



Medicare Advantage Plan Challenges – Media Spotlight

Major news outlets have reported on the CY 2024 Part C and Part D final rules proposed by the U.S. Centers for Medicare and Medicaid (CMS) after Medicare Advantage plans have come under pressure.¹ Several issues have remained prevalent for skilled nursing operators as health plans deny coverage and prior authorization requests.² Media outlets have highlighted the implications of the final rule, stating that skilled nursing operators will most likely face fewer restrictions relating to coverage and experience more Medicare Advantage beneficiaries admitted into their facilities.³ Prior to the promulgation, MA plans adopted more restrictive criteria denying coverage and claims, discriminating against sicker beneficiaries. CMS was also concerned about misinformed MA enrollment due to the abundance of misleading advertisements, which this rule also addresses by increased supervision to prevent aggressive recruitment tactics.³

Recent media outlet coverage indicates:

- The denials of coverage jeopardized post-cute recovery for MA beneficiaries due to inappropriate limits placed on stays. The CMS rule may work to prevent these issues by requiring plans to streamline prior authorization practices.³
- CMS states that estimated cuts from the risk model revision within the initial proposal resulted in insurers facing an average 2.3% effective drop in payments, costing the industry approximately \$3 billion.¹
- The Final CMS ruling will assist MA and Medicare Part D plans to focus on both patient-centric care more effectively and on improving clinical outcomes.³
- Payers in the MA space must prepare for the increased demand for SNF care. Stay limitations from plans illustrates a lack of insight into the clinical decision-making process regarding Medicare beneficiaries. As the aging population grows and requires care, more CMS oversight will be needed.⁴

The popularity of the Medicare Advantage health plan market has led to several challenges faced by skilled nursing operators.¹ Through this final rule, safeguards are being implemented to ensure that Medicare beneficiaries have access

What the Media is Saying

Reuters on CMS Final Rule:
“CMS said it expected total payments next year to rise by 3.3% from 2023 or around \$13.8 billion,” detailing how the rate announcement will benefit SNF operators in the future.¹

STAT News on finalized proposals:
“Starting next year, Medicare Advantage plans cannot reject coverage of procedures, prescription drugs, tests, or supplies,” indicating that the final regulations ensure that the health plans will cover what would be covered under traditional Medicare enrollment.²

Skilled Nursing News On MA Prior Authorization:
“Among prior authorization request MAOs denied,” 13% met Medicare coverage rules and would have been approved for beneficiaries under traditional Medicare,” indicating a need for intervention to mitigate these issues.³

to the care and services needed while simultaneously strengthening MA programs.³ With more than two-thirds of the Medicare population being covered by MA programs, it is evident that CMS supervision must continue to ensure that MA beneficiaries will receive care that leads to optimal health outcomes.⁴

¹ Aboulenein, A. [US softens cut to Medicare Advantage 2024 payments](#). Published April 2023.

² Herman, B. [Medicare Advantage plans will have to stop denying required care, federal officials say](#). Published April 2023.

³ Grebbin, S. [CMS final rule will help limit medicare advantage plans from 'Grinding Down' on SNF stays](#). Published April 2023.