

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.

Prompt and Fair Pay Act (H.R. 4559)

Reps. Doggett (D-TX) and Murphy (R-NC)

Establishes payment parity between Medicare Advantage and fee-for-service Medicare, including for cost-based providers, and creates requirements for prompt payments from Medicare Advantage plans to providers

Medicare Advantage Prompt Pay Act (S.2879 / H.R.5454)

Sens. Cortez Masto (D-NV) and Blackburn (R-TN) & Reps. Arrington (R-TX) and Sanchez (D-CA)

Establishes requirements for Medicare Advantage plans to make timely payments providers.

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.

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

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

0 20%-40% 41%-60% 61%-80% 81%-100% >101%

- 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.