Jersey, kids are covered regardless of immigration status.**

A: The impact of the bill on Cover All Kids was outside of the scope of this analysis (i.e., not included in our estimates).

**Q: Is it correct to say final H.R.1 removes the CSR funding and immigrant population changes on slide 11?**

A: CSR funding was not included in the final bill, but immigrant population changes were included in the final bill.

**Q: What impact do you see from churn off of Medicaid due to redeterminations and work requirements non-compliance on to ACA Marketplace plans?**

A: The Wakely analysis did not include or consider changes to Medicaid eligibility due to the House reconciliation bill. That said, changes on the Medicaid side that increase the rate of redeterminations or result in a higher number of Medicaid eligibility denials could result in increases in marketplace enrollment. However, it is important to note that denial of Medicaid due to work requirements, or community engagement requirements, will not make consumers eligible for marketplace financial assistance.

**Q: Can CMS address silver loading by its own authority?**

A: Yes, CMS could end silver loading on its own.

**Q: Is there a way to track state level exchange enrollment trends? For example, are you able to track monthly enrollment in Florida?**

A: We're not aware of public sources that include monthly exchange enrollment data at the state level.

**Q: Was market morbidity in 2025 indeed worse than in 2024? To what extent, nationally?**

A: We did not evaluate 2025 emerging market morbidity as part of this analysis.

**Q: Aren't the significant rate increases for 2026 (20%+) going to drive a higher incremental membership deterioration vs. your 1% estimate?**

A: The enrollment attrition estimates already account for 7-11.5% of the total rate increases (e.g., 20%) related to the market morbidity, and ~7% annual trend (or, ~14-18.5% in total). The incremental rate change above this estimate would lead to a more muted impact, and would affect primarily unsubsidized enrollees, which is a smaller portion of the market.

**Q: Should we anticipate some of these enrollees finding coverage through other market segments? e.g., employer sponsored insurance?**

A: Yes- there's not a 1:1 relationship of individual market enrollment losses and increases in the number of uninsured.

**Q: What does "lawfully present immigrant" mean exactly?**

A: Lawfully present immigrants include a wide range of immigration statuses for non-citizens who are in the country legally for the entire period for which enrollment is sought. See Healthcare.gov's list (link below) of qualified immigration statuses for marketplace coverage eligibility.

*https://www.healthcare.gov/immigrants/immigration-status/ (Accessed July 15, 2025).*

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**Q: How should the recently released initial 2025 WNRAR data inform 2026 pricing? How do you expect state regulators to react to it?**

A: The Wakely National Risk Adjustment Reporting (WNRAR) project is heavily reliant on issuer reported data and based on issuer market participation. The latest WNRAR results were based on four months of data in 2025, so with any analysis including emerging experience, those analyzing results should consider associated caveats and the range of plausible outcomes with incomplete data. The range of impacts may be variable by issuer and market; issuers and regulators should consider potential impacts related to market size, market plan selection and demographics, and whether any shifts in morbidity could inform rate changes or policy impacts in the 2026 premium rate setting process. The conclusions will vary by issuer and state.

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**Q: I believe DACA immigrants are impacted. They will be hit by this bill.**

A: DACA eligibility was removed in the Marketplace Integrity and Affordability rule.

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**Q: How likely are states to increase funding to offset expiration of ePTC? Can you give a directional sense of how much this is expected to mitigate the effects of expiration?**

A: State funding definitely has the potential to offset the enrollment losses. The degree of the offset of course depends on the available funding and a number of states are already working on this or modifying their current programs. The full offset of ePTCs is costly, but partial solutions are more realistic from a budgetary perspective.

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**Q: How do we anticipate these regulatory changes will impact the growth in Individual Coverage Health Reimbursement Arrangement (ICHRA) membership in the short-term?**

A: The attractiveness of ICHRA for employers is dependent on the strength and stability of the individual market. As the changes are expected to have a destabilizing impact on the individual market, large-scale ICHRA membership growth is unlikely.

**Q: Are there any thoughts on how these changes can affect specialty care patients with higher care needs?**

A: Premiums are determined by household size, income, and where you live. Since premiums will increase it will be harder to maintain coverage or purchase more generous coverage.

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**Q: These are gross losses from the exchanges, correct? Has Wakely looked at how many become uninsured, versus finding other coverage? Also, should we expect any of the people who are going to lose Medicaid coverage to end up in exchange plans?**

A: Gross losses for the individual market. We have not estimated number of uninsured. The Medicaid question is complicated as many of those that are expected to lose coverage due to work requirements would be ineligible for premium tax credits.

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**Q: Did you consider the verification requirements in the Marketplace Integrity and Affordability Final Rule in these numbers for 2026?**

A: We included estimates of the effects of the proposed Marketplace Integrity and Affordability rule, not the final rule.

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**Q: What percentage of total ACA enrollees receive enhanced subsidies?**

A: According to 2025 Open Enrollment (non-effectuated) data, 92% of ACA marketplace enrollees receive APTC subsidies. For all enrollees less than 400% FPL, this is a combination of enhanced subsidies and original pre-ARPA subsidies. Subsidized enrollees with incomes above 400% FPL do not receive any subsidies under the pre-ARPA subsidy structure and therefore rely fully on the enhanced subsidy structure. 10% of total enrollees (subsidized and unsubsidized) have incomes above 400% FPL.

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**Q: Given the growth of ICHRA and expected marketplace shrinkage, do you expect carriers to start to diverge their off-x from on-x enrollment strategies to a greater extent? (i.e., offering more off-x only plans that are designed to be group benefit-like)**

A: It's possible, although single risk pool requirements mean that it is very hard to separate the impacts of one part of the individual market from another.

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