

AHIP's Comments Note "Grave Concerns" With Medicare Advantage Advance Notice

Every American deserves affordable health coverage and access to high-quality care – including the more than 30 million seniors and people with disabilities who choose Medicare Advantage (MA). That is why AHIP is very concerned about changes proposed in the MA Advance Notice that would result in cuts to this successful program that has a long history of strong, bipartisan support.

In our [comment letter](#) on the Advance Notice, AHIP went on record with our specific concerns:

- **This Advance Notice introduces many wide-ranging and complex changes to the MA payment structure, with little or no publicly available assessment of the effects on different enrollee populations and geographies.** As a result, the very short 30-day comment period was inadequate for understanding the impacts these changes could have on seniors and people with disabilities.
- **Regardless of the short timeline, it is immediately clear that the proposed risk model in the Advance Notice will have a disproportionate impact on dual-eligible Americans** – those eligible for both Medicare and Medicaid, who are among the sickest and lowest-income members of our communities. ([Study by Wakely Consulting Group](#))
- **The Advance Notice would result in massive, disparate impacts across organizations and MA enrollees.** Wakely Consulting Group [found](#) that the impact of the proposed risk model across all organizations varies by 140%, and the impact relating to dual eligible Americans varies by about 165%, from minimum to maximum.
- **With Black Americans and Hispanic Americans experiencing higher levels of chronic conditions like [diabetes](#) and [major depression](#), they will be among those most impacted by the MA payment structure and diagnosis code changes proposed in the Advance Notice.** This means the Advance Notice would undermine essential health equity goals.
- **The Advance Notice does not adequately account for original Medicare costs, including Americans ineligible to enroll in MA for its benchmarks.** This lack of an apples-to-apples comparison means lower payment rates to MA plans, which results in higher premiums and fewer benefits for MA enrollees.

Given these grave concerns, AHIP urges the Centers for Medicare & Medicaid Services (CMS) to withdraw the proposed risk model changes for 2024, and instead engage in a collaborative, deliberative process with stakeholders to assess future changes in the risk adjustment model.

“AHIP has grave concerns that the Advance Notice would result in a cut in Medicare Advantage payment rates in 2024, thereby reducing the resources available to serve many of the 30 million enrollees who choose this successful, popular program for their Medicare benefits.”