

**Congress of the United States**  
**Washington, DC 20515**

March 25, 2024

The Honorable Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare & Medicaid Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Administrator Brooks-LaSure:

We write to express our strong support for Medicare Advantage and the high-quality care it provides to over 32 million seniors and individuals with disabilities. We thank you for your stewardship of the Medicare program, including Medicare Advantage, and recognize the Centers for Medicare and Medicaid Services' (CMS) recent and ongoing work to address quality, payment, prior authorization, and marketing practices to strengthen the program for the millions of seniors we represent who have chosen Medicare Advantage for affordable, high-quality care.

CMS recently proposed Medicare Advantage payment rates for 2025 and we have concerns that the proposal does not fully account for the current medical utilization and cost trends for seniors. As CMS considers final Medicare Advantage payment rates for 2025, we encourage the agency to use more recent and complete data to update final payment rates to fully reflect higher medical utilization trends, the reality of how seniors are accessing care, and minimize the abnormalities of COVID trends on future projections to ensure stability for the millions of seniors who rely on Medicare Advantage.

Medicare beneficiaries delayed care due to the COVID-19 pandemic and are now accessing health care services at increased and sustained rates. A recent survey of Medicare Advantage plans shows that beneficiaries' total medical expenses in 2023 increased quarterly by an average of more than 7 percent compared to the previous year.<sup>1</sup> The health care services with the highest increases in utilization were outpatient surgery, emergency room visits, and general outpatient care.<sup>2</sup> According to CMS's Office of the Actuary, these increased medical cost trends are projected to continue in 2025, with an estimate that Medicare spending growth will be nearly 9 percent.<sup>3</sup> In addition, a recent analysis estimates that CMS's Medicare utilization trend should be between 4 and 6 percent for 2025, which is substantially higher than CMS's proposed 2.44 percent growth rate in the Advance Notice.<sup>4</sup> Similarly, providers are also experiencing an increase in Medicare beneficiaries accessing care with nearly nine out of ten providers reporting an increase in demand for care.<sup>5</sup> Growing evidence suggests these increased medical utilization and cost trends are likely to continue, which are considerably higher than the payment changes CMS is proposing to cover the cost of medical care for Medicare Advantage beneficiaries in 2025.

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<sup>1</sup> AHIP. "Medical Expense and Utilization in Medicare Advantage in 2023." February 2024.

<https://www.ahip.org/resources/medical-expense-and-utilization-in-medicare-advantage-during-2023>

<sup>2</sup> Ibid.

<sup>3</sup> CMS Office of the Actuary. "2022-2031 National Health Expenditure Projections." June 2023. [CMS Office of the Actuary Releases 2022-2031 National Health Expenditure Projections | CMS](#)

<sup>4</sup> Berkeley Research Group (BRG). "MA Advance Notice Does Not Offset Rising Medical Costs and Could Lead to Reduced Healthcare Value for Beneficiaries." February 2024. <https://www.thinkbrg.com/insights/publications/ma-advance-notice-does-not-offset-rising-medical-costs/>


<sup>5</sup> J. Wallin Opinion Research. "The New Normal: Seniors' Increased and Ongoing Demand for and Utilization of Healthcare." February 2024. [J. Wallin Opinion Research - Nationwide Physicians Survey - Strategic Memorandum \(strongandstablema.com\)](#)

Seniors rely on Medicare Advantage for its affordable, high-quality care that focuses on care coordination and preventative care to improve health outcomes. Additionally, Medicare Advantage enables beneficiaries access to enhanced benefits including dental, vision, and hearing, and provides social determinants of health needs such as nutrition, telehealth, transportation, and in-home care. Medicare Advantage also supports an increasingly diverse population with complex health needs, and over half of beneficiaries live on less than \$25,000 per year.<sup>6</sup> At a time of increased health care costs, it is essential to protect stable access to these vital benefits for seniors.

Today, Medicare Advantage serves over 50 percent of the Medicare population, and it is critical to ensure payment stability to protect this important choice for current and future Medicare beneficiaries. We look forward to continuing to partner with CMS to protect and strengthen Medicare Advantage including new policies to build on the regulation of marketing practices, modernize prior authorization, and improve provider directories to enhance the beneficiary experience and support timely access to care.


We ask that the Administration finalize Medicare Advantage rates for 2025 utilizing the levers at your discretion to reflect beneficiaries' higher medical utilization and increased health care cost trends to ensure over 32 million seniors who choose and rely on Medicare Advantage maintain stable access to the affordable, high-quality care our constituents currently receive.

Sincerely,



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Henry Cuellar  
Member of Congress




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Steven Horsford  
Member of Congress



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Darren Soto  
Member of Congress



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Troy A. Carter, Sr.  
Member of Congress

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<sup>6</sup> ATI. "Medicare Advantage Outperforms Fee-for-Service Medicare on Cost Protections for Low-Income and Diverse Population. April 2022. <https://atiadvisory.com/resources/medicare-advantage-outperforms-fee-for-service-medicare-on-cost-protections-for-low-income-and-diverse-populations/>



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Joseph D. Morelle  
Member of Congress



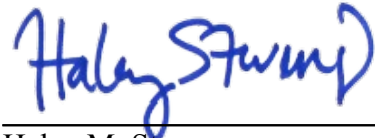
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Vicente Gonzalez  
Member of Congress



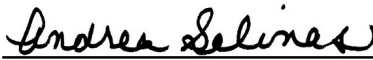
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Donald G. Davis  
Member of Congress



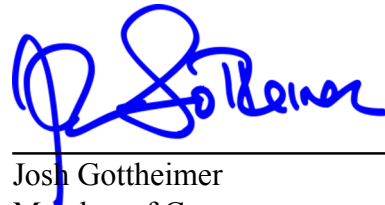
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Haley M. Stevens  
Member of Congress



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Andrea Salinas  
Member of Congress



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Josh Gottheimer  
Member of Congress



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Raul Ruiz, M.D.  
Member of Congress



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Chrissy Houlahan  
Member of Congress



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Ami Bera, M.D.  
Member of Congress



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Ed Case  
Member of Congress



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Thomas R. Suozzi  
Member of Congress



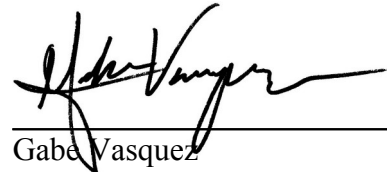
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Scott H. Peters  
Member of Congress



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Jared Moskowitz  
Member of Congress



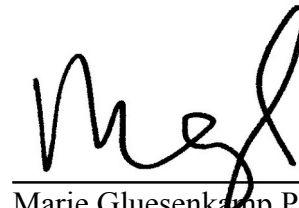
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Gabe Vasquez  
Member of Congress



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Susie Lee  
Member of Congress



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Marie Gluesenkamp Perez  
Member of Congress



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Jim Costa  
Member of Congress



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Colin Z. Allred  
Member of Congress



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Julia Brownley  
Member of Congress



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Emilia Strong Sykes  
Member of Congress