



March 14, 2023

Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
200 Independence Avenue, SW, Room 445-G
Washington, DC 20201

Dear Administrator Brooks-LaSure:

Thank you for all of your leadership in protecting health care access for the more than 30 million seniors and people with disabilities who choose Medicare Advantage. As stakeholders, we want to recognize the efforts of this Administration to improve Medicare Advantage for seniors and people with disabilities.

As we continue to assess the impact of the Centers for Medicare & Medicaid Services (CMS) CY 2024 Advance Notice we want to express concern over the policy changes to risk adjustment that will jeopardize the progress made in advancing health equity, addressing chronic disease, and delivering high-value, high-quality care. For these reasons, we are requesting that the CMS reconsider the implementation of the risk adjustment model changes and allow time for stakeholders to fully understand the impact these changes will have on Medicare Advantage beneficiaries, especially those with multiple chronic conditions and social risk factors.

A recent analysis by Avalere shows the impact CMS's 2024 Advance Notice could have on beneficiary premiums and benefits, with an average reduction of \$540 per beneficiary per year and higher impacts in many underserved metropolitan communities.¹ We are concerned that the biggest impact could be on our most vulnerable seniors, including beneficiaries dually eligible for Medicare and Medicaid and those in chronic condition special needs plans. Many seniors and those with disabilities live on a fixed income—over 52% of Medicare Advantage beneficiaries report an annual income of less than \$25,000 per year.² For those living on a fixed income, \$540 per year in reduced benefits or increased costs can drastically impact their ability to afford rent, food, transportation, internet, and other basic costs, particularly in an inflationary economic environment.

Further, 53% of Latino Medicare beneficiaries and 50% of Black Medicare beneficiaries are enrolled in Medicare Advantage.³ The Asian and Pacific Islander community continues to grow too; over

¹ Avalere. Proposed MA Plan Payment Changes May Impact Premiums and Benefits. February 2023. Available at: <https://avalere.com/insights/proposed-ma-plan-payment-changes-may-impact-premiums-and-benefits>

² Better Medicare Alliance. Medicare Advantage Outperforms Fee-for-Service Medicare on Cost Protections for Low-Income and Diverse Populations. April 2022. Available at: https://bettermedicarealliance.org/wp-content/uploads/2022/04/BMA-MedicareAdvantage-Cost-Protections-Data-Brief_FINv2.pdf

³ Better Medicare Alliance. Medicare Advantage Offers High Quality Care and Cost Protections to Racially and Ethnically Diverse Beneficiaries. June 2021. Available at: https://bettermedicarealliance.org/wp-content/uploads/2021/06/BMA_2021-Q2-Data-

900,000 API beneficiaries choose Medicare Advantage.⁴ Over 33% of Medicare Advantage beneficiaries are minorities, compared to just 16% in FFS Medicare.⁵ The Medicare Advantage model and flexibilities enable providers to have more comprehensive, frequent visits with their patients. This leads to chronic and life-threatening diseases being diagnosed earlier and having greater access to benefits that can change lifestyles and improve health status. For example, one recent study found that Medicare Advantage patients with prediabetes and develop type 2 diabetes are diagnosed nearly five months earlier on average than those enrolled in FFS Medicare and those with chronic diabetes have fewer hospitalizations and more preventative care.⁶

The CY 2024 Advance Notice proposes changes and the elimination of over 2,200 unique codes from the Hierarchical Condition Category (HCC) model without information as to the standards and reasoning used to determine coding variations. Downgrading and eliminating the codes used by clinical physicians in diagnosing conditions such as depressive disorder, diabetes with chronic conditions, vascular disease, and rheumatoid arthritis and inflammatory connective tissue disease may disrupt the care of thousands of beneficiaries, especially those from communities of color, who seek care to prevent or reduce the impact these conditions have on their lives.

The changes CMS proposes in the CY 2024 Advance Notice threatens the advancements and achievements made over the last decade that could disproportionately impact the very populations CMS seeks to protect and support.

Based on these concerns, we urge CMS to reconsider the proposed risk adjustment model and not move forward with these changes for the 2024 plan year. Instead, we encourage CMS to work with all stakeholders to assess the impacts these proposals will have on beneficiaries, especially vulnerable population whose needs are best served by the coordinated care models under Medicare Advantage. Any proposals finalized for future implementation based on a thorough review of stakeholder input should be phased in over multiple years to maintain program stability for beneficiaries.

Sincerely,



Elena Rios, MD, MSPH, MACP
President and CEO
National Hispanic Medical
Association



Joy D. Calloway, MBA, MHSA
Executive Director
National Medical Association



Juliet K. Choi
President and CEO
Asian & Pacific Islander
American Health Forum

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⁴ Analysis of CMS Master Beneficiary Summary File, March 2022.

⁵ Center for Innovation in Medicare Advantage. Positive Outcomes for High-Need, High-Cost Beneficiaries in Medicare Advantage Compared to Traditional Fee-for-Service Medicare. December 2020. Available at: <https://bettermedicarealliance.org/wpcontent/uploads/2020/12/BMA-High-Need-Report.pdf>

⁶ Avalere. Comparing Detection, Treatment, Outcomes, and Spending for Patients with Type 2 Diabetes Between Medicare Advantage and Fee-for-Service Medicare. January 2023. Available at: <https://avalere.com/wp-content/uploads/2023/01/DiabetesProgression-Whitepaper.pdf>