

WHITE PAPER

2025 ACA Market Risk Pool Considerations

October Data Updates to July Data Results

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INTRODUCTION

Wakely continues to analyze emerging 2025 Affordable Care Act (ACA) experience trends, consistently finding increasing market risk and morbidity. Since the original publication of this paper, Wakely has incorporated additional data and insights reflecting changes in the individual market through October 2025 (updated from July 2025). The key findings summarize enrollment and relative risk score changes from this updated analysis measuring October 2024 to October 2025 (see Tables 1 and 2).

Table 1. Individual Market Enrollment Percentage Changes,¹ October 2024–2025

Metal	State-Based Exchange (SBE)	Federally Facilitated Exchange (FFE) Expanded	FFE Not Expanded	Total
Platinum	-4.2%	9.9%	-3.5%	-3.5%
Gold	1.1%	20.8%	1.4%	2.9%
Silver	15.0%	10.9%	6.9%	9.8%
Bronze	0.3%	-0.6%	4.0%	1.9%
Total	7.9%	6.9%	5.3%	6.4%

Table 2. Individual Market Normalized Relative Risk Score Changes,² October 2024–2025

Metal	SBE	FFE Expanded	FFE Not Expanded	Total
Platinum	-1.9%	1.3%	0.7%	-1.5%
Gold	2.7%	1.1%	10.8%	7.0%
Silver	1.9%	6.5%	6.9%	5.3%
Bronze	3.0%	7.3%	5.6%	5.3%
Total	1.7%	7.1%	7.2%	5.5%

¹ Author's calculations; percent differences are on a member month weighted basis.

² Source: author's calculations

Overall, the key findings from prior analysis largely continue to hold. Enrollment increases continue to not correlate with risk score improvements, representing a departure from historical trends. Individual markets in FFE states continue to see much larger risk score increases than SBE states do.

Nonetheless, several notable differences emerge in this updated analysis. First, enrollment growth for SBE states now outpaces that of FFE states. While year-over-year enrollment growth as of October was lower than levels observed in July, SBE enrollment growth exceeded FFE growth, on average. In addition, there are no longer significant differences between FFE Medicaid expansion states and non-Medicaid expansion states.

Finally, overall risk score increases were lower as of October (5.5%) than when we measured them in July 2025 (6.8%), and variation between FFE expansion states and FFE non-expansion states in risk score growth was no longer observed.

In reviewing the change in claimant ratios, a negligible shift occurred from the trends reported using July data, contrary to the more sizable relative risk score movements observed (see Table 3). This finding suggests that changes in claimant ratios are imperfectly correlated with relative risk score changes (i.e., the changes in claim costs and morbidity will likely differ from risk score movements).

Table 3. Changes in Claimant Ratios in October³

Variable	SBE	FFE Expanded	FFE Not Expanded	Total
Change in Claimant Ratio	0.9%	3.6%	2.1%	2.0%

³ Source: Author's calculations.

We continued to review trends observed based on enrollment cohorts and relative risk changes. In addition to those previously noted, we found that relative risk score changes were highly correlated with the percentage of new enrollees (i.e., as the market experienced a smaller increase in new enrollees during the open enrollment period, there was a higher relative risk score change throughout the year). Further, while the average enrollee age in many states declined in 2025, that reduction does not appear to be correlated with relative risk score reductions. These dynamics are important to consider as 2026 open enrollment data emerge, given both fewer reported new enrollees entering the marketplace and changes in average age by issuer and state.

SMALL GROUP ADDITION

Wakely also examined how the small group market had changed year over year, as of October, from 2022 to 2025 and segmented by census region.⁴ The small group market has been declining in size year over year. The analysis was performed to understand whether this market also saw a more dramatic spike in relative risk score increases, similar to the individual market, than in historical years, or if the changes were consistent with enrollment trends. The data does not indicate that recent years were an anomaly and as enrollment reduced, there was a corresponding increase in relative risk scores (opposite of the dynamic currently being experienced in the individual market).

Table 4. Small Group October Enrollment and Normalized Relative Risk Score Changes

Year	Enrollment	Relative Risk Score
2022 to 2023	-4.7%	3.0%
2023 to 2024	-5.4%	3.9%
2024 to 2025	-5.9%	2.7%

⁴ US Census Bureau. Census Bureau Regions and Divisions with State FIPS Codes. Available at: https://www2.census.gov/geo/pdfs/maps-data/maps/reference/us_regdiv.pdf.

We also reviewed small group data by census region to analyze whether regional drivers were affecting enrollment and relative risk score trends (see Table 5 and 6). While all regions experienced enrollment reductions and relative risk score increases, there was no significant pattern or correlation between the dynamics in the time frame studied.

Table 5. Small Group Market Enrollment Percentage Changes,⁵ October 2024–2025

Metal	Northeast	South	Midwest	West	Total
Platinum	-8.3%	3.9%	0.8%	-0.1%	-0.5%
Gold	-6.8%	-4.7%	-4.1%	-3.0%	-4.5%
Silver	-6.3%	-8.0%	-9.9%	-4.2%	-6.5%
Bronze	-4.6%	-8.7%	-12.3%	-2.6%	-6.0%
Total	-6.7%	-4.8%	-5.7%	-2.6%	-4.6%

Table 6. Small Group Market Normalized Relative Risk Score Changes,⁶ October 2024–2025

Metal	Northeast	South	Midwest	West	Total
Platinum	3.8%	4.1%	3.4%	4.3%	3.2%
Gold	4.4%	2.9%	4.2%	4.4%	3.7%
Silver	5.0%	3.9%	2.3%	3.0%	3.6%
Bronze	7.9%	3.7%	3.9%	5.7%	5.4%
Total	4.6%	3.9%	3.8%	4.3%	3.9%

⁵ Author's calculations; percent differences are on a member month weighted basis.

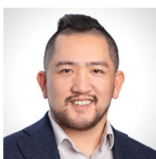
⁶ Source: Author's calculations.

A few additional interesting dynamics worth mentioning in examining the small group market include:

- Enrollment declines were felt across all geographic areas in the small group market. Geographically, enrollment losses were most pronounced in the Northeast and Midwest.
- By metallic tier, enrollment losses were largest in silver and bronze, although there was considerable variation, particularly in platinum.
- Enrollment losses and risk score increases were also not well correlated, although as enrollment continues to decrease, there is a corresponding increase in market relative risk scores.

Although 2024 to 2025 shows the largest enrollment reduction, that decline was coupled with the smallest relative risk score increase, compared with 2022–2023 and 2023–2024. Wakely intends to publish an additional update when December 2025 data are available.

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ABOUT WAKELY

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