CMS Proposed Rule: ACA Exchange Pre-Eligibility Verification

EXECUTIVE SUMMARY | *October 24, 2026*

Proposed Rule: CMS-9873-P | Scheduled publication: October 27, 2026 | **Primary implementation: January 1, 2028**

Overview

CMS proposes major changes to Affordable Care Act (ACA) Marketplace eligibility, enrollment and premium subsidy verification, implementing provisions of Public Law 119-21. The stated objective is to reduce improper enrollment and federal payments through more rigorous verification before financial assistance is provided.

Estimated Impact (CMS projections, beginning 2028)

Approximately 332,500 fewer Marketplace enrollees annually; $7.6 billion less in federal premium tax credit spending per year; average premiums approximately 0.4% higher; and an estimated 1.5-month average subsidy delay for affected consumers who resolve discrepancies.

Most Important Provisions

1. **Eligibility verification before subsidies.** Exchanges generally could not pay advance premium tax credits (APTC) or cost-sharing reductions (CSRs) while specified discrepancies concerning income, household size, citizenship/immigration status, residency or other coverage remain unresolved.
2. **Annual confirmation for continued subsidies.** Enrollees would be required to actively provide or confirm key eligibility information annually; automatic continuation of subsidies without confirmation would no longer be permitted.
3. **Pre-enrollment verification window.** Beginning August 1, 2027, Exchanges would offer advance verification before annual open enrollment, allowing more time to address documentation issues.
4. **Delayed coverage and subsidy dates.** Consumers could select plans while resolving discrepancies, but effective dates and subsidy payments could be delayed; limited retroactive adjustments would apply.
5. **Further verification under consideration.** CMS requests comments about stricter residency and household-size checks, including reduced reliance on self-attestation; these are not all firm requirements in this proposal.
6. **Enrollment exceptions and protections.** Specified special-enrollment exceptions would apply. CMS seeks comment on protections for applicants denied Medicaid or CHIP after using pre-enrollment verification.

Hospitals could face more uninsured patients, greater uncompensated care and emergency department utilization as enrollment and subsidies are disrupted. Safety-net providers serving lower-income populations may be especially exposed; Exchange risk pools may also worsen if healthier individuals are deterred from coverage.

Comments: 30 days after publication (potentially November 26, 2026, if published October 27). Source: https://public-inspection.federalregister.gov/2026-21891.pdf