

# RECENT REFORMS TO THE MEDICARE ADVANTAGE PROGRAM, BY POLICY AREA 2024

POLICY AREA	RECENT ACTION	EFFECTIVE DATE	STATUS
<b>Interoperability and Prior Authorization</b>	Requiring health plans to answer expedited prior authorization requests within 72 hours and answer standard requests within seven calendar days.	2024	Implemented / Effective
<b>Value-Based Insurance Design (VBID) Model</b>	Concluding the hospice benefit component of the VBID Model. Implementing a competitive application process and releasing the VBID Model application screening and scoring process and rubric.	2024	Implemented / Effective
<b>Supplemental Benefits</b>	CMS is requiring plans to submit evidence on SSBICI offerings for the 2025 bid cycle. CMS is also requiring plans to notify beneficiaries about unused supplemental benefits.	2024	Preparation / In Progress
<b>Medicare Prescription Payment Plan (Part D OOP Cost Smoothing)</b>	CMS has released multiple guidances on the implementation of the Medicare Prescription Payment Plan.	2025	Preparation / In Progress
<b>Marketing and Communication Practices</b>	Implementing additional beneficiary data protections and has changed compensation policies for agents and brokers. In the CY2025 Final Rule, CMS finalized a provision that requires each third-party marketing organization to obtain written consent from a beneficiary before sharing their personal beneficiary data with other legal entities for marketing or enrollment purposes. Contract terms must protect agent and broker objectivity. Payments related to enrollment (including administrative payments) are now included in the definition of compensation, and the FMV rate will be increased by \$100 to account for administrative costs. <small>Note: Implementation of marketing regulations finalized in the CY 2025 final rule, including agent and broker compensation, has been paused in accordance with ongoing legal action.</small>	2025	Preparation / In Progress
<b>Special Needs Plans (SNPs)</b>	Clarifying C-SNP definitions and added network adequacy exceptions for I-SNPs. For D-SNPs, CMS has implemented new policies to promote integrated care for dual-eligible beneficiaries and limit their cost-sharing responsibilities.	2025	Preparation / In Progress
<b>Phase-In of Direct Graduate Medical Education</b>	Changing the year 2 phase-in percentage for the medical education technical adjustment from 67% (as stated in the CY 2024 Rate Announcement) to 52%, as directed by the Secretary. Larger phase-in percentages in the future may impact plan payments.	2025	Preparation / In Progress
<b>Network Adequacy</b>	Expanding network adequacy by adding a new facility-specialty type "Outpatient Behavioral Health" that includes marriage and family therapists, mental health counselors, opioid treatment programs, or other behavioral health and addiction medical specialists and facilities.	2025	Preparation / In Progress
<b>Utilization Management (UM) Committees</b>	Expanding upon the new UM committees, CMS will require at least one member to have health equity expertise and an annual health equity report to be published.	2025	Preparation / In Progress
<b>Universal Foundation</b>	Intending, according to the CY2025 Rate Announcement, to move forward with developing a "Universal Foundation," or subset of quality measures in the Star Ratings pending future rulemaking.	TBD	Preparation / In Progress
<b>Transparency</b>	CMS is seeking stakeholder comments on strategies to optimize Medicare Advantage data capabilities and increase public transparency, aiming to better serve Medicare beneficiaries' needs, ensure timely access to care, utilize taxpayer funds responsibly, and foster competition.	TBD	Preparation / In Progress