

Medicare Advantage: Prior Authorization

THE BETTER WAY

REAFFIRMING THE PROMISE OF MEDICARE ADVANTAGE FOR NURSING HOME CARE: PRIOR AUTHORIZATION PROPOSALS

The number of Medicare-eligible seniors choosing to enroll in Medicare Advantage (MA) plans has experienced significant growth over the past two decades. In 2007, fewer than 20 percent of Medicare-eligible seniors chose MA plans, and by 2025, 54 percent of enrollees have opted for MA plans, in part due to the appealing perks and additional benefits not available in traditional Medicare. To access and ensure coverage for the post-acute care (PAC) benefits provided by their MA plan, enrollees must have prior authorization (PA). The process of receiving PA varies across MA plans, creating unnecessary administrative burden and increasing the chances of denials or delays in care due to technicalities, and often leave beneficiaries at risk for having no access to care.

Alarming, a large proportion of PA requests for PAC services are initially denied and later reversed upon appeal. A 2025 study published in Health Affairs found that 57 percent of all MA claim denials were ultimately overturned, with non-inpatient institutional settings having the highest rate of initial claim denials. In 2024, the U.S. Senate Permanent Subcommittee on Investigations examined PA requests for PAC services and found that major national MA insurers denied PAC requests at rates up to 16 times higher than for other non-PAC services. Similarly, a report from the Office of Inspector General (OIG) revealed that MA plans overturned 75 percent of their own denials during the initial appeal stage. These statistics suggest that many initial audit decisions are flawed, procedurally inconsistent, or lack sufficient clinical justification.

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Ensuring beneficiaries have timely access to medically necessary care requires a better approach to prior authorization across MA plans. This includes:

- **Standardization and Streamlining:** A uniform submission format and documentation checklist to reduce delays and errors.
- **Transparency:** Clear, consistent criteria and oversight for plans and delegated entities.
- **Urgent Designation for SNF and PAC Approvals:** Treat these as emergent to prevent unnecessary hospital stays. Currently, MA enrollees wait an average of four extra hospital days for SNF approval, increasing risks of complications and costs.

A standardized, transparent PA process will improve efficiency, reduce administrative burden, and allow providers to focus on care—helping MA plans deliver on their promise of timely access to necessary services.

Sources:

- KFF, "[Medicare Advantage in 2024: Enrollment Update and Key Trends](#)," July 28, 2025
- U.S. Senate Permanent Subcommittee on Investigations, "[Refusal of Recovery: How Medicare Advantage Insurers Have Denied Patients Access to Post-Acute Care](#)," October 17, 2024