Advancing High Performance Health

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Jeff Wu
Acting Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850

Submitted Electronically via: regulations.gov

RE: Advance Notice of Methodological Changes for Calendar Year (CY) 2026 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies. [Docket CMS-2024-0360]

Dear Mr. Wu:

On behalf of AMGA and our members, I appreciate the opportunity to provide comments on the Advance Notice of Methodological Changes for Calendar Year (CY) 2026 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies. AMGA represents multispecialty medical groups and integrated delivery systems, with more than 177,000 physicians who collectively care for one in three Americans. Many of our members participate in the Medicare Advantage (MA) program as contracted providers and MA plan sponsors, making this annual rate and policy announcement critical to their ability to provide high-quality, value-based care.

AMGA welcomes CMS' continued commitment to ensuring that the MA program remains a sustainable and patient-centered option for beneficiaries. However, we urge CMS to carefully consider the following key areas as it finalizes the CY 2026 Advance Notice.

Risk Adjustment and Coding Pattern Adjustment

AMGA recognizes the importance of ensuring accurate and appropriate risk adjustment within MA. We support a risk adjustment model that fairly accounts for the complex health needs of MA beneficiaries and ensures adequate resources for care delivery. However, we have concerns regarding the impact of any methodological changes that could disproportionately affect providers serving high-risk populations.

We encourage CMS to continue engaging with stakeholders to assess how the proposed risk score trend methodology—which is based on two years of post-pandemic data rather than the historical three-year average—could impact plan payments. AMGA is concerned the shift from a three-year rolling average to a two-year average will significantly lower risk score trend. For

example, the completion of the phase-in of the 2024 CMS-HCC risk adjustment model for CY 2026 resulted in a risk score trend of 2.10%, down from 3.86% in CY 2025. A lower risk score trend could impact provider reimbursement and, ultimately, patient access to care. We urge CMS to ensure that the methodology used reflects the ongoing realities of population health trends and coding practices to avoid unintended consequences on provider payments and care delivery.

CMS also notes it is considering recalibrating the risk adjustment model as soon as 2027 by phasing in MA encounter data. AMGA urges caution in revising the model so frequently and recommends CMS model the effects of the change.

Star Ratings and Health Equity

AMGA supports CMS' efforts to advance health equity in MA and appreciates the proposal to incorporate social risk factors into the Health Equity Index (HEI) for MA Star Ratings. Including social risk factors in the HEI would provide a more accurate representation of plan performance by accounting for the challenges faced by beneficiaries with social risk factors, such as low income, dual eligibility, or residing in underserved areas. By integrating these factors into the Star Ratings system, CMS can incentivize MA plans to improve care delivery and outcomes for high-risk populations, ultimately reducing disparities in access and quality of care.

However, addressing health equity requires a collaborative effort between MA plans and the providers who deliver care to these vulnerable populations. Plans must work closely with healthcare providers, including multispecialty medical groups and integrated delivery systems, to ensure they have the necessary resources, infrastructure, and support to effectively care for high-need populations. This includes appropriate reimbursement structures that reflect the complexity of care for patients facing social risk factors, additional support for care coordination and social services, and investments in data-sharing and population health management tools to identify and address gaps in care. Without this collaboration, providers will continue to face significant challenges in delivering equitable, high-quality care to the populations that need it most.

Supplemental Benefits and Social Drivers of Health (SDOH)

Many AMGA members have leveraged supplemental benefits within MA to address SDOH, improve preventive care, and reduce avoidable hospitalizations. These benefits are critical for managing chronic conditions and improving overall health outcomes. We encourage CMS to continue supporting flexible benefit design, particularly for high-need populations, and to ensure that MA plans have the resources necessary to offer non-medical benefits that address social risk factors. While outside the direct scope of the Advance Notice, AMGA must reiterate its concerns on the use of prior authorization, specifically as it relates to social risk factors. In our recently filed comments on CMS-4208-P, we wrote:

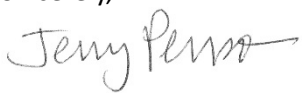
> *Prior authorization (PA) has the potential to negatively affect underserved communities. CMS previously finalized policies requiring MA plans to conduct an annual health equity analysis of their use of prior authorization, based on certain metrics. This analysis involves evaluating the impact of prior authorization policies on enrollees with specified social risk factors (SRFs) at the plan level by comparing metrics related to the use of prior*

authorization for enrollees with SRFs versus those without. Currently, metrics are reported in aggregate for all items and services. Under the proposed rule, MA plans would need to analyze how their prior authorization processes affect beneficiaries with identified social risk factors, comparing them to beneficiaries without such factors. CMS is proposing to require more detail in MA comparisons by examining the data by individual services, instead of looking at the overall impact across all services. While AMGA supports efforts to better identify trends in the use of PA in order to address its impacts on enrollees with specified SRFs, we believe eliminating prior authorization, rather than adding additional measures or evaluations, would better service patients and providers, while also addressing health equity concerns. PA and restrictive coverage policies continue to be significant barriers that contribute to inequitable care access. We are concerned that seeking alternative ways to enhance the annual health equity analysis, while laudable **can lead to further administrative burdens rather than aiding efforts to advance equity in MA program.** *We advocate for expedited approvals and removal of PA policies to alleviate the burden of overly restrictive PA policies on all communities and beneficiaries.*

MA continues to be a vital program for millions of beneficiaries, and AMGA remains committed to working with CMS to strengthen its long-term sustainability. We urge CMS to carefully assess the impact of the proposed changes on patients, providers, and health systems to ensure continued access to high-quality, coordinated care.

We appreciate the opportunity to provide feedback and look forward to continued engagement with CMS on these important issues. Should you have questions, please do not hesitate to contact AMGA's Darryl M. Drevna, senior director of regulatory affairs, at 703.838.0033 ext. 339 or at ddrevna@amga.org.

Sincerely,



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