

Oscar Deep-Dive:

New CMS Provision: Members on an FFM who auto-renew (or passively renew) into a \$0 plan for PY 2026 and do not verify their APTC eligibility will be charged a \$5 monthly fee until their eligibility is confirmed

In June 2025, CMS finalized its Program Integrity Rule. The rule focuses on preventing fraud, waste, and abuse in the individual market.

One provision states members on an FFM who auto-renew (or passively renew) into a \$0 plan and do not verify their subsidy eligibility by the end of OEP 2026, will face a \$5 monthly fee until confirmed. Once CMS confirms eligibility, full APTC will be reinstated going forward.

For OEP 2026, this rule will only apply to:

- Members who enroll in Federally-Facilitated Marketplaces (FFMs)
- Members who auto-renew into a \$0 plan and fail to verify APTC eligibility before the end of OEP

For OEP 2026, this rule will **NOT** apply to:

- Members who enroll in State-Based Exchanges (SBEs)
- Members who auto-renew into a plan with a premium greater than \$0. This rule only applies to members auto-renewing into \$0 plans who fail to verify APTC eligibility.

As finalized, this provision, which is only for FFMs, is expected to sunset at the end of PY 2026. Starting PY 2027, SBEs may implement a similar process, subject to HHS approval.

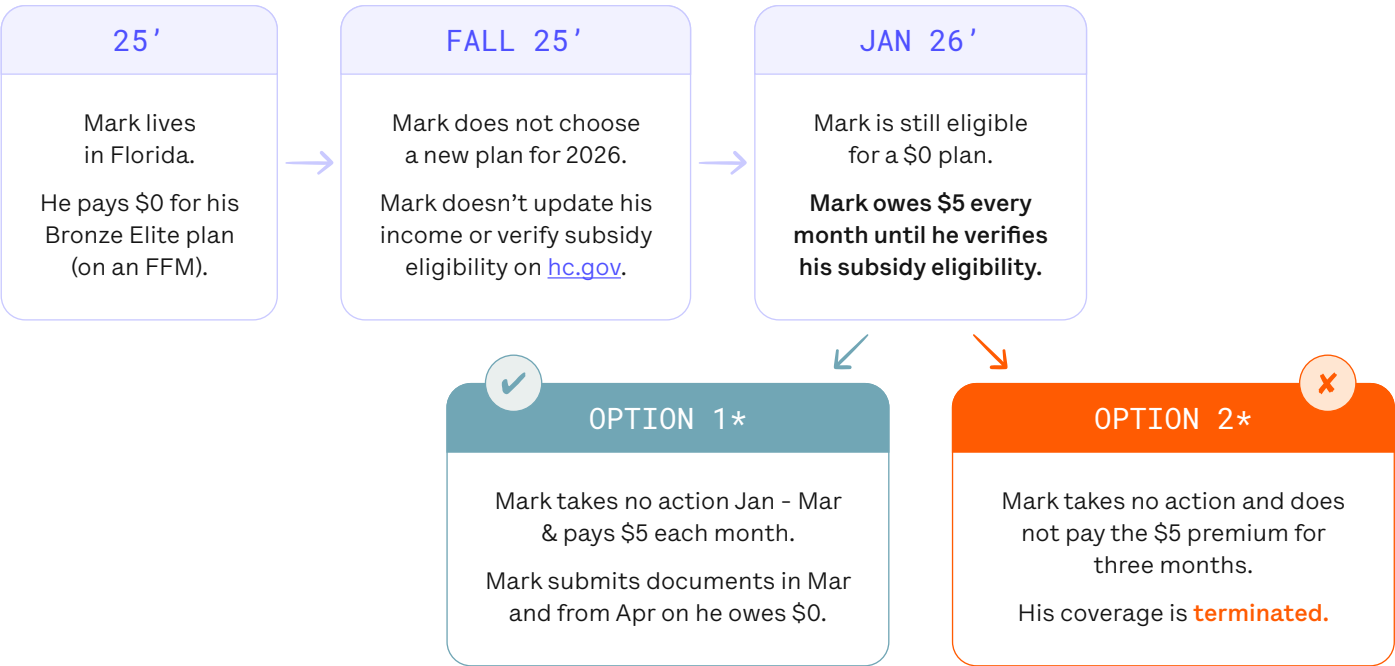
What brokers can do about this provision:



Now, let’s walk through two member examples to see who would and would not face this \$5 monthly fee, and how brokers and Oscar can work together to help our members...

Walking through the \$5 monthly premium*

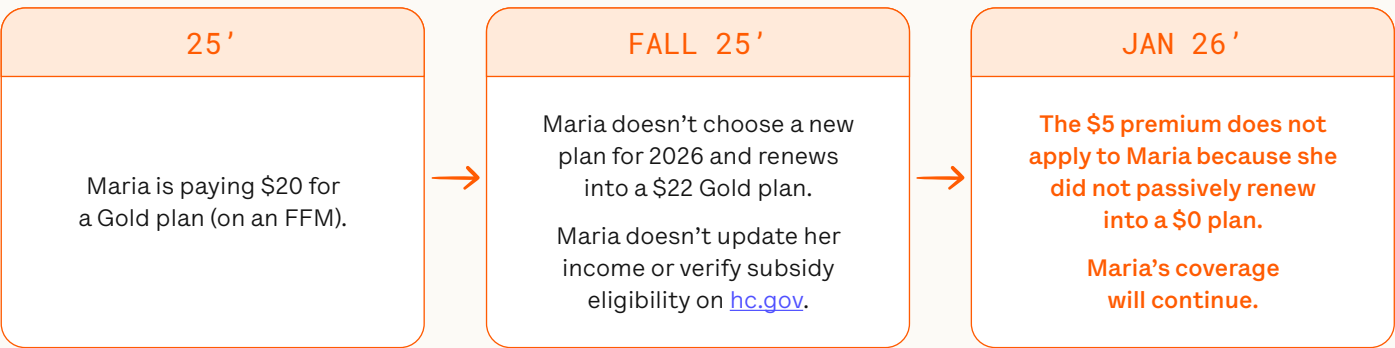
Here is an example of Mark. He is currently on a \$0 plan, through an FFM, and passively renews into a \$0 plan for PY2026. Mark is subject to the \$5 fee if he does not verify his subsidy eligibility.



*Oscar will not refund Mark for any premiums he paid.

Walking through the \$5 monthly premium

Here is an example of Maria. She currently pays \$20/month for her plan, on an FFM, and passively renews into a \$22/month plan for PY2026. Maria is not subject to the \$5 fee because she did not passively renew into a \$0 plan.



How Oscar and his broker can help Mark

Oscar is also planning enhancements to its Broker Portal. Oscar will flag members who passively renew into \$0 plans, making them eligible for the \$5 fee, so brokers will know which members need active confirmation.

