Medicare vs. ACA Leads â?? Which Converts Better For Agents?

Description

The Leads Ware House

By James Schulze

This article examines Medicare leads and ACA leads and how well each of them converts for agents. It also offers insights on lead types commonly used in the industry and how agents can effectively use leads to grow their Medicare and ACA sales.

Health insurance agents often ask: Which leads convert better? Medicare leads or ACA leads? The answer is anything but simple. Both can work. Both can help agencies scale their business. But they behave very differently. And, they have different compliance and regulatory rules. To build a profitable leads strategy and system for working them, agents must understand each lead and how each performs.

What are Medicare leads?

Medicare leads are seniors who are approaching Medicare eligibility, or who are already eligible but actively looking to change plans. They are open to guidance from a qualified insurance agent (read our previous blog, â??What Are Health Insurance Leads? Medicare vs. ACA Leads Explainedâ?•).

Medicare.gov explains that most people become eligible at age 65, which creates a predictable enrollment window for Special Enrollment Period (SEP) opportunities. Medicare leads also include any American over 65 who wants to apply for a new Medicare plan during the Annual Enrollment Period (AEP) and reapply as needed during the Open Enrollment Period (OEP).

What are ACA leads?

ACA leads are consumers who are shopping for coverage under the Affordable Care Act. These consumers are under the age of 65, often income-qualified, and shopping for subsidies for lower-cost plans. According to HealthCare.gov, ACA coverage depends on income, household size, and qualifying events.

Astute agents are also up to speed on the 2025 â??Marketplace Integrity and Affordabilityâ?• rule that was finalized in June 2025. The Centers For Medicare & Medicaid Services (CMS) created the rule to offer more protection for consumers, guarding against improper enrollments and changes to their health care coverage. This rule and the expiration of enhanced subsidies have been reshaping coverage for 2026. Income requirements and verification requirements have changed, which requires new scripting and higher-quality leads.

How do Medicare and ACA leads differ?

The key differences are in consumer intent levels and target audiences. Although some individuals with certain circumstances (e.g., a disability) qualify for Medicare, the target market is clearly individuals over the age of 65. Those turning 65 (T65) have strong interest in understanding their options and getting enrolled in Medicare. It is a very defined moment with high intent to enroll during SEP or annual opt-in periods AEP and OEP.

ACA leads are a little less clear in both consumer intent and target audience. There are several different reasons someone may want to look into ACA insurance, with each having a different level of consumer intent. Maybe they are losing their employer coverage or are uninsured and need to quickly find a plan (high intent). Or maybe they are self-employed individuals who want to understand different options or consumers who want to check if they are eligible for subsidies (medium or lower intent). And, aimed at individuals under 65 (U65), ACA has a broader target audience.

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These key differences drive different conversion rates. So, which leads convert better?

Do Medicare or ACA leads convert better?

T65 Medicare leads (SEP) typically convert at the highest rate, followed by Medicare AEP/OEP leads and ACA leads. Hereâ??s why:

1. **T65 leads (SEP)** â?? T65 leads perform well because the need and intent is clear. The timeline is very predictable. There is simply less confusion. And, as added incentive, agents earn double commission if they close these leads.
2. **Medicare AEP/OEP leads** â?? There are 4.1 million Americans who turn 65 every year. And, each of these Americans gets to apply for a new plan in subsequent years, exponentially growing the pool of consumers. As plan participants age, their needs often change, creating more conversations rather than simple renewals. Agents must be skilled to convert consumers from one plan to another, but the massive volume over two highly active enrollment periods gives them ample conversion opportunities.
3. **ACA leads** â?? ACA leads have mixed consumer intent, which makes them convert at a slightly lower rate than the above leads. But given the larger target audience (and leads volume) and year-round opportunities, agents can convert many of these leads if they have a solid understanding of the ACA market changes.

What lead types are most often used for Medicare and ACA?

Insurance agencies often purchase two primary lead types for Medicare and ACA:

- **Inbound calls** â?? Inbound calls are conversations that begin when a consumer places a call to talk to an agent. This lead type is particularly dominant in the T65 and Medicare spaces. Why? It brings quicker discussions with high-intent consumers. From qualification to close, the sales process moves faster. And, most importantly, inbound calls help agents stay CMS-compliant. As they are initiated by consumers, they establish 1:1 consent, making them the most compliant lead type.
- **Aged leads** â?? Aged leads are also highly valuable. Agents commonly use aged leads for ACA sales. These are consumers who have shown interest in ACA in the past, just may not have converted at the time. These leads allow agents to target consumers in accordance with changes in the ACA Marketplace. They are widely regarded as an effective way to increase volume in a cost-effective way (read our blog, â??How Much Do Medicare And ACA Leads Cost in 2026?â?•).

Top agencies often do not choose just one lead type. They combine both of these, creating a balanced lead strategy. But, really, choosing the right balance of lead types is only one element to consider. What is even more important in determining sales success is an agentâ??s follow-up and how they manage the lead through to close.

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What agents can do to effectively use health insurance leads

When agents arenâ??t successfully closing leads, they are quick to blame the lead. But the issue is usually their process. Top performing agents will:

- Call a lead multiple times
- Vary outreaches, incorporating SMS and email
- Follow up over multiple days

This is especially true with aged leads. Without follow-up, aged leads will not perform.

And, there are some things agents should avoid:

- **Focusing only on outbound leads** â?? You will limit your scale. And you will miss low-cost opportunities from aged leads.
- **Expecting instant closes** â?? Many leads need multiple touches to close.
- **Not tracking key metrics** â?? Agents who track contact rates, close rates, and cost per policy will be able to quickly adjust tactics if needed.
- **Not understanding compliance and the marketplace** â?? Lack of compliance could mean fines or worse. Lack of marketplace knowledge could mean lost deals due to focusing on the wrong target customers.
- **Aligning with an untrustworthy leads provider** â?? Agencies need reliable sources. At The Leads Warehouse, we aim to be just that. We focus on providing first-party (O&O) traffic, high-quality aged data, fast delivery systems, deep marketing expertise, and thorough knowledge of the CMS and ACA Marketplace Changes.

Conclusion

Medicare and ACA leads â?? specifically inbound calls and aged leads â?? can both produce strong results if agents understand how to use them. The most successful agents build sales processes and

systems, stay consistent, and follow up when others donâ??t. Are you ready to talk about how you can grow your Medicare and ACA sales pipeline?

About the author

James Schulze is the President and CEO of The Leads Warehouse, a marketing data company with over 20 years of experience in bringing lead generation solutions to companies selling into the home, automotive, financial, insurance, health and life, and legal sectors. He works directly with clients to optimize conversion strategies and ROI across multiple verticals.

If you are serious about growing your Medicare and ACA insurance business, the right mix of leads is important. Our team works with agencies to maximize their ROI on health insurance sales leads. Call **1-800-884-8371** or visit The Leads Warehouse to get started.

Date Created
2026/05/12
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