

Statement for the Record

Submitted to the

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Subcommittees on Oversight and Health****Hearing on**

Medicare Advantage: Past Lessons, Present Insights, Future Opportunities

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Better Medicare Alliance appreciates the opportunity to submit this statement for the record in connection with the House Ways and Means Subcommittees on Health and Oversight hearing, *Medicare Advantage: Past Lessons, Present Insights, Future Opportunities*.

Better Medicare Alliance (BMA) is the leading research and advocacy organization supporting Medicare Advantage, backed by a coalition of more than 200 Ally organizations and 1,000,000 grassroots advocates nationwide. Our diverse Alliance includes community-based organizations, health care providers, aging services agencies, health plans, and beneficiaries themselves — all committed to strengthening Medicare Advantage as an essential component of the Medicare program.

Today, more than 34 million Americans — more than half of all Medicare beneficiaries — choose Medicare Advantage. Their reasons are clear and compelling: Medicare Advantage offers more affordable, comprehensive, high-quality and coordinated care options than Fee-For-Service Medicare, while driving better health outcomes and delivering greater value to taxpayers.

As policymakers consider the future of Medicare Advantage, BMA welcomes thoughtful engagement to ensure the program remains accountable, responsive to beneficiaries, and financially sustainable. At the same time, it is important to ground these discussions in the real experiences of seniors and the wealth of data showing that Medicare Advantage is delivering on its promise.

Medicare Advantage: A Program Chosen and Trusted by Beneficiaries

Medicare Advantage is not merely an alternative to traditional Medicare: It has become the primary and preferred choice for Medicare beneficiaries to deliver affordable, high-quality care that meets their individual needs. Enrollment in Medicare Advantage has doubled over the last

decade, and 95% of beneficiaries report being satisfied with their health care quality, according to an [annual report](#) from BMA.

Beneficiaries choose Medicare Advantage because it is not one-size-fits-all. Medicare Advantage empowers them to select plans that align with their health needs, lifestyle, and budget — all while providing benefits that Fee-For-Service Medicare does not offer, such as dental, vision, and hearing coverage, in addition to wellness benefits including transportation services, nutrition support, fitness memberships, and more. These benefits keep seniors healthier and out of the hospital, bringing down costs to the system and enabling seniors to live richer, more independent lives.

Medicare Advantage Provides Affordability and Peace of Mind for Beneficiaries

Because Medicare Advantage delivers care more efficiently than traditional Fee-For-Service Medicare, beneficiaries receive comprehensive and holistic benefits, while paying less than Fee-For-Service Medicare. According to [a recent analysis](#) by ATI Advisory, Medicare Advantage beneficiaries spend an average of \$3,486 or 46% less annually in total health care costs, including premiums and out-of-pocket expenses, compared to those in Fee-For-Service Medicare. For 52% of Medicare Advantage beneficiaries who live at or below 200% of the Federal Poverty Level, these savings are not just helpful — they are transformative.

Medicare Advantage also offers financial protections that do not exist in Fee-For-Service Medicare, including limits on out-of-pocket spending. Beneficiaries consistently cite affordability as a primary reason for choosing Medicare Advantage, with satisfaction at [96%](#) according to recent national polling conducted by the Winston Group for BMA.

Delivering Superior Health Outcomes and Preventive Care

Medicare Advantage provides greater affordability for beneficiaries and delivers meaningful improvements in health outcomes. A [recent analysis](#) by Berkeley Research Group found that Medicare Advantage beneficiaries across diverse populations receive more preventive services — including cancer and cardiovascular screenings — and experience lower rates of avoidable hospitalizations compared to those in Fee-For-Service Medicare.

Unlike the volume-based care model of Fee-For-Service Medicare, Medicare Advantage takes a holistic approach that prioritizes prevention, care coordination, and early intervention. This approach helps keep seniors healthier, better supported in [managing chronic conditions](#), and out of the hospital — delivering benefits for both beneficiaries and the broader health care system. Medicare Advantage's value-based approach to care has demonstrated superior outcomes for managing and minimizing disease progression in chronic conditions. For example, a [study](#) conducted by Avalere Health finds that Medicare Advantage patients with diabetes have better outcomes on certain measures, including higher prescription fill rates, lower rates of inpatient hospitalizations, fewer emergency department visits, and lower total medical spending as compared to similar diabetes patients enrolled in Fee-For-Service Medicare. The study also found that patients with prediabetes who developed type 2 diabetes received their

diagnosis earlier (relative to when they were diagnosed with prediabetes) in Medicare Advantage than Fee-For-Service Medicare and had a lower diabetes severity score.

For seniors, more preventive care means better health and peace of mind. Beneficiaries in BMA's grassroots network called the impact "immeasurable," saying Medicare Advantage enables them to "be more proactive about my health." As Joyce L. of Lansdale, Pennsylvania, told us: "I don't know what I'd do without Medicare Advantage."

Value for Taxpayers and the Medicare System

This patient-centered, integrated care model not only improves seniors' quality of life but also reduces unnecessary health care utilization and costs — creating a win for beneficiaries and the Medicare program as a whole.

A [recent analysis](#) by the Elevance Health Public Policy Institute found that between 2012 and 2021, increased Medicare Advantage enrollment was associated with up to \$144 billion in savings for total Medicare spending. These savings stem from Medicare Advantage's emphasis on preventive care, care coordination, and more efficient use of health care services. Additionally, a report by [Milliman](#), finds that because Medicare Advantage plans are required to offer actuarially equivalent coverage as Fee-For-Service Medicare; while offering additional benefits as well, they are able to do this at a lower overall cost to both the federal government and the beneficiary.

Serving a More Diverse and Complex Beneficiary Population

Medicare Advantage continues to experience strong growth among vulnerable beneficiaries with complex health and socioeconomic needs, often in struggling communities.

Medicare Advantage continues to grow in rural areas, with [40%](#) of all eligible Medicare beneficiaries in rural counties enrolled in Medicare Advantage — almost four times the share in 2010. This growth is a clear indication of the program's appeal to populations seeking more comprehensive, affordable care. Medicare Advantage provides in-home supports and telehealth services not available in Fee-For-Service Medicare that better meet the needs of beneficiaries living in rural areas.

More than 30% of Medicare Advantage beneficiaries are Black, Latino, or Asian, compared to 18.4% in Fee-For-Service Medicare. Notably, 65% of Latino Medicare beneficiaries and 64% of Black beneficiaries are enrolled in Medicare Advantage.

Medicare Advantage also serves a higher share of dual-eligible beneficiaries, with 62.5% choosing Medicare Advantage. These individuals often face heightened clinical and social needs, requiring coordinated care strategies that Fee-For-Service Medicare is less equipped to provide.

Medicare Advantage's integrated, flexible care model enables plans to meet these needs by offering benefits like transportation services, in-home support, and care management programs designed to improve health outcomes and help beneficiaries maintain independence. This structure positions Medicare Advantage to effectively serve a population that is growing more diverse and medically complex each year.

Policy Priorities to Strengthen Medicare Advantage and the Path Forward

As Medicare Advantage enrollment continues to grow and serve an increasingly diverse, high-need population, all stakeholders have a responsibility to ensure the program remains sustainable, accountable, and responsive to beneficiaries' holistic health care needs.

Better Medicare Alliance supports a policy and modernization agenda that strengthens Medicare Advantage through thoughtful, data-driven improvements, not blunt changes that risk unintended harm to beneficiaries.

1. Preserve Payment Stability and Support Value-Based Care

Stable, predictable payments are critical to sustaining Medicare Advantage's investments in coordinated care, supplemental benefits, and chronic disease management. Proposals like the *No UPCODE Act* present real risks to this foundation. While promoted as a payment accuracy measure, the legislation would prohibit diagnoses identified through chart reviews and in-home health assessments from contributing to risk adjustment. This change would undercut a key clinical tool that helps identify unmanaged conditions, fall risks, and unmet social needs — especially among homebound and medically complex beneficiaries.

Moreover, the *No UPCODE Act* would impose a two-year diagnostic lookback, delaying recognition of newly diagnosed conditions, and authorizing blunt payment adjustments that ignore the care delivery differences between Medicare Advantage and Fee-For-Service Medicare. Independent analyses estimate the legislation could result in \$62 billion in reduced payments to Medicare Advantage over ten years, leading to higher premiums, fewer supplemental benefits, and weakened disease management programs.

2. Strengthen In-Home Health Assessments for Chronic Disease Management

Rather than eliminating in-home health assessments from risk adjustment, BMA believes they should be modernized to better serve beneficiaries and enhance program accountability. Each year, millions of in-home assessments are performed by physicians, nurse practitioners, and physician assistants. These visits go beyond what is typically captured in a primary care setting, offering a comprehensive picture of a beneficiary's health, home safety, and support needs to provide and recommend a more holistic care experience and next steps.

To enhance the value of in-home health assessments, BMA recommends:

- **Promoting enhanced follow-up care**, by requiring Medicare Advantage plans to connect beneficiaries with appropriate services based on assessment findings, such as weight management, home modifications, telehealth, medication reviews, and referrals to community resources.
- **Mandating coordination with primary care providers (PCPs)**, including sharing in-home health assessment findings (with beneficiary consent) and assisting in scheduling wellness visits or follow-up evaluations when a PCP is not already assigned.
- **Strengthening program integrity and oversight**, including required documentation of follow-up actions, integration of in-home health assessment data into case management systems, and collection of standardized data on medication reviews, follow-up rates, and participation in disease management programs.
- **Standardizing the clinical model for in-home health assessments** based on established CMS best practices, ensuring assessments include medication reconciliation, environmental safety checks, and enrollment in appropriate care programs — all backed by audit and documentation requirements.

These reforms will help ensure that in-home health assessments remain a robust and reliable mechanism for early detection, chronic disease management, and care coordination — rather than an administrative exercise detached from clinical outcomes.

3. Promote Transparency and Modernize Prior Authorization

Medicare Advantage's success relies on maintaining beneficiaries' access to timely care. BMA [strongly supports](#) bipartisan efforts to modernize prior authorization, including the *Improving Seniors' Timely Access to Care Act*, which would implement electronic prior authorization and promote faster, clearer communication between plans, providers, and beneficiaries. We also welcomed the [recent commitment by health insurers and the administration to streamline](#), simplify, and reduce prior authorizations, including for Medicare Advantage beneficiaries. These changes keep our promise to beneficiaries to strengthen the Medicare Advantage program.

4. Ensure Program Integrity with Accurate and Appropriate Oversight

Better Medicare Alliance has long supported strengthening program integrity in Medicare Advantage. We believe that ensuring accurate payments and safeguarding against misuse are essential to sustaining the program's long-term success — but these efforts must be precise, data-driven, and designed to protect beneficiaries' access to comprehensive care.

We welcomed CMS's announcement earlier this year to expand Risk Adjustment Data Validation (RADV) audits, applying reviews more broadly across Medicare Advantage plans. This is a positive and necessary step to reinforce program accountability, and we look forward to working with the Administration to ensure these expanded audits are implemented effectively and accurately.

At the same time, we caution against payment reforms that indiscriminately penalize plans or restrict legitimate clinical tools like chart reviews and in-home health assessments, as proposed under the *No UPCODE Act*. Program integrity must complement, not compromise, care delivery innovations that enable early intervention and coordinated management of chronic disease.

Smart oversight, paired with modernized clinical standards and data transparency, will help Medicare Advantage continue delivering value to beneficiaries and taxpayers alike.

Conclusion

Medicare Advantage is an example of what's working in American health care. It empowers seniors with choice, delivers better outcomes, and saves money for both beneficiaries and taxpayers. As with any program, there is room for growth and improvement — but Medicare Advantage is working well for the vast majority of those it serves, and it is worthy of thoughtful stewardship, not blunt reform.

BMA remains committed to working with Congress, the Administration, and other stakeholders to advance policies that strengthen Medicare Advantage, enhance oversight, and preserve the affordability, innovation, and quality that beneficiaries expect.

We thank the Subcommittees for convening this important hearing and for their ongoing attention to the future of Medicare Advantage. BMA stands ready to support efforts that protect and improve this vital program for today's beneficiaries and the generations to come.