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SINGLE
INSIGHT
POINT

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## 2026 ICHRA STUDY PART II: EMPLOYEES

**Today's Employees Like Their HMOs More Than Their PPOs. ICHRA Allows Them Not to Overpay.**

George Dippel, President of Deft Research

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Employers with workers scattered across a state, a region, or the nation have almost no choice but to provide PPO-based group coverage. The more geographically dispersed a firm's workers are, the more health systems exist where those workers live and the greater the chance that a single, narrower network HMO will not do, right? No employer wants to be told "no" by an applicant because the firm's HMO health plan does not provide access to the doctors and the system of their choosing. Similarly, no employer wants to put their workers through provider disruption when it's time to move from costly Carrier A to slightly less costly Carrier B. Providing wider-access PPOs means firms hear "no" less often from applicants, and they have a greater ability to shop for lower-cost benefits while knowing their employees won't have their care disrupted if they switch carriers.

But that logic only holds true when examined under the commercial group insurance status quo—where employers and their employees are afforded almost no choice in the brands and plans they can select. When your health plan choice is to pick from the following two options:

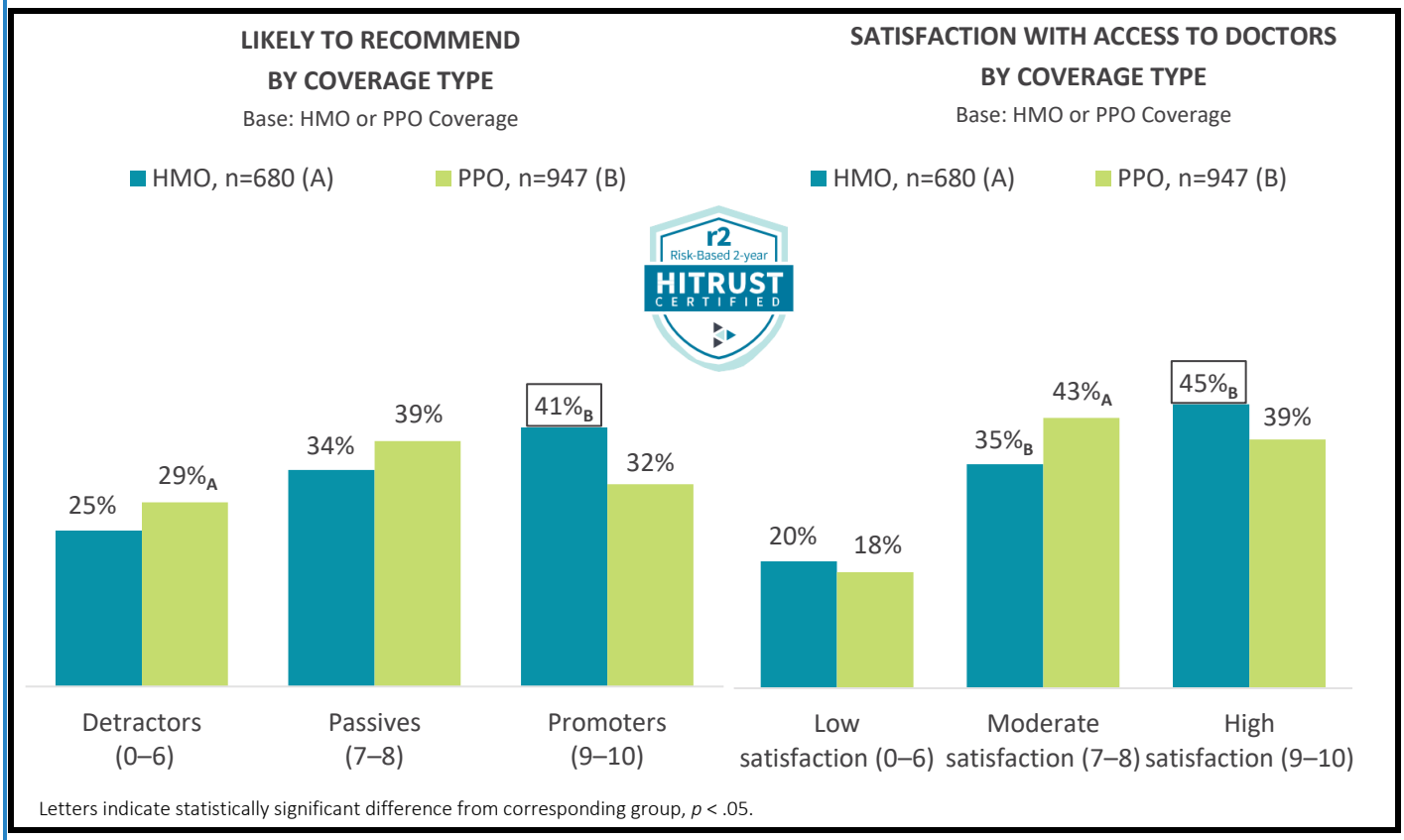
1. Carrier A's higher premium, lower cost share PPO, or
2. Carrier A's lower premium, higher cost share PPO

Is there really much choice at all, other than possibly picking option #3—refusing group coverage altogether?

There isn't much choice for most employees today. But there can be, should be, and soon likely will be.

ICHRA as a benefits solution for employers and employees has shown some promise, but last year's premium jolt—a 27% on-exchange national average benchmark increase—was a wet blanket on what had been simmering growth. And with 2027 looking like year #2 of double-digit premium hikes for the ACA, we may still see ICHRA in a holding pattern, still growing nicely but not having the explosive growth that many feel the concept deserves.

ICHRA is one solution that can help employers regain control over their long-term healthcare costs, provide the right kind of choice that employees want, and keep workers from having to choose between paying their rent and paying their portion of their health insurance premium.




As seen on the charts above, employees today are dispelling the assumption that PPOs are best. Employees are both more satisfied with their HMO than their PPO, and they are more willing to recommend it to friends and family. The problem today is that too many don't have a clear choice between HMO and PPO—or among various HMOs and various PPOs from different carriers. Unless, of course, they are in ICHRA.

Deft's recently published ICHRA Study Part II: Employees not only reports on network-style preference but also examines a dozen benefit strategies and offerings that exist for today's firms. Options like ICHRA, Spousal Incentive HRAs, Dependent Care Assistance, Limited Purpose FSAs, tuition reimbursement, and even IVF assistance were all tested via MaxDiff to see what today's workers value the most. Not only did the concept of ICHRA and the choice it provides produce the greatest preference scores across all benefits and strategies tested, but it also produced the highest scores regardless of the age of the worker and whether the worker was currently in group or ICHRA.

If the ACA's premium reset cycle again runs only two years (as it did in 2017 and 2018) then ICHRA has every reason to finally take off. And that's without codification, incentive support, and a better name (CHOICE)—all of which, evidently, are still politically on the table.

(*Want a fresh perspective for key decisions? Contact your local Deft Research Consultant to learn more about Deft+ Consulting Services*.)

Deft's 2026 ICHRA Study Part II: Employees is a comprehensive assessment of how employees feel about the novel insurance concept regardless of whether they have made the transition from group to ACA. The study examines employees' current levels of satisfaction with their employer-sponsored coverage, how affordability impacts preference, the influence of network, the potential of direct primary care, and what other emerging benefit strategies employees want from their employers.

Armed with the insights from the 2026 ICHRA Study Part II: Employees, carriers, consultants, and TPAs alike will be better positioned to win as the under-65 insurance market begins the process of individualization. For more information on the rest of the report, please contact your Deft Research Client Services associate or email info@deftresearch.com.

Did you enjoy this Single Insight Point (SIP) from the 2026 ICHRA Study Part II: Employees? Are you ready to move from just a SIP to a whole gulp? Please connect with your Deft Research Client Services Associate to unlock all the business-changing insights from the 70-plus pages of insightful reporting.

**Don't miss these offerings related to the 2026 ICHRA Study Part II: Employees:**

- **ICHRA Study Part I: Brokers and Employers** examines two of the three stakeholders who will decide ICHRA's trajectory in the near term: employers looking to untangle health insurance from employment and brokers who will (or will not) facilitate that transition.
- **BONUS: How the U.S. Consumer Selects a Provider and Health System Study** is the first-of-its-kind study, we look across the broad U.S. healthcare consumer landscape.
- **Individual and Family Plan Member Experience Study** identifies the experiences that either inflate or depress loyalty so that carriers can be more informed on how to hold onto their ACA members.

**Keep the insights coming all year with our syndicated studies.**

The **2026 Senior Market Insights Service** includes the following studies:

- **National Medicare Health Segmentation Study** illuminates health segments within the senior population so organizations can best serve their unique needs.
- **National Supplemental Benefit Conjoint and Ancillary Products Study** helps you design the most attractive supplemental options while balancing costs and gauging interest in ancillary products. Select from one or both of the following:
    - *Medicare Advantage Version*: focuses on traditional supplemental benefits
    - *MedSupp/OMO Version*: focuses on the Dental/Vision/Hearing bundle
- **Medicare Shopping and Switching Study** examines senior consumerism during the AEP and highlights what made members venture to new products.
- **Influences of Part D in MAPD and Standalone Coverage Study** explores how the tiered placement of specific, common medications influences MAPD and Part D consumerism.
- **SNP (C-SNP and D-SNP) Acquisition Study** provides insights into the rapidly growing segment of seniors with Medicaid eligibility (D-SNP or otherwise), examining how they shop and consider new coverage.
- **Medicare Member Onboarding and Management Study** explains how to update existing members and onboard new ones after the AEP. It also highlights what worked well in member services and education, and where improvements are needed for the next year.
- **Medicare Age-In Study** identifies strategies to boost acquisition and reduce early retention risk, while analyzing trends in self-insurance and recommending ancillary products for those not interested in MA or unable to afford MedSupp.
- **SNP (C-SNP and D-SNP) Experience Study** provides carriers and agencies with a blueprint to best serve dual eligibles and/or those with specific demanding health conditions.
- **AEP Signals and Readiness Study (Formerly Gut Check Study)** is a "must have" for carriers, agencies, and consultants. It assesses the pain points, service failures, and plan experiences that carriers and agents must address as we near the AEP.
- **How the U.S. Consumer Selects a Provider and Health System Study** is a first-of-its-kind study, looking across the broad U.S. healthcare consumer landscape at the experiences of consumers with their primary care providers, including searching for new providers, how provider relationships impact health system loyalty, and deep dives into preferences by insurance coverage type, age/life stage, health needs, and more
- **Medicare Digital Tools Study** gives an in-depth look at how seniors shop online, navigate health insurance and healthcare, and whether they find the amount of information online to be overwhelming.
- **Medicare Member Experience Study** shows what causes attrition, switching intention, and lower CAHPS scores, helping carriers to better engineer member communications and customer service for higher scores.
- **MAPD + PDP Disruption Tool** provides detailed market summaries of benefit changes from the national to the county level, helping you anticipate shifts in 2026 enrollment.
- **Custom Research** can help you answer the tough questions facing your organization about your member experience (and those of your competitors) as you prepare for 2027.

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Our **2026 Commercial Market Insights Service** studies for the Individual Under 65 Market include:

- **National ACA On and Off Exchange Benefit Design Conjoint Study** shows the premium-based tradeoffs that under-65 beneficiaries will make in the subsidized/on-exchange market as well as the non-subsidized/off-exchange market.
- **Individual and Family Plan Shopping and Switching Study** examines the traditional OEP enrollment period, the channels that best connected with consumers, and how these individuals chose to enroll.
- **ICHRA Study Part I: Brokers and Employers** examines two of the three stakeholders who will decide ICHRA's trajectory in the near term: employers looking to untangle health insurance from employment and brokers who will (or will not) facilitate that transition.
- **ICHRA Study Part II: Employees** chronicles how employees managed through cost increases, the impact on them, and how it compares to employees in traditional group coverage who may have faced less dramatic premium increases.
- **How the U.S. Consumer Selects a Provider and Health System Study** is a first-of-its-kind study, looking across the broad U.S. healthcare consumer landscape at the experiences of consumers with their primary care providers, including searching for new providers, how provider relationships impact health system loyalty, and deep dives into preferences by insurance coverage type, age/life stage, health needs, and more
- **Individual and Family Plan Member Experience Study** identifies the experiences that either inflate or depress loyalty so that carriers can be more informed on how to hold onto their ACA members.