

EXECUTIVE BRIEFING

Medicare Advantage market growth slows amid intensified headwinds

2025 Medicare Advantage competitive enrollment report

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The Medicare Advantage market is undergoing a period of correction after rapid growth in the early part of the decade. Last year showed the first signs of a tempering of this growth, and the cooldown continued into this year.

Prior to the annual enrollment period (AEP), many for-profits signaled their intent to slow growth or even contract membership in response to a “perfect storm” of pressures—including rising utilization, lower-than-expected rate increases, and increased regulatory scrutiny around key financial levers. AEP results show a variety of health plans were beneficiaries of the resulting displaced enrollment.

As health plan leaders look ahead, the forecast for Medicare Advantage points to continued growth and favorable economics compared to other market segments. Additionally, the new Trump Administration has signaled support for the program, and less administrative burden is expected for plans. However, health plans must first address challenges around financial performance and sustainability to position themselves for this long-term growth potential.

Our analysis reveals six major changes shaping the market, and we share a set of five key actions for health plans to position themselves for long-term growth opportunities in this important slice of the health insurance market.

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