

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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March 16, 2023

The Honorable Chiquita Brooks-LaSure
Administrator
U.S. Centers for Medicare & Medicaid Services
200 Independence Avenue S.W.
Washington, D.C. 20201

Dear Administrator Brooks-LaSure:

The Committee on Oversight and Accountability is conducting oversight of the Centers for Medicare and Medicaid Services (CMS) 2024 Advance Notice for Medicare Advantage Program released February 1, 2023. According to recent reports, the proposed changes may increase patient premiums by an average of \$45 per month.¹ Further, the removal of more than 2,000 diagnostic codes, including codes related to diabetes and depression, raises serious concerns that the proposed changes may detrimentally impact patient care.² We request a briefing on the impacts of the 2024 Advance Notice for Medicare Advantage Program to understand the proposed changes and their potential impact on millions of Americans.

Medicare Advantage covers more than 30 million seniors providing affordable and comprehensive health coverage.³ The proposed changes would cut Medicare Advantage rate payments by 2.27 percent.⁴ According to an Avalere study, the decrease in average rebates would result in increased premiums nationally by \$45 per month.⁵ In some areas, such as Houston, Texas, premiums could increase by more than \$63 per month.⁶ Further, the proposed changes would remove 2,294 diagnosis codes which may risk inaccurate patient health records by consolidating certain illnesses under a single code.⁷

For many seniors these increases are untenable. Already, inflation during the past two years has driven 1 in 6 retirees to consider returning to work because they cannot afford to live

¹ Jeff Lagasse, *Proposed Medicare Advantage cuts would increase premiums, decrease growth rate, BMA says*, HEALTHCARE FINANCE, (Feb. 15, 2023).

² Robert King, *Optum exec: Medicare Advantage advance notice rule will hurt care for dual eligibles*, FIERCE HEALTHCARE, (Feb. 24, 2023).

³ *Medicare Advantage Enrollment Map*, BETTER MEDICARE ALLIANCE, (2022).

⁴ *Supra* n. 1.

⁵ *Proposed MA Plan Payment Changes May Impact Premiums and Benefits*, AVALERE, (Feb. 15, 2023).

⁶ *Id.*

⁷ Michael Stearns, et. al., *How CMS-HCC Version 28 will impact risk adjustment factor (RAF) scores*, WOLTERS KLUWER, (Feb. 27, 2023).

The Honorable Chiquita Brooks-LaSure

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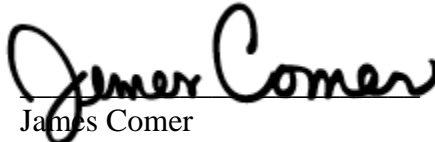
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on their fixed income anymore.⁸ Seniors are paying 11.3 percent more for groceries and 8.7 percent more for energy to heat and cool their homes just in the last 12 month period.⁹ Instead of trying to address the rampant inflationary growth and help seniors, this Administration has chosen to continue to implement policies that will drive up costs. The potential for significant premium increases for Medicare Advantage seniors raises serious concerns about the appropriateness of the changes proposed in the 2024 Advance Notice for Medicare Advantage Program.

To assist the Committee's oversight of the impacts of the 2024 Advance Notice for Medicare Advantage Program, please make arrangements to provide a staff-level briefing as soon as possible but no later than March 23, 2023.

To schedule the briefing or ask any follow-up questions, please contact Committee on Oversight and Accountability Majority staff at (202) 225-5074. The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X.

Sincerely,

A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive, flowing style.

James Comer

Chairman

Committee on Oversight and Accountability

cc: The Honorable Jamie Raskin, Ranking Member
Committee on Oversight and Accountability

⁸ Sarah O'Brien, *1 in 6 retirees are mulling a return to work. What to consider before 'unretiring.'* CNBC, (Feb. 22, 2023).

⁹ *Consumer Price Index*, U.S. BUREAU OF LABOR STATISTICS, (Jan. 2023), available at <https://www.bls.gov/cpi/>.