

WHITE PAPER

2028 ACA Market Readiness: A Q4 Action Plan

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EXECUTIVE SUMMARY

The individual Affordable Care Act (ACA) market has experienced significant headwinds and uncertainty in recent years causing issuers to question participation and **how to ultimately be successful in this market**. Issuers are experiencing the most challenging operating environment since the initial years following the inception of the legislation. A decrease in market-wide enrollment, increase in morbidity, issuer exits, elevated rate increases, and regulatory pressure and uncertainty are all significant market pressures. Success in the individual ACA market now requires year-round attention, more sophisticated intervention, and proactive strategic planning.

With 2027 pricing finalized and 2026 experience becoming more complete, issuers should turn their attention to 2028. Success in 2028 begins with issuers being able to answer the following questions:

- Do you understand what makes 2028 such a unique plan year?
- What is your definition of success in 2028?
- Are you actively monitoring 2026 experience, addressing concerning trends, and using those results to inform 2028 strategy?
- Have you analyzed the 2026 and 2027 competitive landscape to identify potential 2028 strategic opportunities?
- Are you investing in risk adjustment operations and monitoring for risk score maximization?
- Are you preparing for known regulatory changes impacting 2028 and proactively contingency planning around additional uncertainty?

Answering these questions requires completing several key activities, including evaluating 2026 performance, prioritizing risk adjustment operations, preparing for 2027 open enrollment, analyzing the competitive landscape, and conducting scenario testing and contingency planning around the regulatory environment. These efforts help identify potential opportunities and risks that begin shaping 2028 strategies—**should you optimize the business in the current service area, expand into new geographies, or reduce offerings?** Potential 2028 strategies will then be refined and executed in early 2027.

KEY Q4 2026 ACTIVITIES TO SUPPORT 2028 PLANNING

Following is a summary of key activities issuers should consider completing in Q4 2026 to prepare for 2028 strategic planning. The specific activities may vary by issuer type, including national, regional, and provider-sponsored plans, as well as by length of time in the market.

Perform a Comprehensive Evaluation of 2026 Plan Performance

This evaluation may include, but is not limited to, the following activities:

- Calendar year 2026 is the first year of experience following the expiration of enhanced subsidies, making a clear understanding of your member population critical. Complete a member-level profitability analysis to identify key drivers of profitability and develop strategies to address areas of unprofitability. This type of analysis should provide issuers with deeper insight into the best forward-looking pricing decisions, including potential assumption changes and strategic placement of plans and products.
- Perform an actual-to-expected analysis of critical 2026 pricing assumptions to assess their implications for 2027 pricing and identify necessary refinements for 2028.
- Determine risks and key indicators to monitor as 2027 open enrollment begins (i.e., if the demographics, plan selections, or total enrollment vary significantly from priced assumptions).
- A network and unit cost review, which may include network sculpting considerations, medical and pharmacy steerage analyses, formulary evaluation, and a pharmacy rebate performance analysis.
- Evaluate administrative expenses to identify savings opportunities and determine whether reallocating expenses across other lines of business is appropriate.

Prioritize Risk Adjustment Efforts to Proactively Address Gaps

Issuers may leave important risk adjustment activities for Q1 of the following plan year (e.g., Q1 2027 for 2026 benefit year risk adjustment submission due in April 2027). Issuers should consider deploying resources earlier to address gaps and maximize risk scores. These efforts should increase the likelihood of financial success and provide more accurate profitability insights. When risk adjustment operations are optimized, issuers have the resources to be more strategic with their 2028 pricing efforts. These tasks may include the following.

- Begin chart chases, HCC recapture, address documentation gaps, EDGE data integrity, and adapt to Risk Adjustment Data Validation (RADV) learnings. When completed strategically, these activities prevent unintended miscoding.
- Vendors play an important role in health plan success because they determine the success of risk adjustment operations. Issuers should hold vendors accountable for delivering transparent, high-quality products and services.

Prepare for 2027 Open Enrollment

Plan year 2027 open enrollment begins on November 1, 2026, for most states. Issuers should be actively preparing for open enrollment, which may include the following activities:

- Training brokers on new product offerings and service area for 2027 and gathering feedback for the 2028 product design cycle.
- Issuers may be assigned auto-enrolled members during 2027 open enrollment due to competitors reducing their service area. This decision is made by state and/or federal regulators after 2027 pricing was finalized, so impacts may not be reflected in pricing. Issuers may develop a strategy to retain these members, if desired, and evaluate potential pricing and operational implications as a result.¹
- Working with distribution partners to understand how changes in member enrollment processes (e.g., enrollment friction like multi-factor member authentication in select cases) and broker engagement (e.g., whether any brokers in your distribution network will be unable to sell products in 2027) may affect enrollment volume and market morbidity.
- Implementing a member retention strategy, which will involve monitoring performance and preparing a stayer/leaver/joiner enrollment analysis to evaluate potential population and morbidity changes. Understanding morbidity changes helps issuers assess the overall risk in the market and whether certain strategic decisions may be successful, and set more accurate 2028 pricing assumptions.

Analyze 2027 Competitive Landscape

The efforts discussed in this white paper generally help issuers identify internal opportunities and constraints when looking forward to 2028. Analyzing the 2027 competitive landscape helps issuers identify whether external conditions are present for 2028 strategies to succeed. These analyses may include the following:

- Review of competitor pricing to better understand the market and potential competitor strategies by geographic region, plan, product, metal level, etc.
- Assessment of whether individual competitors and/or the broader market is under- or overpriced.
- Assessment of potential impacts of an issuer exit in the existing or new market entrant. Similarly, issuers should identify and scenario plan around potential market exits in 2028.
- Assessment of whether certain 2028 strategies may succeed (e.g., service area expansion may work well in areas where other issuers have exited).

¹ For a full discussion of implications, go to: <https://www.wakely.com/wp-content/uploads/2026/08/Opportunity-After-Exit-%E2%80%93-Strategic-Responses-to-ACA-Exits.pdf>

Scenario Test Uncertain 2028 Regulatory Environment

Issuers have needed to adapt to uncertain regulatory environments in the last couple of pricing seasons. We anticipate this uncertainty will continue through 2028 pricing as well. Issuers that actively monitor the policy landscape and scenario test possible frameworks are more likely to succeed. The following three activities should be considered:

1. The draft 2028 Notice of Benefit and Payment Parameters (NBPP) may be released in November or December 2026, though timing remains uncertain and release could extend into Q1 2027. Issuers should evaluate key risks and/or opportunities, actively scan for other federal and state regulatory changes, monitor pending litigation (e.g., the No Surprises Act), and prepare for potential future litigation.
2. New member pre-enrollment verification requirements in 2028 are expected to drive enrollment loss and morbidity deterioration. Issuers should begin operational preparation, understand how states will operationalize the new requirements, and sensitivity test enrollment and morbidity impacts. These impacts must be reflected in 2028 pricing and strategy.
3. There is uncertainty regarding the regulatory environment in 2028. Issuers should identify the most likely 2028 regulatory environment and proactively scenario plan around contingencies. For example, issuers may consider preparing as though Cost-Sharing Reduction (CSR) loading will be permitted like 2027, but contingency plan around scenarios like a ban on CSR loading or a limit on CSR loads. Issuers will make more informed decisions with prospective planning. Similarly, issuers should prepare for CSR standard methodology reconciliation as part of tighter enforcement of CSR reporting in the URRT.

If you have any questions or want to follow up on any of the concepts presented here, please contact the authors.

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Founded in 1999, Wakely Consulting Group, an HMA Company, is well known for its top-tier healthcare actuarial consulting services. With nine locations nationwide, Wakely boasts deep expertise in Medicare Advantage, Medicaid managed care, risk adjustment and rate setting, market analyses, forecasting, and strategy development. The firm's actuaries bring extensive experience across all sectors of the healthcare industry, collaborating with payers, providers, and government agencies.

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