CENTERS FOR MEDICARE & MEDICAID SERVICES
OFFICE OF THE ACTUARY

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop N3-01-21
Baltimore, Maryland 21207-0512

Date: July 13, 2026

From: Paul Spitalnic
Chief Actuary

Subject: **Certification of Rates of Uninsured**

Under section 1886(r) of the Social Security Act, which provides for an adjustment to the amount available to make uncompensated care payments based on changes in the rate of uninsured, the Chief Actuary of the Centers for Medicare & Medicaid Services (CMS) is required to certify reasonable estimates of the percentage of uninsured persons in both 2013 and 2027. Specifically, section 1886(r)(2)(B)(ii) stipulates that the prescribed formula for determining these estimates be based on the following (known as Factor 2):

> For fiscal year 2018 and each subsequent fiscal year, a factor equal to 1 minus the percent change in the percent of individuals who are uninsured, as determined by comparing the percent of individuals—
>
> (I) who are uninsured in 2013 (as estimated by the Secretary, based on data from the Census Bureau or other sources the Secretary determines appropriate, and certified by the Chief Actuary of the Centers for Medicare & Medicaid Services); and
>
> (II) who are uninsured in the most recent period for which data is available (as so estimated and certified), minus 0.2 percentage points for each of fiscal years 2018 and 2019.

Based on data from the National Health Expenditure Accounts (NHEA), the applicable rates of uninsured are as follows:

Year	Rate of Uninsured
CY 2013	14.0%
CY 2026	9.2%
CY 2027	9.5%
FY 2027*	9.4%

*Based on a weighted average of CY 2026 and CY 2027 data.

The figures in the table above are based on the latest publicly available projections of the NHEA, which were produced by the CMS Office of the Actuary (OACT) and published on June 24,

2026. The NHEA represent the government's official estimates of health spending by type of good or service, as well as by source of funding. Comprehensive estimates and projections of health insurance enrollment for the total population are also produced by OACT and are shown on the basis of various categories of coverage, including uninsured, Medicare, Medicaid, private health insurance (direct and employer-sponsored), the Children's Health Insurance Program, and other public coverage.[1] Uninsured persons comprise all individuals not covered by any health insurance (including those who use the Indian Health Service) at a specific point in time (such as at the time of a health insurance survey interview or during a reference period covered by the survey), and they represent an average of the number of uninsured for the estimation period (which consists of a calendar year in the NHEA).

The full set of projections and the associated methodology (including an expanded description of the uninsured model) can be found at the following link: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected.html

Additional Background

The number of uninsured is projected to increase by 4.3 million between CY 2025 and CY 2027 and the rate of uninsured is projected to increase from 8.3 percent in CY 2025 to 9.5 percent in CY 2027.

There is an expected net decline of 4.0 million in direct purchase private health insurance enrollment (which includes Marketplace plans) between CY 2025 and CY 2027 and a projected net decline of 2.6 million in Medicaid enrollment over the same period. Underlying these declines are the expiration of the Inflation Reduction Act's temporarily extended enhanced Marketplace premium tax subsidies in 2026, as well as multiple provisions from the One Big Beautiful Bill Act of 2025 that affect those enrolled in Medicaid and Marketplace plans.

For those no longer covered by direct purchase private health insurance or Medicaid, not all are expected to become uninsured. Some are projected to have had simultaneous coverage from other sources at the time their coverage ends while others are anticipated to secure health insurance coverage from alternative sources (such as through an employer-sponsored plan).

I certify that the published calendar year and estimated fiscal year rates of uninsured are reasonable and appropriate for use in satisfying section 1886(r)(2)(B)(ii) of the Social Security Act.

Paul Spitalnic, ASA, MAAA
Chief Actuary

[1] Estimates through 2024 reflect the Census Bureau's definition of resident-based population (for more details see: National Health Expenditure Accounts: Methodology Paper, 2024) and projections are consistent with the 2026 Medicare Trustees Report.