National Rural Health Association

https://www.ruralhealth.us/advocate
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Rural Medicare Advantage

NRHA Urges Congress to...

- Require Medicare Advantage plans to pay rural providers their special traditional Medicare rates.
- Ensure plans must provide Medicare beneficiary education regarding traditional Medicare and Medicare Advantage benefits.
- Enforce prompt payments by Medicare Advantage plans to rural providers.
- Ensure CMS must exercise greater enforcement and oversight of Medicare Advantage plans, including their prior authorization practices.

NRHA Supported Legislation

Improving Seniors' Timely Access to Care (S.1816 / H.R.3514)

Sen. Marshall (R-KS) and Rep. Kelly (R-PA)

Establishes requirements with respect to the use of prior authorization under Medicare Advantage plans.

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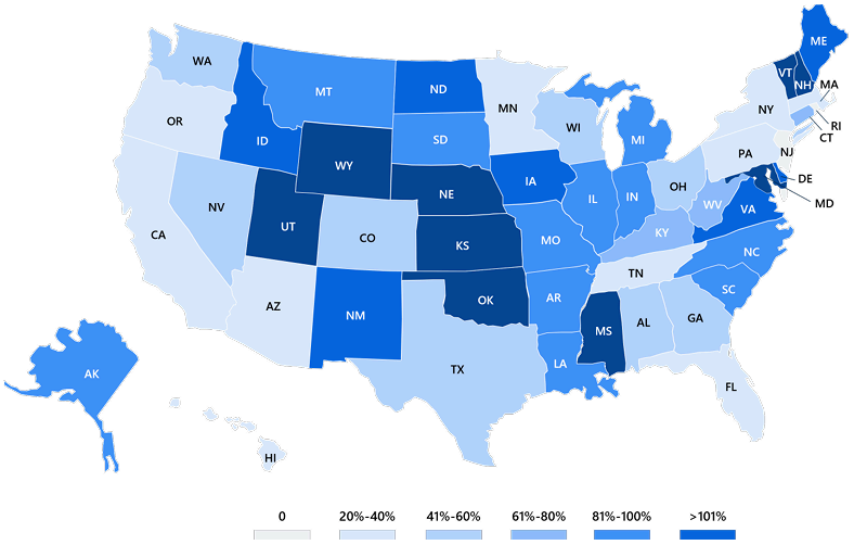
MA plans may address these unique needs by providing a wider range of benefits, but it remains unclear whether enrollment in MA plans translates into improvements in access to care and financial burden of care for rural beneficiaries.

Medicare Advantage enrollment has **quadrupled** in rural areas since 2010 and reached **48%** in 2024.

In **seven** states, Medicare Advantage penetration **exceeds 50%** in their rural communitites.

Figure 2: Percentage growth of Medicare Advantage enrollees in rural communities between 2019 and 2023



Medicare Advantage plans can financially hurt rural

- MA plans often **pay rural providers less** than their traditional Medicare rates, including Critical Access Hospitals and Rural Health Clinics, eroding the importance of their rural designations.
- MA plans create **administrative burdens for rural providers** who struggle to keep up with prior authorization requests, denials, and appeals for necessary services.
  - In 2023, MA insurers **denied 3.2 million** prior authorization requests
- Rural providers generally do not have ample cash on hand to sustain significant **delays in timely payments** by MA plans.
- MA **may not cover** services traditional Medicare does, including swing beds, which provide local skilled nursing care for patients and are often a source of financial stability for rural hospitals.
- Rural Medicare beneficiaries reported a **greater financial burden of care** than urban, with the most significant burden among rural MA beneficiaries, possibly due to the less generous financial structures offered by rural MA plans.

5/29/2025