June 28, 2022

The Honorable Diana DeGette  The Honorable H. Morgan Griffith
Chair  Ranking Member
Subcommittee on Oversight & Investigations  Subcommittee on Oversight & Investigations
Energy & Commerce Committee  Energy & Commerce Committee
House of Representatives  House of Representatives
Washington, DC 20515  Washington, DC 20515

Dear Chair DeGette and Ranking Member Griffith:

AARP, on behalf of our nearly 38 million members and all older Americans nationwide, thanks you for holding the hearing entitled “Protecting America’s Seniors: Oversight of Private Sector Medicare Advantage Plans.” This is an important follow up to the recently released report by the Department of Health and Human Services Inspector General that shines a light on issues within Medicare Advantage (MA) that are preventing beneficiaries from receiving necessary and appropriate care.

Millions of older Americans rely on MA for their health care and are generally satisfied with the quality and affordability of their coverage. Throughout the current public health emergency, we have supported the expansion of supplemental benefits in MA to help alleviate the unprecedented health care crisis brought about by the COVID-19 pandemic.

We have also called for improvements in the program when appropriate, including support of the Centers for Medicare and Medicaid Services’ work to address MA’s history of marketing abuses involving enrollment, restoration of network adequacy reviews eliminated by the previous Administration, and more effective communication with beneficiaries on switching between MA and traditional Medicare and the penalties they may incur.

We are troubled by the OIG’s report finding that millions of MA enrollees are denied coverage and prior authorization requests are required for services that are routinely permitted in traditional Medicare. As enrollment in MA continues to increase, program integrity is critical for the millions of enrollees to maintain access to needed health care services with as little difficulty as possible.

The report’s findings are especially concerning given that Medicare Payment Advisory Commission, in its 2022 annual report, stated that “the current state of quality reporting in MA is such that [we] can no longer provide an accurate description of the quality of care in MA.” Denials of coverage and prior authorization requests contribute directly to the quality – or lack thereof – of care an enrollee experiences within the context of any health insurance arrangement, including MA.

We were encouraged by the report’s recommendations for how to address these problems and agree that this is “an opportunity for improvement to ensure that MA beneficiaries have timely access to all necessary health care services and that providers are paid appropriately.” In addition, we appreciate the commitment of CMS to the “oversight and enforcement of the [MA] program” and we are pleased by the agency’s concurrence with the OIG’s recommendations for addressing these issues.
AARP broadly supports the OIG’s recommendations to improve prior authorization and payment processing systems to ensure that enrollees are not denied appropriate health care services. We believe that the second recommendation – to update CMS’ audit protocols to address the issues in this report – is of particular importance to improving the oversight and enforcement of the MA program. We would encourage that these efforts initially be targeted at the specific service types identified in the report and expanded to others should additional prior authorization and payment denials be discovered.

We thank you once again for holding this hearing and your ongoing commitment to oversight and program integrity in the MA program and ensuring that all Medicare beneficiaries – whether enrolled in MA or traditional Medicare – are treated equitably and have timely access to all necessary health care services. If you have any questions, please do not hesitate to contact me or have your staff contact Brendan Rose on our Government Affairs team at 202-434-3770 or brose@aarp.org.

Sincerely,

Bill Sweeney
Senior Vice President
Government Affairs