Reaffirming The Promise of Medicare Advantage for Post-Acute Care

More seniors are enrolling in Medicare Advantage (MA) than traditional Medicare. Today, more than 35 million Medicare beneficiaries — over half of the Medicare population — are enrolled in Medicare Advantage. [1] While MA offers many benefits appealing to seniors, beneficiaries and providers continue to face persistent challenges across the continuum of care, from gaining timely admission, to maintaining medically necessary stays and securing appropriate reimbursement after care is delivered.

Increasingly, providers report that large insurer-led MA plans are using prior authorization requirements, retrospective audits, payment delays, and retroactive claim denials to restrict access to medically necessary post-acute care services. These practices create barriers for patients, increase administrative burden on providers, and undermine care coordination and financial stability across the healthcare continuum.

These concerns are reinforced by a 2026 Office of Inspector General (OIG) report finding that MA plans denied 12 percent of skilled nursing facility admission requests, yet overturned 95 percent of appealed denials, indicating that many beneficiaries were initially denied medically necessary care. The report also found that contractor-issued denials were overturned at even higher rates, highlighting concerns about the accuracy of initial determinations and contractor oversight.[2] At the same time, providers continue to experience delayed payments, lengthy appeals, and retroactive "clawbacks" for services previously approved and delivered. These practices contribute to care disruption and have been associated with increased disenrollment from MA among high-needs beneficiaries in their final year of life, ultimately shifting costs onto taxpayers.[3]

The Better Way

Seniors have earned the right to have timely access to necessary care and the freedom to make informed decisions about their coverage. Care decisions should be driven by patients and medical professionals, not obscure insurer policies, automated systems, or excessive administrative barriers. Policymakers must increase transparency, foster competition, and improve the MA rating system so seniors can make informed plan choices; ensure patients, policymakers and taxpayers receive value for their investment.

Medicare Advantage Improvement Act of 2026 (S. 4384/H.R. 8375)

The bipartisan Medicare Advantage Improvement Act of 2026 represents a significant step towards ensuring MA delivers on its promise to America's seniors by strengthening key components of MA to better meet post-acute care needs, including provisions to:

- Protect patients from inappropriate delays and denials;
- Standardize coverage criteria between MA and traditional Medicare;
- Increase transparency surrounding prior authorizations and compliance;
- Penalize plans that fail to meet oversight and compliance benchmarks;
- Reduce administrative burdens through real-time and automated systems;
- Promote prompt payments;
- Prevent retroactive "clawback" of payments for pre-approved, reapproved, and delivered care and services; and
- Strengthen patient access to certain post-acute care providers.

S. 4384/H.R. 8375, the Medicare Advantage Improvement Act of 2026 was introduced by Sen. Roger Marshall (R-KS) & Sen. Sheldon Whitehouse (D-RI) in the U.S. Senate and Rep. John Joyce (R-PA-13) and Rep. Kim Schrier (D-WA-08) in the U.S. House of Representatives with original cosponsors including Rep. Greg Murphy (R-NC-03), Rep. Jimmy Panetta (D-CA-19), Rep. Miller-Meeks (R-IA-01), Rep. Ami Bera (D-CA-06) and Rep. Beth Van Duyne (R-TX-24).

Take Action:

We encourage you to co-sponsor this bipartisan, common-sense solution to reaffirm the promise of Medicare Advantage and protect access to care for millions of seniors.

Sources:

1 - 'Medicare Advantage in 2025: Enrollment Update and Key Trends,' https://www.kff.org/medicare/medicare-advantage-enrollment-update-and-key-trends/

2 - "Medicare Advantage Organizations Overturned Nearly All Appealed Prior Authorization Denials for Skilled Nursing Facility Admission, Raising Concerns About Initial Denials," https://oig.hhs.gov/reports/all/2026/medicare-advantage-organizations-overturned-nearly-all-appealed-prior-authorization-denials-for-skilled-nursing-facility-admission-raising-concerns-about-initial-denials/

3 - The Sickest Patients Are Fleeing Private Medicare Plans – Costing Taxpayers Billions https://www.ahcancal.org/News-and-Communications/Press-Releases/Pages/ICYMI-Senate-Investigative-Report-Finds-Medicare-Advantage-Beneficiaries-Denied-Post-Acute-Care-Nations-Largest-Insurers.aspx

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