



2026 MEDICARE ADVANTAGE STAR RATINGS

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Steady as They Glow: 2026 Star Ratings Show No Major Shifts

Note: this white paper assumes the reader has a technical understanding of the Centers for Medicare and Medicaid Services (CMS) Part C and D Medicare Part C and D Star Rating program. For more background, refer to CMS technical notes and other publications¹.

On October 9, 2025, CMS publicly released the 2026 Medicare Part C and D Star Ratings. The latest data indicate the first year of approximately flat market Star Ratings performance in several years. The relatively similar enrollment distribution by Star Rating and average market Star Rating for 2026 will result in similar quality bonus payments (QBPs) in the 2027 payment year. This white paper summarizes Wakely's observations of performance in the published 2026 Star Ratings data.

Most of the discussion that follows centers on changes in Star Ratings of 4.0 or higher. We focus on these contracts because of the non-linear nature of the QBP; once a contract reaches 4.0 Stars, benchmark rates increase by 5 percent. This increase is significantly larger than any of the rebate changes triggered at other Star Rating levels.

General Trends in 2026 Star Ratings

The change in 2026 Star Ratings will result in approximately the same QBPs, in 2027. This change is largely influenced by two main factors:

- Overall, contract performance has increased between the 2023 and 2024 measurement years (2025 and 2026 Star Ratings)
- Corresponding increases to measure-level Star Rating cut points, supplemented by the third year of the guardrail-limited implementation of the Tukey outlier deletion methodology

The change in 2026 Star Ratings will result in approximately the same Quality Bonus Payments, or QBPs, in 2027.

Cut points and performance have increased relatively in sync, resulting in little change to weighted average Overall Star Ratings across the Medicare Advantage (MA) market. In the discussion below, we

¹ <https://www.cms.gov/medicare/health-drug-plans/part-c-d-performance-data>

cover a few other trends in the 2026 Star Ratings. In addition, we continue to observe ongoing changes to the Star Ratings program.

Overall Star Ratings

Overall Star Ratings have increased slightly in 2026, from an enrollment weighted average of 3.93 in 2025 to 3.99 in 2026.² Figures 1 and 2 show the number of contracts and enrollment by Star Rating in 2025 and 2026. Overall, the number of contracts and percentage of enrollment in contracts achieving Star Ratings of 4.0 or above has remained similar from 2025 to 2026.

Figure 1: Medicare Advantage Contracts by Star Rating



Figure 2: Medicare Advantage Enrollment by Star Rating



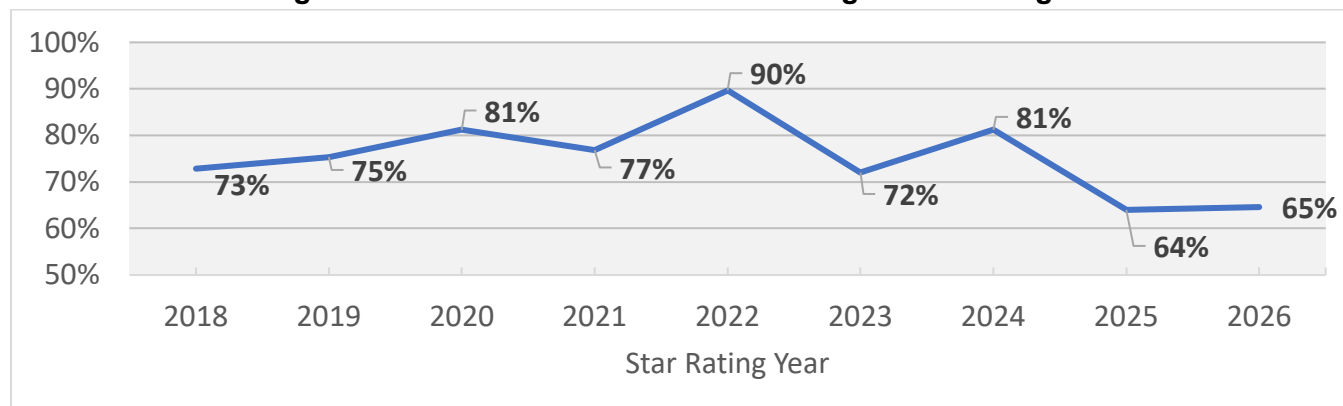
These minor changes result in a less than 1 percent increase in 4+ Star enrollment, from 64.0 percent in 2025 to 64.7 percent in 2026. We are now in the middle of open enrollment for the 2026 benefit year and CMS has yet to publish its 2026 plan crosswalks so it should be noted that the ultimate 2026 membership in contracts with 4+ Star enrollment will likely be a greater increase due to: 1) higher-than-average selection of highly rated plans during the open enrollment period, and 2) the typical practice of

² Throughout this report, enrollment for Star Rating Years (SY) 2025 and 2026 uses September 2025 enrollment.

organizations cross walking plans from contracts with a lower Star Rating into contracts with a higher Star Rating.

As Figure 3 indicates, 2026 is the first year since 2021 that the Star Ratings program has experienced a relatively flat performance change from one year to the next. While the 4+ enrollment is leveling out, it remains at a historically low level in the mid-60s.

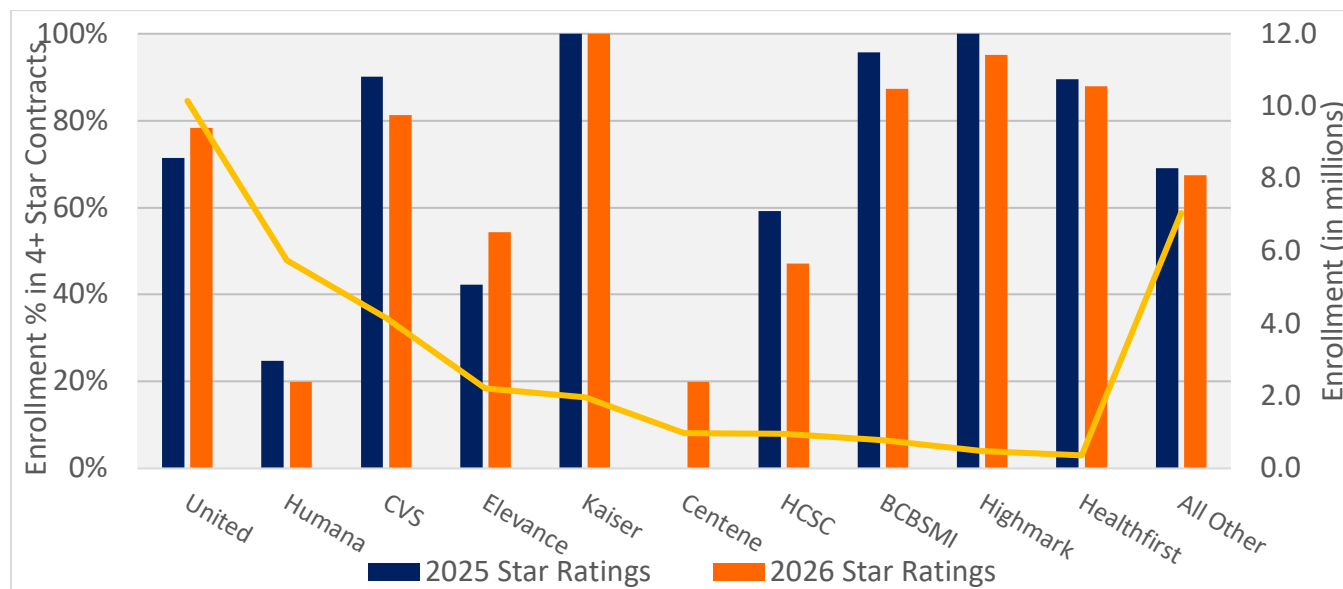
Figure 3: Historical Enrollment Star Ratings of 4.0 or Higher



Star Rating Changes: Largest Parent Organizations

Wakely also reviewed the changes in Star Ratings for the largest 10 parent organizations. These organizations enroll 27.8 million members, roughly 80 percent of the total MA population. Figure 4 summarizes the percentage of enrollment in contracts with a Star Rating of 4 or higher for the 2025 and 2026 Star Rating years. Only United Healthcare Group (+6.8%), Elevance (+12.0%), and Centene (+19.8%) increased their enrollment in 4+ Star contracts from 2025 to 2026. After rebounding last year, Kaiser has also held its ground at 100 percent.

While there are no drastic drops within these parent organizations from 2025 to 2026, it is also worth remembering that Humana dropped from 96 percent in 2024 to 25 percent in 2025 due to a drop in Star Ratings on its largest contract, H5216, which has over 2.7 million members. In 2026, H5216 remains at 3.5 Stars and an additional 5 percent of other contract enrollment has also fallen below 4 Stars. Humana appealed the 2025 Star Ratings with CMS and filed a subsequent lawsuit, which was ultimately dismissed. That lawsuit has been refiled and remains in progress. We cover ongoing appeals and lawsuits in the Star Rating Appeals & Lawsuits section below.

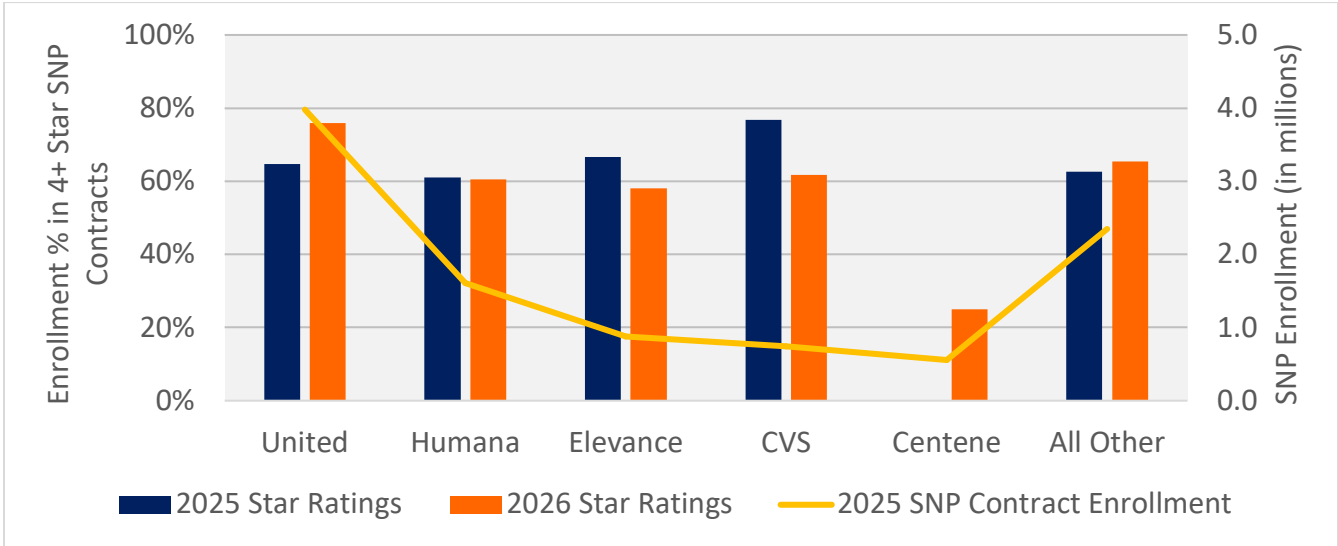
Figure 4: Enrollment Changes in 4+ Star Rating Contracts, Top 10 Parent Organizations

Star Rating Changes: Special Needs Plans

The trends we've observed in Overall Star Ratings are similar to trends in the subset of the market for special needs plans (SNPs); 76 percent of all SNP plan members are enrolled in the largest five parent organizations. Figure 5 summarizes the percentage of enrollment in SNP contracts³ that fall under contracts with a Star Rating of 4 or higher for the 2025 and 2026 Star Rating years for these organizations. The only outlier among these large organizations' contracts is Elevance, which increased the overall percentage membership in 4+ Star contracts (Figure 4) but decreased in the percentage of SNP membership (Figure 5).

³ Star Ratings are reported at the contract level. SNP contracts are defined as contracts with at least 25 percent of members enrolled in SNP plans.

Figure 5: SNP Enrollment in 4+ Star Rating Contracts, Top 5 Parent Organizations



Overall, 4+ Star SNP enrollment has increased by 5 percent, from 55 percent in 2025 Star Ratings to 60 percent in 2026 Star Ratings. This increase is inconsistent across the largest five parent organizations, which range from a 15 percent decrease to a 25 percent increase, but most movements are directionally consistent with the overall market.

Star Ratings by State

The change in Star Ratings between the two years varies significantly by state. States with the greatest drop in enrollment in 4+ Star contracts include Nebraska, North Dakota, and South Dakota. On the other hand, states with the greatest increases include Wyoming, Massachusetts, and Utah. Table 1 includes the details for these states with the largest changes.

Table 1. Star Ratings, Largest Changes by State

| State | Average Star Rating | | % Enrollment in 4+ Stars | | Change in Average Star Rating | Change in % Enrollment in 4+ Stars |
|---------------|---------------------|---------|--------------------------|---------|-------------------------------|------------------------------------|
| | SY 2024 | SY 2025 | SY 2024 | SY 2025 | | |
| Wyoming | 3.62 | 4.06 | 22.6% | 93.8% | 0.44 | 71.2% |
| Massachusetts | 3.74 | 4.10 | 46.8% | 83.4% | 0.35 | 36.6% |
| Utah | 3.70 | 3.83 | 37.5% | 56.5% | 0.14 | 18.9% |
| Nebraska | 3.92 | 3.69 | 77.8% | 48.3% | -0.23 | -29.5% |
| North Dakota | 3.92 | 3.64 | 78.2% | 15.4% | -0.28 | -62.8% |
| South Dakota | 4.09 | 3.62 | 79.5% | 11.7% | -0.48 | -67.9% |

Star Rating Cut Points

Finally, considerable changes were made in the measure-level cut points. Refer to Wakely's previous white paper "Pointing the Way: Summary of 2026 Star Rating Cut Point Changes"⁴ for a full analysis of these changes.

Star Rating Appeals & Lawsuits

The past few years of Star Rating announcements have been quickly followed by legal actions in an attempt to improve Overall Star Ratings. Initial wins came from Elevance and SCAN after the announcement of the 2024 Star Ratings, the first implementation year of the Tukey outlier deletion methodology. These wins resulted in the recalculation of cut points and overall Star Ratings for the whole market.

Elevance also filed a lawsuit over a single call center interaction that CMS attributed as a missed call in the 2024 Star Ratings. When Elevance won that lawsuit, the 2024 Overall Star Rating increased for other insurers' contracts as well. This multi-contract change was possible because, for the most part, all contracts under the same parent organization receive the same measure rate on the call center metrics. What Elevance proved last year is that a single phone call can have a major impact on the overall Star Ratings and, therefore, the total revenue of a parent organization. Since this win, other insurers have presented additional arguments over the call center measure. United and Centene were successful in resolving their cases in 2025, but Humana was not and has since refiled for 2026.

Given the historical success of these lawsuits and the continuing low enrollment in 4+ Star plans, we anticipate plans will consider filing lawsuits to combat their low 2026 Star Ratings.

Conclusion

The 2026 MA Star Ratings mark the first relatively stable year in overall market performance after several cycles of significant volatility. Although the market continues to feel the residual effects of the Tukey outlier methodology and guardrail constraints, these influences appear to be balancing out across contracts, leading to steady QBP levels expected in 2027.

Despite this year's steadier results, the Star Ratings program continues to evolve. Pending litigation related to Call Center measures may still influence final outcomes for some contracts, and future methodological and measure changes will introduce new dynamics in the coming years. These include the increase in weight for the two new Health Outcomes Survey (HOS) measures, additional upcoming new measures, the implementation of the Excellent Health Outcomes for All (EHO4all) factor, and the transition to digital measurement.

⁴ [Pointing the Way: Summary of 2026 Star Rating Cut Point Changes](#)

Though the 2026 Star Ratings show no major shifts at the market level, they represent an important inflection point as plans adjust to the program's ongoing evolution and prepare for a changing measurement environment.

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OUR STORY

Five decades. Wakely began in 1969 and eventually evolved into several successful divisions. In 1999, the actuarial arm became the current-day Wakely Consulting Group, LLC, which specializes in providing actuarial expertise in the healthcare industry. Today, there are few healthcare topics our actuaries cannot tackle.

Wakely is now a subsidiary of Health Management Associates. HMA is an independent, national research and consulting firm specializing in publicly funded healthcare and human services policy, programs, financing, and evaluation. We serve government, public and private providers, health systems, health plans, community-based organizations, institutional investors, foundations, and associations. Every client matters. Every client gets our best. With more than 20 offices and over 400 multidisciplinary consultants coast to coast, our expertise, our services, and our team are always within client reach.

Broad healthcare knowledge. Wakely is experienced in all facets of the healthcare industry, from carriers to providers to governmental agencies. Our employees excel at providing solutions to parties across the spectrum.

Your advocate. Our actuarial experts and policy analysts continually monitor and analyze potential changes to inform our clients' strategies – and propel their success.

Our Vision: To partner with clients to drive business growth, accelerate success, and propel the health care industry forward.

Our Mission: We empower our unique team to serve as trusted advisors with a foundation of robust data, advanced analytics, and a comprehensive understanding of the health care industry.

Learn more about Wakely Consulting Group at www.wakely.com

Appendix A: 2025 and 2026 Star Rating Comparison – Enrollment Changes

| | | 2026 Star Rating | | | | | | |
|------------------------|-----|------------------|-------|-------|-------|------|------|------|
| | | 5 | 4.5 | 4 | 3.5 | 3 | 2.5 | 2 |
| 2025 Star Rating | 5 | 1.2% | 0.8% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | 4.5 | 0.7% | 21.4% | 5.8% | 0.5% | 0.0% | 0.0% | 0.0% |
| | 4 | 0.5% | 13.6% | 14.3% | 5.2% | 0.2% | 0.0% | 0.0% |
| | 3.5 | 0.0% | 0.5% | 5.1% | 17.6% | 3.4% | 0.1% | 0.0% |
| | 3 | 0.0% | 0.0% | 1.0% | 4.3% | 2.4% | 0.2% | 0.0% |
| | 2.5 | 0.0% | 0.0% | 0.0% | 0.3% | 0.7% | 0.1% | 0.0% |
| | 2 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Note that the enrollment percentages reported above include only the contracts receiving Star Ratings in both 2025 and 2026. Terminated contracts and contracts receiving their first Star Rating in 2026 have been excluded.