



Leveling the Medicare Advantage Playing Field for Rural Hospitals and Clinics

ISSUE

Growing enrollment in private Medicare Advantage plans is disrupting care for rural seniors, creating onerous administrative burdens for health care providers, and destabilizing rural hospitals' finances.

For healthy seniors in large metro areas who have predictable and minimal health care needs and sufficient financial resources, Medicare Advantage plans may be a prudent coverage choice. For more vulnerable rural seniors, however, these plans often fail to deliver what they promise, creating financial hardship and delaying -- and even denying access to -- medically necessary care.



13% of Denied Claims for Medicare Advantage Enrollees 
According to the OIG  Would Have Been Covered by Traditional Medicare

"I had a patient situation that was going from bad to worse. A patient needed inpatient care immediately, **but we had to wait on his MA plan to approve the admission.** Our case manager had to call the plan several times to follow up on the request for approval and was told the plan had up to 14 days to consider the authorization approval. What was I supposed to tell the patient? 'Go home and we'll let you know when your insurance says you can receive care?' **If MA plans have up to 14 days to approve an admission, we have a very large problem indeed in the care provided to Medicare patients.**"

-Rural Hospital CEO



There are solutions.

To make Medicare Advantage more effective at delivering on Medicare's promise for seniors and be a better partner with rural hospitals at achieving Medicare's strategic aims for "equitable, high quality, and whole-person care that is affordable and sustainable," TORCH recommends the following legislative and regulatory solutions:

- 1** Require MA plans to recognize Medicare rural extender programs, including the low-volume hospital adjustment Medicare-dependent hospital designation.
- 2** Require MA plans to publish how their utilization management guidelines and practices differ from those for traditional Medicare.
- 3** Develop and enforce a penalty structure for MA plans that consistently fail to pay providers timely and correctly.
- 4** Require MA plans to reimburse hospitals for services at an amount at least equal to current Medicare rates for approved services.
- 5** Standardize the complaint process for hospitals and other providers experiencing payment delays or denials.
- 6** Collect and publish data regularly on prior authorization denial rates and payments for common procedures for every MA plan compared with traditional Medicare.
- 7** Issue standards so that approval or denial of prior authorization requests are timely and available overnight and on weekends.
- 8** Allow rural hospitals with a track record of quality outcomes and history of low denial rates to be exempt from cumbersome prior authorization processes.

Rural seniors deserve access to timely, affordable care in their home communities.

Rural hospitals deserve a reliable payer partner.

Contact us to learn more about leveling the playing field for rural seniors and hospitals >>

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