

WHITE PAPER

Beyond the Plan Count

The Forces Reshaping Medicare Advantage in 2027

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INTRODUCTION

On September 28, 2026, the Centers for Medicare & Medicaid Services (CMS) released the 2027 Landscape File, which details approved contracts and plans for Medicare Advantage (MA), cost plans, Special Needs Plans (SNPs), and stand-alone Prescription Drug Plans (PDPs), along with key plan characteristics. The file excludes employer-sponsored plans, Part B-only plans, and national Program of All-Inclusive Care for the Elderly (PACE) plans. CMS subsequently released the Contract Year (CY) 2026–2027 crosswalk file on October 5, 2026, identifying plan-to-plan crosswalks submitted by organizations and approved by CMS. Together, these files provide a foundation for understanding how the MA market is evolving as organizations prepare for the 2027 plan year.

This white paper examines nationwide market shifts, changes in plan design, and service-area updates by comparing the current and upcoming plan years using data from both files. The analyses will highlight key developments in the composition of the MA market, including changes across General Enrollment (GE) products and SNPs, as well as shifts in premiums, cost-sharing, Part D benefits, enrollment capacity limits, and geographic availability.

By analyzing these data sources together, this white paper provides a foundation for understanding the CY 2027 market and considering its potential implications for future strategy during the open enrollment period.

MARKET SHIFTS

The 2027 MA market continues to evolve as plans adjust their product strategies, offerings, and market presence. The following sections examine changes in overall plan availability, the dynamics across plan types, and areas of market entry, exit, and disruption.

Plan Type Dynamics

The nationwide MA market is contracting modestly in total plan count, while the underlying product mix continues to evolve. From 2026 to 2027, total plan offerings declined slightly, driven primarily by a decrease in GE products. In total, SNPs continue to grow with the number of plan offerings increasing year over year. Analyzing further, this is mainly driven by Chronic SNPs (C-SNP). The Dual Eligible SNP (D-SNP) plan type shows more exits due to terminated and consolidated plans compared to new entrant plans in the market, but they still remain the largest SNP type. **Table 1** on the next page shows the plan count changes from 2026 to 2027 by SNP type.

Table 1. Plan Count Change by SNP Type, 2026–2027

SNP Type	2026	New*	Exits (Term + Closed/Crosswalked)**	2027
GE	4,119	632	876	3,875
D-SNP	1,085	222	255	1,052
C-SNP	562	259	67	754
I-SNP	156	35	28	163
Total	5,922	1,148	1,226	5,844

*“New” includes plans that are new to the market and plans resulting from a crosswalk of existing plans.

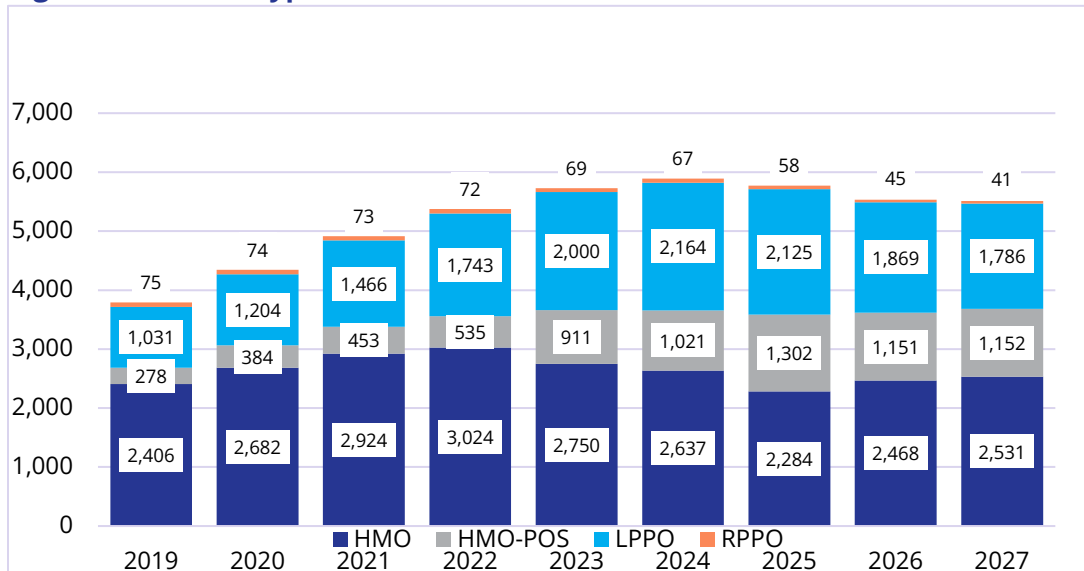
**“Exits” include existing plans that are closed as a result of a crosswalk.

Trend by Product Type

Preferred Provider Organization (PPO) plans continue to decrease as shown in **Figure 1**, driven primarily by the decline of local PPO (LPPO) plans by 83. On the contrary, Health Maintenance Organization (HMO) offerings are showing renewed growth. The HMO plans increased by 63 offerings in 2027, reaching 2,531 plans and offsetting part of the decline in other product types.

The Health Maintenance Organization Point-of-Service (HMO-POS) offerings remained essentially flat. This product type increased slightly from 1,151 to 1,152 plans, suggesting stabilization after its significant expansion over the longer-term period.

Overall, the product mix continues to shift toward HMO products. In 2027, HMO products represent approximately 46% of offerings, followed by LPPO at 32% and HMO-POS at 21%. Regional PPOs (RPPO) remain a very small segment at less than 1% of product offerings. The 2027 portfolio reflects selective product repositioning rather than broad market cuts.

Figure 1. Product Type Trends, 2020–2027

National and Regional Payer Trends

The headline for 2027 is a market reset, where national carriers appear to be prioritizing margin discipline over membership growth. Of the 1,226 exiting plans, more than 6.3 million members (as of September 2026 CMS enrollment) are affected through plan termination or crosswalks in 2027. This represents approximately 18.5% of total MA enrollment.

The impact is more significant for members whose plans are terminating without a crosswalk. Approximately 3.0 million members, or 8.8% of total enrollment, are enrolled in plans that will close without being automatically transitioned to another plan. These members will need to select new coverage during the upcoming open enrollment period.

Overall, the national payer landscape is characterized by selective consolidation where a relatively small number of organizations are driving growth, and many payers are reducing their footprint or exiting specific markets. In 2027, payer strategy, at both national and regional levels, appears to be shaped by portfolio discipline and targeted SNP expansion.

Additional findings at the national level include:

- **Payer exits outpace market entry.** 34 carriers are leaving the market entirely. These market contractions are occurring across the country, with higher concentrations in competitive markets such as Florida, Texas, New York, and Minnesota.
- **New market entry is limited.** Only 10 carriers are entering the market. Within these carriers, 42 plans are being offered, with roughly half being SNPs.
- **SNP growth is an important differentiator.** Several of the largest growth organizations are expanding through SNPs, particularly C-SNPs.
- **Devoted Health is the largest growth payer.** This organization has a net change of +313 plan offerings, including 147 SNP plans.
- **Cigna Healthcare is the largest declining payer.** This organization is experiencing a net change decrease of 109 plans.

Tables 2 and 3 on the next page highlight the largest payer movers, showing the top 10 growth payers and top 10 declining payers based on net plan change.

Table 2. Top 10 Growth Payers

Top 10 Growth Payers	Net Change	SNP Net Change
Devoted Health	313	147
HealthSpring	20	12
Anthem Blue Cross and Blue Shield	14	3
Blue Cross and Blue Shield of IL, NM, OK, TX	11	-1
SCAN Health Plan	11	4
Alignment Health Plan	9	1
Medica	6	0
Wellpoint	6	5
Blue Shield of California	5	0
Capital Blue Cross	5	0

Table 3. Top 10 Declining Payers

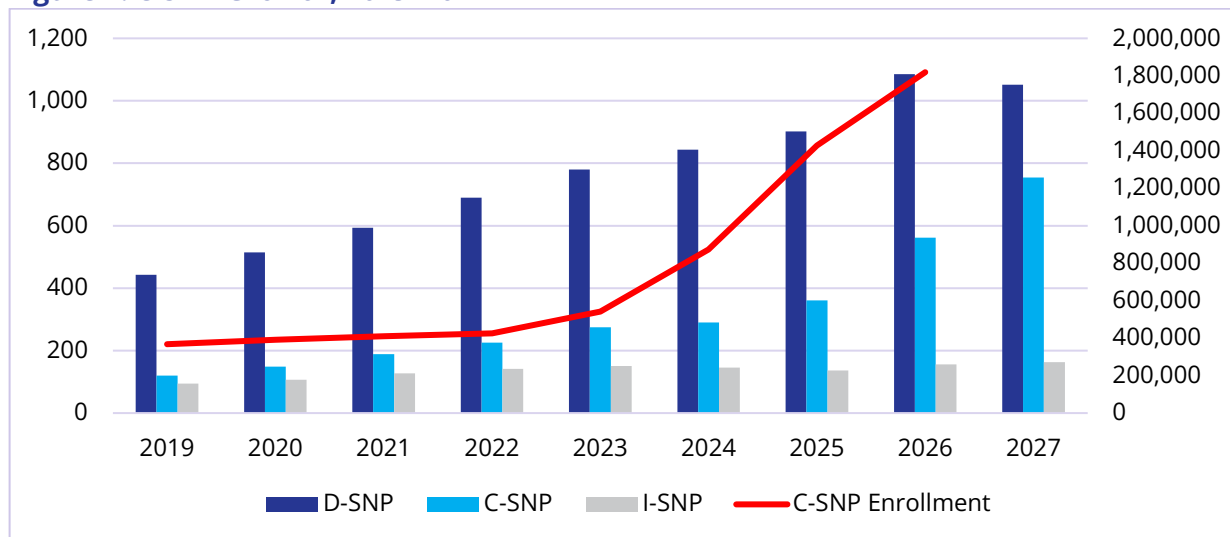
Top 10 Declining Payers	Net Change	SNP Net Change
Cigna HealthCare	-109	-10
Wellcare	-51	-1
Simply Healthcare	-47	-34
Wellcare by Allwell	-32	-10
Humana	-27	6
Central Health Medicare Plan	-18	-10
Blue Cross and Blue Shield of NM, TX	-12	0
Braven Health	-10	0
Clear Spring Health	-10	-4
Blue Cross and Blue Shield of Texas	-8	-1

National trends do not always apply uniformly across individual markets. Examining trends at the regional level highlights the importance of scale and local market positioning. While national organizations continue to influence the market through broad multistate operations, regional and local organizations remain important contributors to plan availability and competitive dynamics.

C-SNP Growth Continues into 2027

The C-SNP trend continues into 2027 with a 34% increase in the number of plan offerings, even after a 56% growth in 2026. **Figure 2** shows the historical count of plan offerings by SNP type. Although the number of parent organizations offering C-SNPs remained relatively stable from 2019 through 2022 (around 23), it increased from approximately 28 organizations in 2023 to 56 in 2027. This expansion reflects continued interest in condition-focused products and the opportunity to serve members through more targeted benefit and care models.

Figure 2. C-SNP Growth, 2019–2027



Although C-SNPs may cover a broad range of chronic conditions, plan growth remains concentrated among a small number of condition groupings. As shown in **Table 4** on the next page, cardiovascular disease, chronic heart failure, and diabetes account for the majority of available C-SNPs and nearly all new plan activity between 2026 and 2027. Note the 2026 enrollment is as of September 2026.

Table 4. Growth in Number of Available C-SNPs by Chronic Condition, 2026–2027

C-SNP Condition/ Grouping	2026 Enrollment	Number of Plans in 2026	Number of Plans in 2027	Number of Termed Plans	Number of New Plans
Cardiovascular Disorders, Chronic Heart Failure, Diabetes Mellitus	1,699,791	481	662	59	240
Cardiovascular Disorders, Diabetes Mellitus	60,223	5	6	0	1
Chronic Heart Failure	1,497	1	1	0	0
Chronic Kidney Disease	9,699	34	40	5	11
Chronic Kidney Disease, Post Renal Organ Transplantation	661	2	3	1	2
Chronic Lung Disorders	42,251	31	32	2	3
Chronic Mental Health	2,207	3	4	0	1
Chronic Mental Health/Substance Use Disorders	1,360	1	1	0	0
Dementia	925	1	1	0	0
HIV AIDS	587	1	1	0	0
Obesity Overweight Metabolic Syndrome	51	1	1	0	0
Diabetes Mellitus	0	1	2	0	1

The growth in plan types from 2026 to 2027 offers insights into how C-SNPs are trending:

- Almost all the growth is driven by cardiovascular, chronic heart failure, and diabetes C-SNPs, with 240 new plans introduced in 2027.
- Several small single- or dual-condition categories disappeared by 2026 (e.g., dementia, cardiovascular disorders only). The continuing narrower condition categories remain relatively stable and represent limited plan activity. This suggests that organizations may be favoring broader condition groupings, which allow them to serve a larger population under the clinical and benefit model.
- Chronic kidney disease and chronic lung conditions show modest expansion, with smaller increases in available plans and limited market disruption.
- Overall, the market is expanding through a combination of broad multi-condition C-SNPs and a smaller number of targeted offerings.
- Devoted alone is responsible for more than half of the increase in C-SNP plan count (+137 plans). The next three largest organizations include Aetna (+35), United (+17), and Humana (+15).

PLAN DESIGN CHANGES

Plan design changes reflect how plans are adjusting key coverage and cost features for 2027. The sections that follow examine changes in premiums, maximum out-of-pocket (MOOP) limits, and Part D benefit design. All highlighting how plan offerings are being repositioned across these three dimensions.

Premium Changes

Nationwide, the 2027 market continues to emphasize low-premium products. In 2027, approximately two-thirds of the plan offerings have no member premium. New plan launches are even more concentrated in these categories, with over 69% of new plans offering no member premium. Though plan exits are also concentrated among the \$0 premium products, the new plan launches continue to maintain the market share.

Table 5 on the next page shows plan count transitions by premium bucket between 2026 and 2027. PDP, MSA, Cost, and PFFS plans are excluded from this summary. Premium buckets are defined as follows:

- \$0/Non-\$0: Zero-dollar member premium, nonzero-dollar RX deductible
- \$0/\$0: Zero-dollar member premium, zero-dollar RX deductible
- Low: \$0.01 - \$49.99 monthly premium
- Mid: \$50 - \$99.99 monthly premium
- High: \$100+ monthly premium
- No Rx: MA-Only plan

Table 5. Plan Count Change by Premium Bucket, 2026–2027

	2027 Benefit							
2026 Benefit	\$0/Non-\$0	\$0/\$0	Low	Mid	High	No RX	Termed in 2027	Total
\$0/Non-\$0	1,804	14	154	3	0	0	496	2,471
\$0/\$0	167	250	2	0	0	0	87	506
Low	536	12	712	124	6	0	336	1,726
Mid	5	0	51	188	101	0	136	481
High	0	0	1	7	236	0	93	337
No RX	0	0	0	0	0	434	0	434
New in 2027	772	40	180	60	63	0	0	1,115
Total	3,284	316	1,100	382	406	434	1,148	7,070

Part D

The average Part D deductible for GE plans increased from \$363 to \$493, both averages based on the September 2026 CMS enrollment. A higher average Part D deductible may indicate a leaner plan offering and could affect how beneficiaries evaluate premiums, formularies, cost-sharing requirements, and overall affordability when selecting an MA plan.

Between 2026 and 2027, there is a continued shift toward Enhanced Alternative (EA) plans, with 92% of 2027 MAPD plans holding this Part D plan type. This suggests that the EA plan structure is a strong vehicle for new offerings and repositioning existing MAPD products. **Table 6** on the next page shows plan count transitions by Part D plan type between 2026 and 2027. PDP, MSA, Cost, and PFFS plans are excluded from this summary.

Table 6. Plan Count Change by Part D Benefit Type, 2026–2027

2026 Benefit	2027 Benefit						Total
	EA	BA	AE	DS	N/A	Termed in 2027	
EA	3,752	5	10	14	0	975	4,756
Basic Alternative (BA)	186	12	5	0	0	69	272
Actuarially Equivalent (AE)	2	0	132	0	0	49	183
Defined Standard (DS)	87	0	6	162	0	55	310
Not Applicable (N/A)	0	0	0	0	323	78	401
New in 2027	1,035	9	40	31	33	0	1,148
Total	5,062	26	193	207	356	1,226	7,070

Negative Part D basic premiums have become more prevalent in 2027. Among the MAPD plan offerings, the percentage of plans with a negative Part D basic premium increased from 26% in 2026 to 40% in 2027. The increase was even more apparent among D-SNPs, rising from 26% to 66% of offerings.

Maximum Out of Pocket (MOOP)

Based on September 2026 CMS enrollment data, the average Part C MOOP limit increased for GE plans from \$5,330 to \$5,874. Similar to the increase in the Part D deductible, the rise in cost-sharing may indicate a shift toward less generous plan offerings overall for the GE market.

However, the increase remains broadly consistent with CMS's updated MOOP threshold, which rose by \$600 (from \$9,250 in 2026 to \$9,850 in 2027). This suggests that carriers are offering leaner plans, but the change is not outpacing CMS's expectations for higher healthcare costs.

ENROLLMENT CAPACITY LIMITS

Enrollment capacity limits represent a ceiling on the number of members a plan intends to accept. New to the 2027 Landscape File, these fields make plan-level enrollment ceilings visible for the first time in this analysis. They indicate whether CMS accepted a plan's capacity limit and, when applicable, the associated enrollment amount. While these figures do not reflect current enrollment, they create a new opportunity to assess whether plans are placing boundaries on future membership growth, alongside broader trends in plan entry and exit.

Overall, only 64 plan offerings had an accepted 2027 enrollment capacity limit, including 61 MAPD offerings and three MA-Only offerings. These limits were concentrated among GE products, which accounted for 59 offerings, compared with three D-SNPs and two C-SNPs. By plan type, PPOs accounted for the largest share, with 35 plans, followed by HMOs with 21 and HMO-POS plans with eight. Nearly all capacity-limited offerings were associated with regional and local organizations. Accepted limits ranged from 410 to 56,345 members, with a median of 5,689 members.

CONCLUSION

The 2027 Medicare Advantage market reflects selective repositioning rather than broad contraction. Although total plan offerings declined modestly, the product mix continued to shift: GE and PPO offerings decreased, while C-SNPs experienced continued growth. This suggests that carriers are narrowing certain offerings while expanding targeted products with more defined clinical and membership opportunities.

Plan design changes point to a similar emphasis on cost management. Average Part D deductibles and Part C MOOP limits increased, indicating somewhat leaner benefits for GE members. However, the MOOP increase remained broadly aligned with CMS's higher 2027 threshold, suggesting that carriers are responding to rising healthcare costs while remaining within CMS's updated limits. The introduction of enrollment capacity limits also provides additional insight into carrier strategy. Although only a small number of plans reported accepted limits, these were concentrated among GE products and among regional and local organizations, suggesting that some carriers are taking a more deliberate approach to managing membership growth and operational exposure.

Perhaps most consequential for beneficiaries, the significant number of plan terminations, crosswalks, and carrier exits will require millions of individuals to reassess their coverage for 2027. This disruption reflects a broader MA market that is becoming more selective and segmented, as carriers refine where and how they compete through changes in product mix, benefit generosity, plan availability, and enrollment strategies. While opportunities for growth remain, particularly in targeted products such as C-SNPs, the 2027 environment will require beneficiaries to navigate greater variation in their coverage options and make more active decisions during enrollment.

The changes identified in the 2027 Landscape File represent planned market positioning, but the full impact of these shifts will become clearer during and after the open enrollment period. Beneficiary reactions to plan exits, premium changes, provider networks, formularies, and cost-sharing differences will ultimately determine whether carriers achieve their expected enrollment objectives. Actual enrollment results may therefore differ from the plan-level changes identified in the Landscape File, particularly as members respond to changing benefits and evaluate alternative options. Monitoring enrollment movement after open enrollment will be essential to distinguish between changes in plan availability and meaningful shifts in beneficiary preferences, market share, and carrier performance.

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