

Reaffirming The Promise of Medicare Advantage for Nursing Home Care

More seniors are enrolling in Medicare Advantage (MA) than traditional Medicare. More than 35 million Medicare beneficiaries — over half of the Medicare population — are enrolled in Medicare Advantage.¹ While MA offers many benefits appealing to seniors, beneficiaries and providers continue to face persistent challenges across the continuum of care, from gaining timely admission, to maintaining medically necessary stays, to securing appropriate reimbursement after care is delivered.

Increasingly, providers report that large insurer-led MA plans are using prior authorization requirements, retrospective audits, payment delays, and retroactive claim denials to restrict access to medically necessary post-acute and long term care services. These practices create barriers for patients, increase administrative burden on providers, and undermine care coordination and financial stability across the healthcare continuum, especially in post-acute care.

From 2019 to 2022, the top MA insurers denied prior authorization requests for post-acute care more frequently than for other covered services.² At the same time, providers continue to experience delayed payments, lengthy appeals, and retroactive “clawbacks” for services previously approved and delivered. These practices contribute to care disruption and have been associated with increased disenrollment from MA among high-needs beneficiaries in their final year of life, ultimately shifting costs onto taxpayers.³

The Better Way

Seniors have earned the right to have timely access to necessary care and the freedom to make informed decisions about their coverage. Care decisions should be driven by patients and medical professionals, not obscure insurer policies, automated systems, or excessive administrative barriers. Policymakers must increase transparency, foster competition, and improve the MA rating system so seniors can make informed plan choices; ensure patients, policymakers and taxpayers receive value for their investment; and encourage insurers to collaborate with providers through shared savings models that improve outcomes and reduce costs.

Medicare Advantage Improvement Act of 2026 (S. 4384/H.R. 8375)

The bipartisan Medicare Advantage Improvement Act of 2026 represents a significant step towards ensuring MA delivers on its promise to America’s seniors by strengthening key components of MA to better meet long term care needs, including provisions to:

- Protect patients from inappropriate delays and denials;
- Standardize coverage criteria between MA and traditional Medicare;
- Increase transparency surrounding prior authorizations and compliance;
- Penalize plans that fail to meet oversight and compliance benchmarks;
- Reduce administrative burdens through real-time and automated systems;
- Promote prompt payments;
- Prevent retroactive “clawback” of payments for pre-approved, reapproved, and delivered care and services; and
- Strengthen patient access to certain post-acute care providers.

S. 4384/H.R. 8375, the Medicare Advantage Improvement Act of 2026 was introduced by Sen. Roger Marshall (R-KS) & Sen. Sheldon Whitehouse (D-RI) in the U.S. Senate and Rep. John Joyce (R-PA-13) and Rep. Kim Schrier (D-WA-08) in the U.S. House of Representatives with original cosponsors including Rep. Greg Murphy (R-NC-03), Rep. Jimmy Panetta (D-CA-19), Rep. Miller-Meeks (R-IA-01), Rep. Ami Bera (D-CA-06) and Rep. Beth Van Duyne (R-TX-24).

Take Action:

We encourage you to co-sponsor this bipartisan, common-sense solution to reaffirm the promise of Medicare Advantage and protect access to care for millions of seniors.

Sources:

1 - ‘Medicare Advantage in 2025: Enrollment Update and Key Trends,’ <https://www.kff.org/medicare/medicare-advantage-enrollment-update-and-key-trends/>

2 - ICYMI: Senate Investigative Report Finds Medicare Advantage Beneficiaries Denied Post-Acute Care By Nation’s Largest Insurers <https://www.ahcancal.org/News-and-Communications/Press-Releases/Pages/ICYMI-Senate-Investigative-Report-Finds-Medicare-Advantage-Beneficiaries-Denied-Post-Acute-Care-Nations-Largest-Insurers.aspx>

3 - The Sickest Patients Are Fleeting Private Medicare Plans – Costing Taxpayers Billions <https://www.ahcancal.org/News-and-Communications/Press-Releases/Pages/ICYMI-Senate-Investigative-Report-Finds-Medicare-Advantage-Beneficiaries-Denied-Post-Acute-Care-Nations-Largest-Insurers.aspx>



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