Fact Sheets Sep 22, 2026

Federal Marketplace (FFE and SBE-FP) Anti-Fraud Actions

Marketplace

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Introduction

Fraud and improper enrollments in the Health Insurance Marketplace® harm consumers, burden taxpayers, and undermine the integrity of the Federal Marketplace. CMS has identified a pattern of unauthorized enrollments and suspicious agent and broker activity in the Federal Marketplace. In response, the agency has moved aggressively to address these issues through a three-pronged strategy: preventing fraudulent and improper enrollments upfront; removing existing unauthorized enrollments; and enforcing CMS regulations governing agents and brokers.

CMS has launched coordinated efforts with health insurance companies to identify enrollees associated with suspected unauthorized enrollments and cancel confirmed unauthorized enrollments. At the same time, the agency has focused on strengthening policies and enforcing existing regulations governing agents and brokers who assist consumers with enrollment.

Cancellation of Unauthorized Enrollments

On August 31, 2026, CMS canceled approximately 315,000 enrollments covering over 760,000 individuals after confirmation that these enrollments were

unauthorized. This conclusion was the outcome of CMS and health insurance companies review and investigation in accordance with CMS's existing process for unauthorized enrollments. CMS expects this will result in a return of approximately $2.2 billion in advance payments of the premium tax credit (APTC) for these canceled enrollments.

CMS will continue working with health insurance companies to identify and investigate potentially unauthorized enrollments, cancel those confirmed as unauthorized to prevent improper subsidy payments in the future, and recoup the associated past APTC payments.

Termination of Non-Compliant Agents and Brokers

Since January 2026, CMS has sent termination notices to over 200 non-compliant agents and brokers. This summer, CMS issued 569 notices of intent to terminate Exchange Agreements to agents and brokers that submitted 2026 applications without identifying applicant information, such as a Social Security Number (SSN). The timeline for non-compliant agents and brokers to respond for the first 100 of the 569 notices of intent to terminate has concluded, and 66 have already received termination notices. CMS expects to send additional termination notices once the timeline for non-compliant agents and brokers to respond to the remaining 469 notices of intent to terminate concludes.

CMS will continue to investigate and issue notices of intent to terminate Exchange Agreements to agents and brokers who we identify are noncompliant with Marketplace standards. CMS will also support state Departments of Insurance and health insurance companies in their own efforts to identify and take action on non-compliant agents and brokers.

Moratorium on New Agent/Broker Registration

CMS data show that agents and brokers who first registered for the 2026 plan year represent a small fraction of all agent/broker-assisted enrollments, yet they account for a disproportionate share of unauthorized enrollments and other high-risk activity in the Marketplace. Compared to agents and brokers who registered before 2026, this group of newly registered agents and brokers is responsible for agent/broker-assisted enrollments that are:

- 2.8 times more likely to have unresolved income verification issues;
- 2.7 times more likely to be missing Social Security Numbers;
- 2.6 times more likely to have unresolved citizenship or immigration status verification issues;
- 1.6 times more likely to use Special Enrollment Periods not subject to verification;
- 1.4 times more likely to include Medicaid denial attestations; and
- 1.4 times more likely to be found dually enrolled in Medicaid/CHIP and Marketplace coverage

To respond to the heightened risk presented by newly registered agents and brokers, CMS is announcing a temporary moratorium on the registration of agents and brokers for 2027 who do not have an active Exchange Agreement for 2026.

Additional Program Integrity Protections

In addition to the above actions, CMS has implemented several new protections against agent and broker fraud. First, all existing agents and brokers are now required to re-identity proof through either Login.gov or ID.me. Second, all applications involving an agent or broker must include Social Security Numbers or immigration document numbers that CMS can verify for all non-newborn applicants. Third, CMS now prohibits agents and brokers from being added to applications that consumers should be completing on their own through HealthCare.gov. Fourth, in advance of Open Enrollment, CMS will implement a requirement for electronic consumer authorization before an agent or broker can take any action on an application or enrollment.

Strengthening State and Industry Partnerships

State departments of insurance play an important role in anti-fraud efforts, and CMS maintains a longstanding relationship with them both directly and through the National Association of Insurance Commissioners (NAIC). CMS is strategically working with NAIC and states on anti-fraud work, including increased data sharing, enforcement, and best practices for protecting consumers.

Looking ahead, CMS will continue to ramp up anti-fraud efforts. In preparation for Open Enrollment, CMS will provide training and communications to agents and brokers concerning new requirements. Consumers will also receive communications for tips on preventing fraud and protecting themselves.

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Previous Newsroom Article

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