



Pennie Advisory Council Meeting

April 16, 2026

Agenda

- **Preliminary Matters**
- **Open Enrollment 2026 and Terminations Data Review**
- **Preparing for Federal Changes**
- **Affordability Discussion**
- **Adjourn**





Preliminary Matters

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- **Call to Order**
- **Roll Call**
- **Approval of Previous Meeting's Minutes**
- **Opportunity for Public Comment**



Open Enrollment 2026 and Terminations Data Review

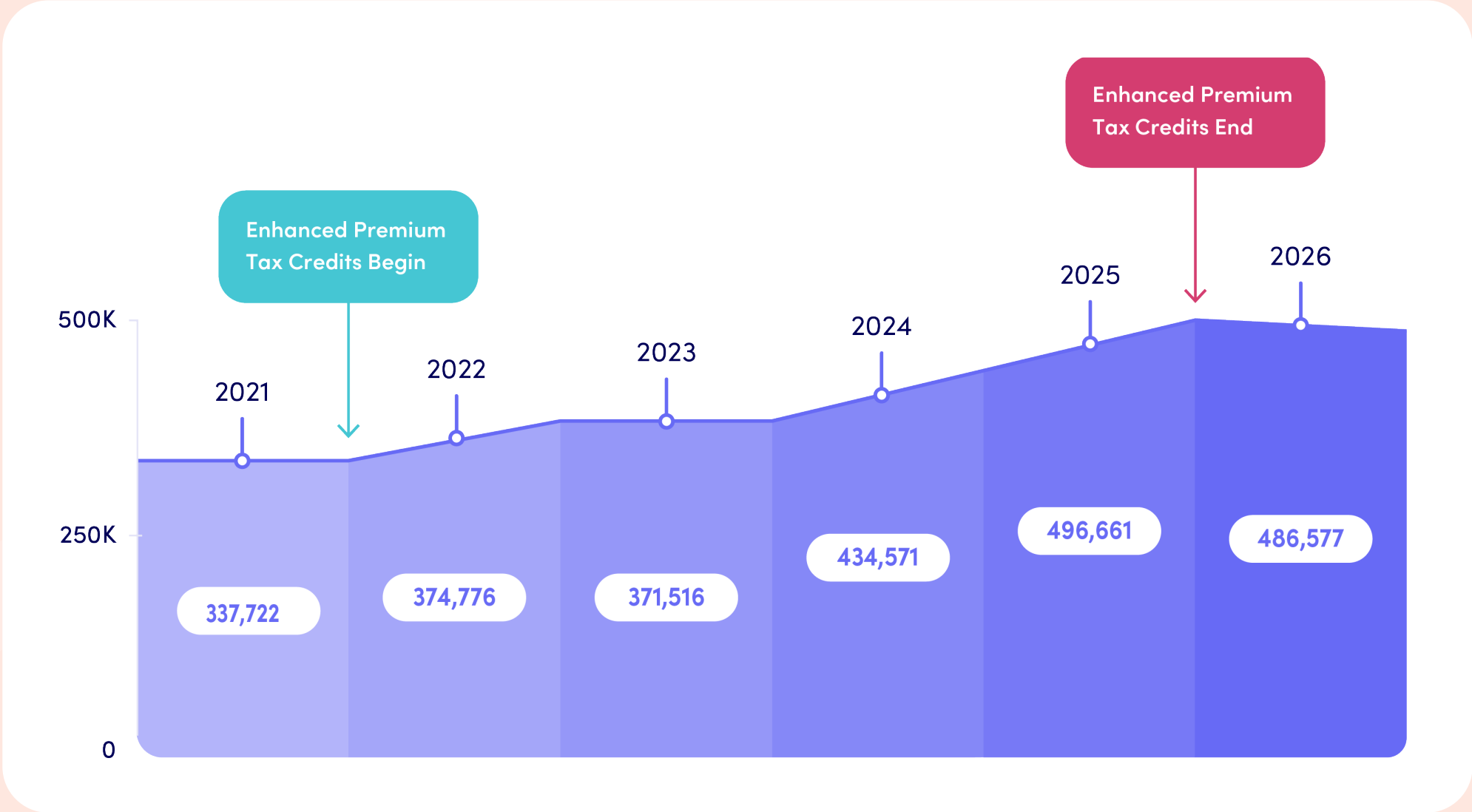


Open Enrollment Outcomes

- **Total enrollment lost pace with prior years.** 2026 enrollment went from being 11% higher at the start of Open Enrollment to being 2% lower by the end, when compared to 2025.
- **Continued demand seen for high quality coverage.** Roughly 79,500 Pennsylvanians enrolled in coverage through Pennie for the first time, but it was clear that costs remained a barrier with new enrollment being 12% lower than last year.
- **Significant loss of coverage.** Nearly 18% of enrollees dropped coverage altogether. Terminations were highest among older and rural Pennsylvanians, and those with incomes just above Medicaid or above the new income cliff.
 - As of 4/9/2026, the number of disenrollments is now over 130,000.
- **Shift to lower levels of coverage.** Around 33,000 more Pennsylvanians enrolled in bronze plans this year compared to last year – a 30% increase. These plans have lower monthly premiums but often have thousands of dollars more in out-of-pocket costs when medical care is needed.

OE Year	Start of OE	End of OE	New Enrollees
2026	472,852	486,577	79,492
2025	425,444	496,661	90,472
Change	+11%	-2%	-12%

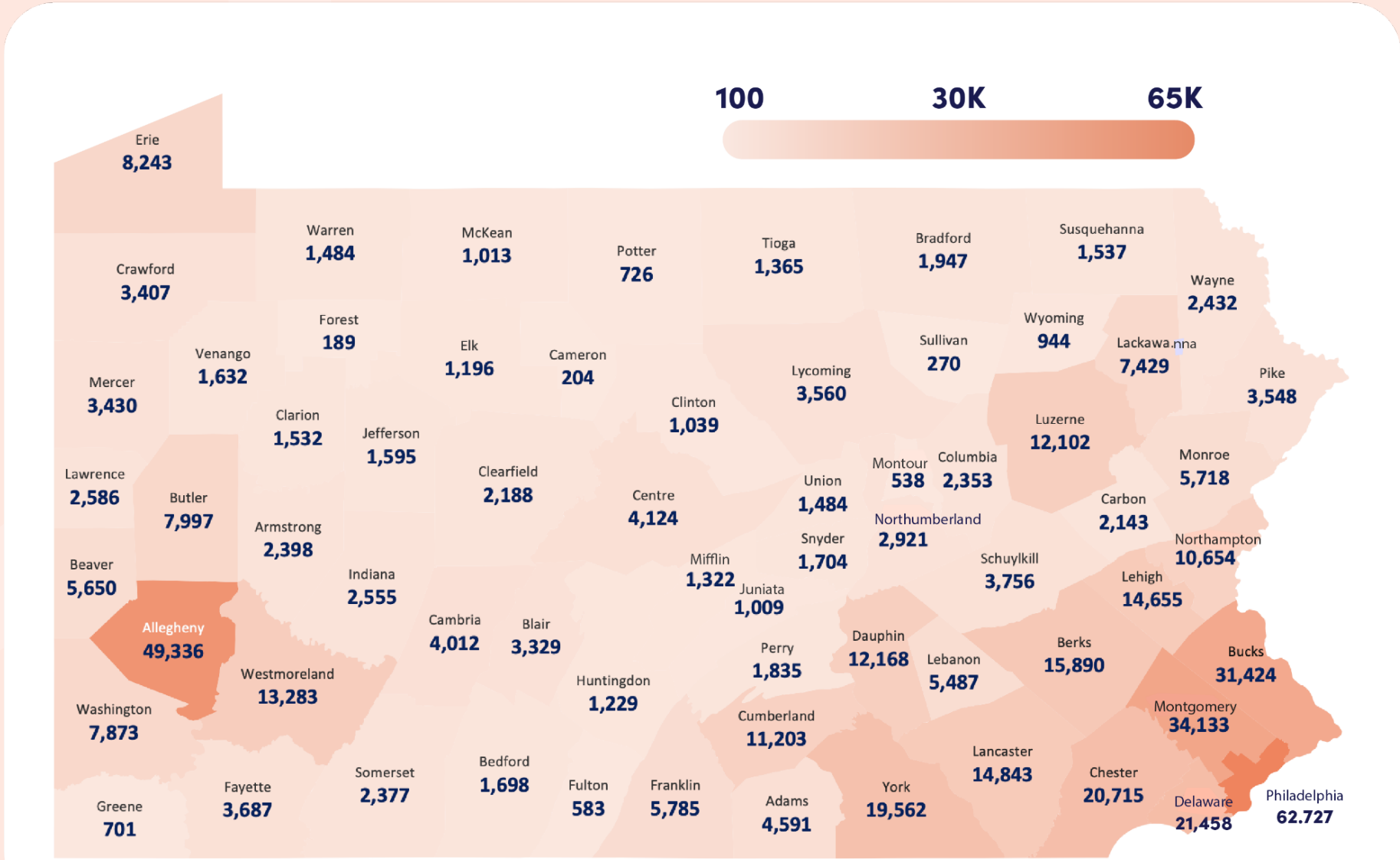
Open Enrollment Key Takeaways



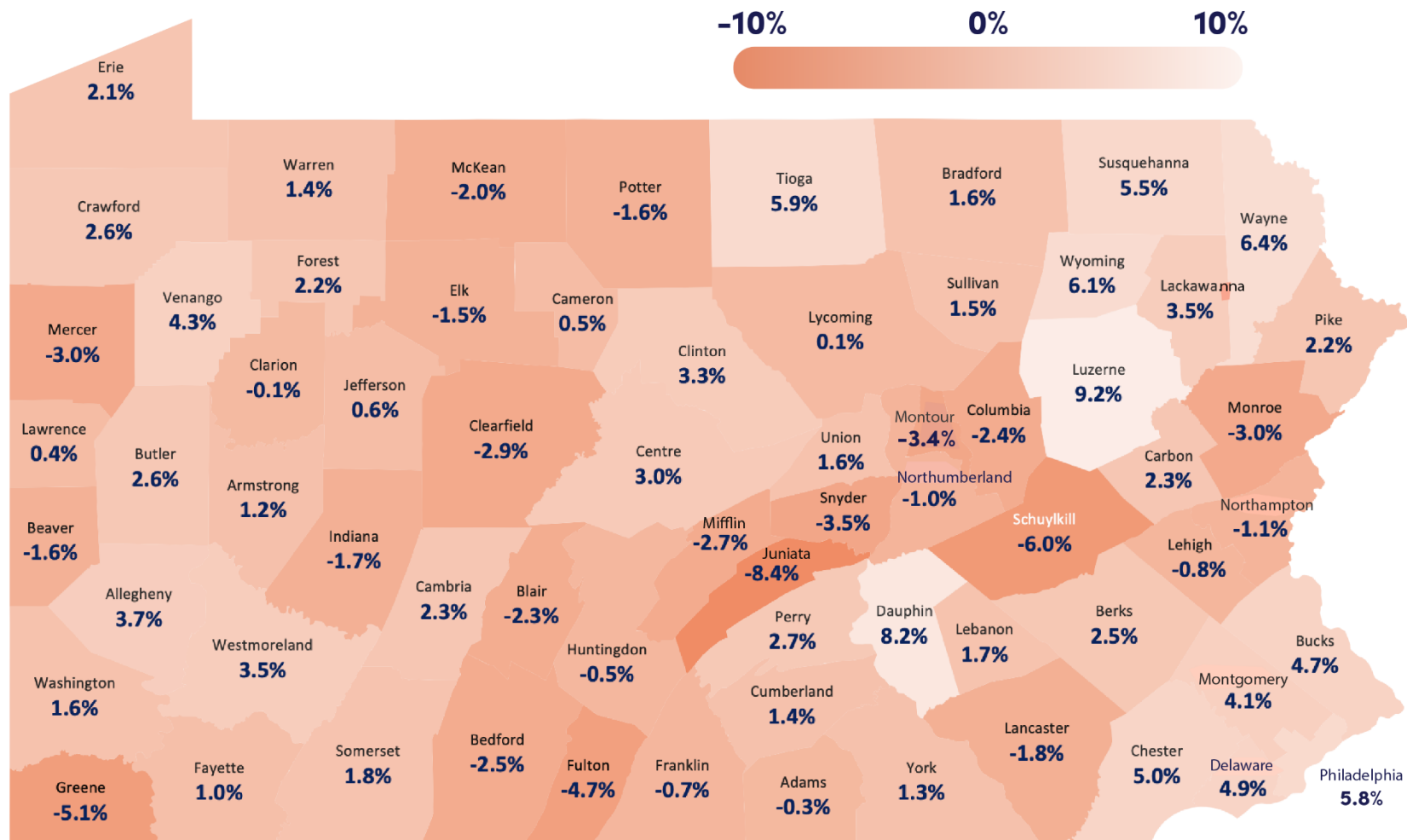
Enrollment Metrics as of 02/01/2026

Plan Year 2026		End of OE 2026	Compare to End of OE 2025	Percent Change from 25-26
Enrollment	Total Enrollment	486,577	496,661	-2%
	Auto Renewals	276,063	320,479	-14%
	Active Renewals	140,022	85,710	63%
	New Enrollment	79,492	90,472	-12%
	Dental Enrollment	112,959	117,020	-3%
Medicaid Account Transfers	Inbound	65,470	71,763	-9%
	Outbound	55,631	56,596	-2%

Enrollment By County



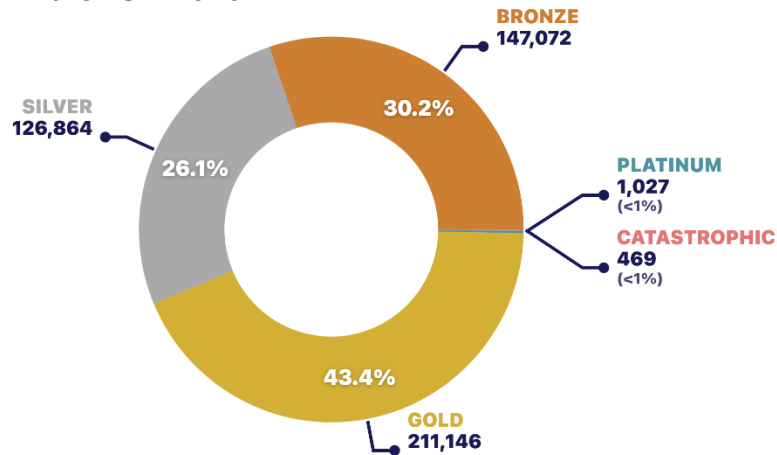
Percent Change in Enrollments by County



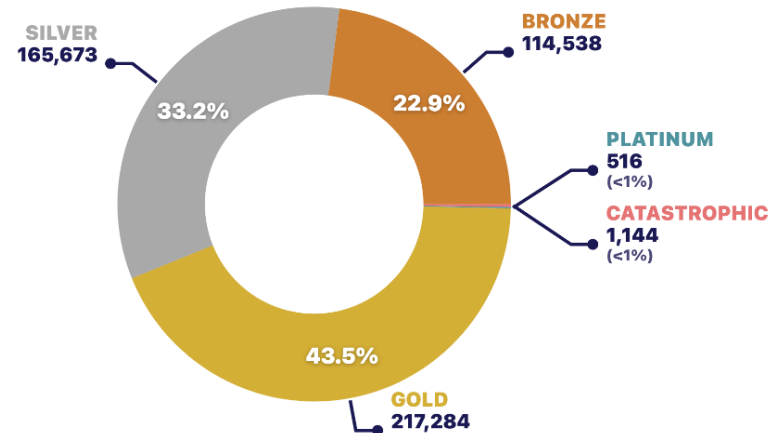
Plan Selection Trends

- **More enrollees selected bronze plans** than in past years, which now account for 30% of total enrollments compared to 23% last year.
- The federal government expanded eligibility for catastrophic plans in September. Interested consumers could receive an exemption number from CMS and then use that number to view catastrophic plans on Pennie. **Enrollment in catastrophic decreased** from ~1,100 to ~470.

End of OE 2026

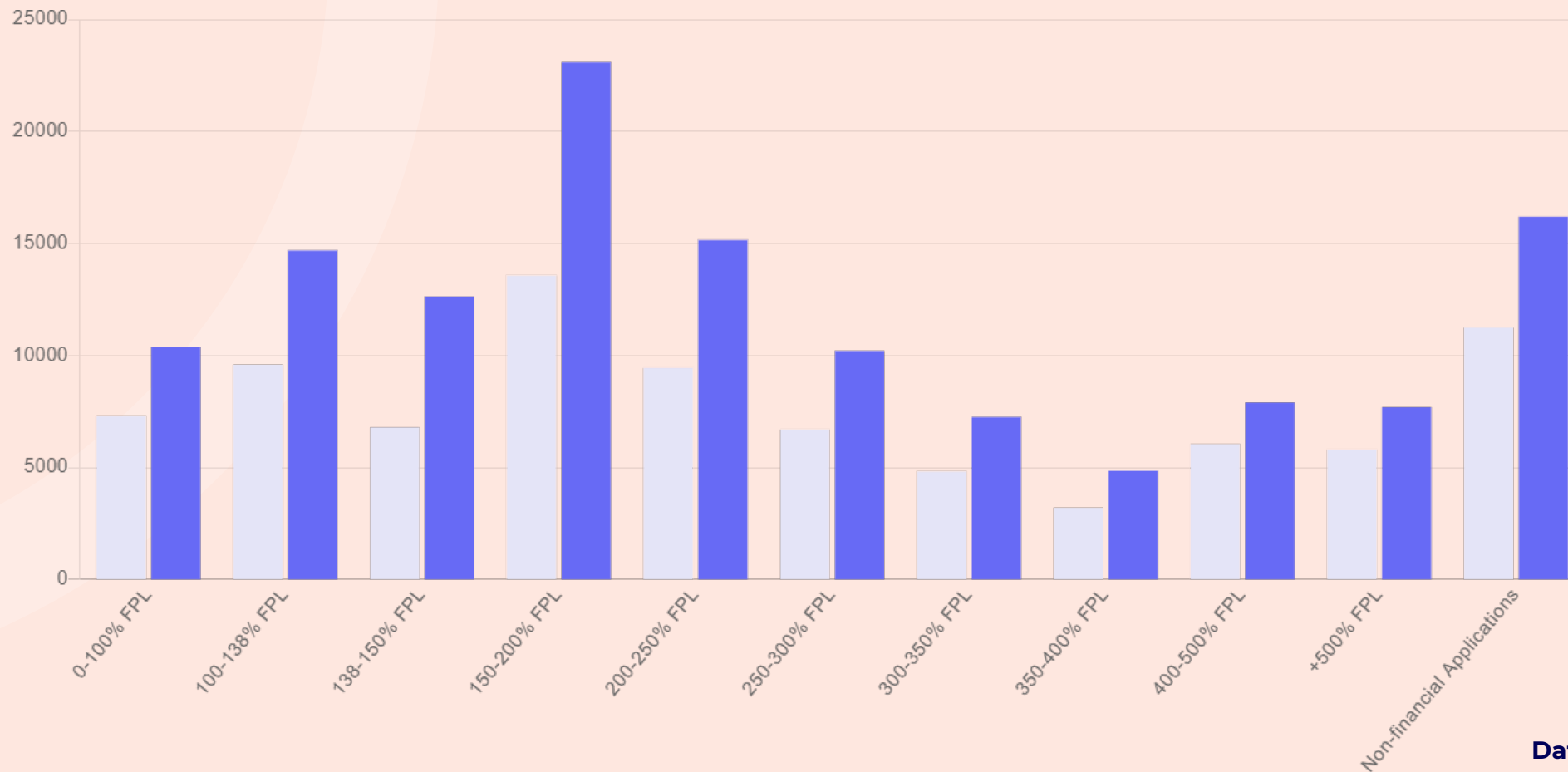


End of OE 2025



Terminations by Income

Since the end of Open Enrollment, we are seeing continual drop off from those in the 150% - 200% FPL income band. (~\$23,500 - \$31,300 annually for a single adult)



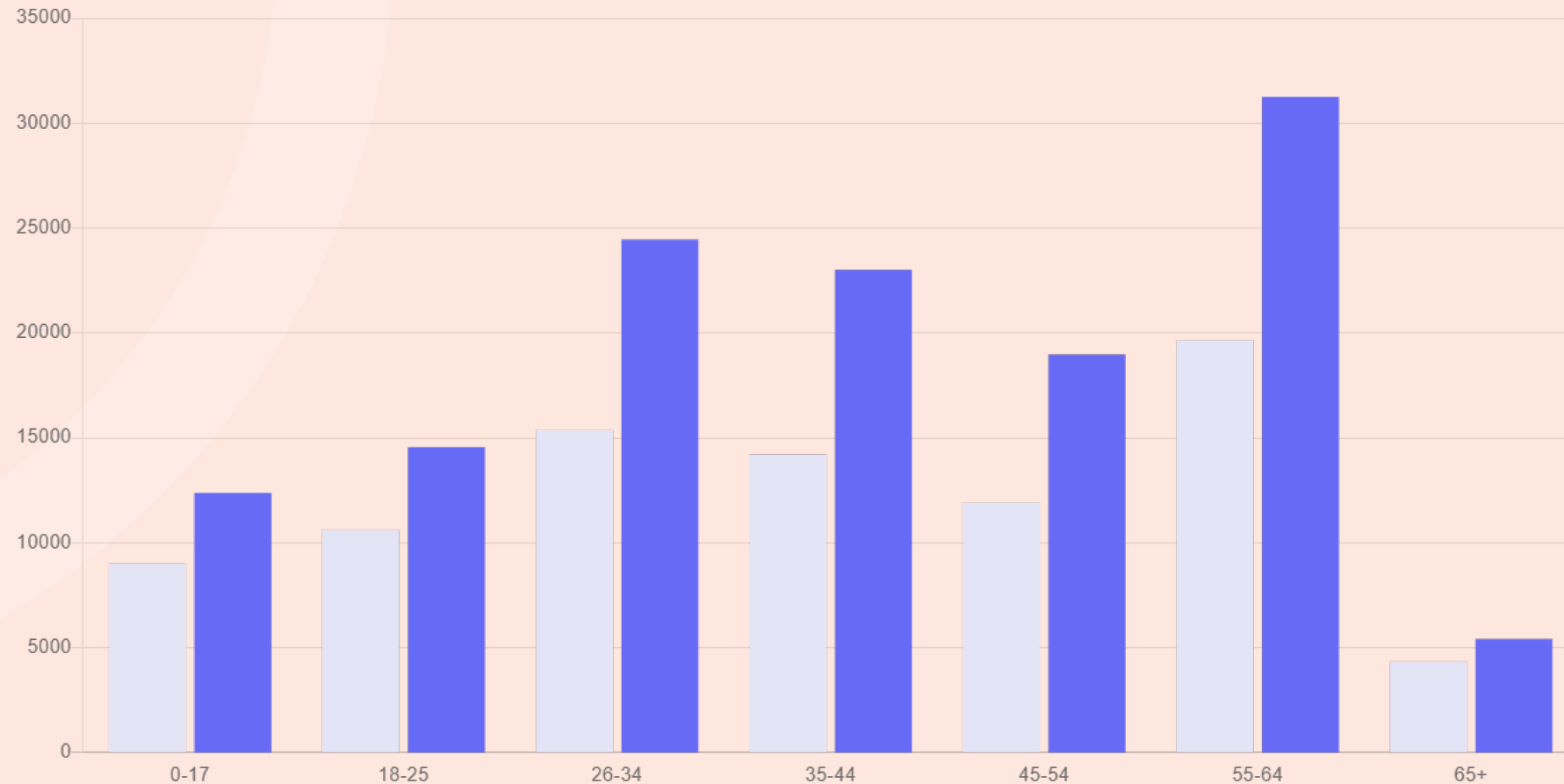
Data as of 4/9/26

*Non-financial apps: Enrollees either did not apply for premium tax credits, or have lost premium tax credits for administrative reasons and need to update their applications.



Terminations by Age

Since the end of Open Enrollment, we are continuing to see loss of coverage for younger, and typically healthier populations ages 26 – 34. Also early retirees ages 55 – 64.



Data as of 4/9/26



Summary and Future Considerations

Monitoring Continued Losses and Impacts

- Consumer surveys indicated that many enrolling new were coming from other coverage, and that most who were **disenrolling did not have other coverage** lined up.
- Between disenrollments and shifts to bronze, **more Pennsylvanians are uninsured or underinsured.**
- The **disenrollments are continuing** – 35,000 more in the first two months after Open Enrollment. This will likely continue, with a large wave in April coinciding with the end of the 90-day grace period.
- The Commonwealth Fund estimates enrollment losses due to enhanced premium tax credits alone will result in **\$715M lower Pennsylvania GDP, around 5,100 in job loss, and \$49M less in state/local tax revenues.**
- Future federal policies – removal of APTC eligibility for lawfully present immigrants and new administrative burdens – will continue to impose **more cost and process barriers** to enrolling in and maintaining coverage.



Preparing for Federal Changes

Federal Changes

1 - Open Enrollment Dates (Fall 2026 for 2027 Coverage)

2 - Federal Eligibility Changes

- a. Lawful Immigrant APTC Ineligibility (Fall 2026 for 2027 Coverage)
- b. Pre-renewal Verification (Fall 2027 for 2028 Coverage)
- c. Pre-enrollment Verification (Starting Jan 2028)

Open Enrollment Period Proposal

Pennie will be modifying the annual Open Enrollment Period to run from **October 15 – December 15**. In doing so, we will:

- **Maximize the allowable OEP, while avoiding the major holiday season**, which is typically a time of significantly less customer activity and fewer customer support resources.
- Provide **buffer time at the end of OEP** for enrollees to receive insurance cards, and for Pennie to extend OEP, if necessary for volume or technical issues, while adhering to the new guidelines.
- Maintain the **Dec. 15 deadline, which is one of the most known** dates in the marketplace for coverage starting Jan. 1.

As with other major changes (Medicaid unwinding, enhanced premium tax credits), Pennie will leverage **best practices to communicate early and often** to customers to ensure widespread knowledge of the date changes.

Cross-stakeholder “all-hands-on-deck” efforts to increase consumer awareness will be critical to ensuring Pennsylvanians do not miss the new “one and only” final December deadline.



2. Federal Eligibility Changes

- Since passage of H.R. 1, Pennie has been preparing to implement new federal requirements, which make it harder and more expensive to enroll in coverage, in a way that maximizes Pennie's ability to retain and add enrollees, while achieving compliance with the new law.
- Pennie has put together an organization-wide project team to address the following significant changes, in addition to the Open Enrollment changes:
 - **Pre-renewal verification:** newly requires enrollees to actively confirm eligibility to be renewed with premium tax credits for the next plan year – Effective Aug. 1, 2027, Impacts ~400,000+ existing enrollees each year
 - **Pre-enrollment verification:** Removes conditional eligibility to enroll in coverage with premium tax credits – Effective Jan. 1, 2028, Impacts new enrollees
 - **Lawful Immigrant Ineligibility:** Removal of APTC-eligibility for all non-citizens, except for lawful permanent residents (LPR), COFA migrants, and Cuban/Haitian entrants - Effective Jan. 1, 2027, Impacts an estimated 27,000 enrollees
 - **Alignment to Medicaid Changes:** System changes to align to Medicaid changes related to community engagement requirements.

Preparing for Federal Changes

As with other types of insurance, enrollment rolls over from year to year. Pennie verifies key eligibility components automatically to ensure ongoing eligibility for auto-renewal. This changes starting next year.

Pre-Renewal Verification beginning August 1, 2027: Existing enrollees must affirm their information to keep APTC.

- Marketplace pre-enrollment process starting August 1 (2027 and after), when an applicant must provide or affirm information each year to verify eligibility for tax credits for the subsequent plan year.
- Without affirmation, individuals will not be eligible for tax credits in the new coverage year.
- With affirmation, individuals could be automatically renewed with tax credits.

Pre-Enrollment Verification beginning OE2028: New enrollees must verify information before tax credits start, removing the current “conditional” eligibility where tax credits are provided during the verification window.

Pennie is focused on making these changes in a way that minimizes administrative burden, while making the new process as easy and navigable as possible. **We are open to hearing from stakeholders on how to strategically implement these changes.**





Affordability Discussion

Affordability

The expiration of the enhanced premium tax credits saw largest impacts among:

- **Lower-income, highly price sensitive individuals** disenrolling (35% of disenrollments 138-250% FPL)
- **Full pay individuals, mainly those above the income cliff** (400% FPL/\$63K for single household) either disenrolling or paying significantly higher premiums (full pay increased from 40K to 90K)

Pennie is looking at how to address health insurance affordability in both the short and long terms:

- In the short-term, Pennie is educating policymakers on the need to fund the state subsidy program which already have program authority in code.
- In the long-term, Pennie is looking at affordability policies with the potential for broad support. Other states have achieved this through leveraging ICHRAs and small business tax credits.

State Health Insurance Affordability Program

The 2025 PA Fiscal Code outlined the framework for a State Health Insurance Affordability Program that would reduce costs of health coverage for lower income households buying coverage through Pennie.

Those same income levels had the highest rates of disenrollments this year. The program is currently not funded.

The Health Insurance Affordability Program could allow tens of thousands of Pennsylvanians to gain coverage, reducing some of the downstream consequences of the growing uninsured rate on households, local economies, and the health care system.

Given the recent terminations, Pennie modeled the impact of the Health Insurance Affordability Program at the \$50M funding level discussed in prior years. At that level, the Program could:

- **Increase enrollment by 30,000 – 35,000 individuals** who dropped or didn't buy coverage due to costs
- **Reduce costs for 280,000-290,000 current and new enrollees**, helping individuals buy up to higher levels of coverage that save them thousands of dollars a year
- **Reduce the average premium** for these individuals by anywhere **between 9% – 12%**
- **Lower the morbidity rate by 1.5 - 2.5%**, leading to lower overall rate increases

In what ways could organization support securing this greater affordability?

Long-Term Affordability Policies

Given the expiration of the enhanced premium tax credits and rising health insurance costs, states are looking at policies which could garner broad support to improve the affordability of health insurance.

One example is that a few states like Connecticut and Ohio are looking to incentivize the use of Individual Coverage Health Reimbursement Arrangements (ICHRA) as a vehicle for small employers to offer health insurance to their employees. Some states are considering a nonrefundable tax credit for small employers who offer ICHRAs. State-based marketplaces currently allow individuals with an offer of an ICHRA to come onto the marketplace, enroll in a plan, and use the ICHRA for premiums and medical expenses. Some states are looking at options to further support this option to help address the uninsured population.

What thoughts do you have on future policies that could be evaluated to improve the affordability and accessibility of health insurance in the long-term?



Adjourn

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