

REGULATORY BRIEF

MEDICAL GROUP MANAGEMENT ASSOCIATION

RULE: 2024 Medicare Advantage/Part D Proposed Rule
STAGE: Proposed
AGENCY: Centers for Medicare & Medicaid Services (CMS)
TOPIC: Prior Authorization
SCOPE: Medicare Advantage (Coordinated Care Plans)



SUMMARY

This proposed rule, in part, seeks to address concerns from a 2022 Office of Inspector General (OIG) report which found that 13% of prior authorization requests denied by Medicare Advantage plans met Medicare coverage rules and 18% of payment request denials met Medicare and Medicare Advantage billing rules. Prior authorization reform is a longstanding priority for MGMA and increasing prior authorization requirements are routinely identified among the top administrative challenges facing medical groups. This proposed rule is a positive step in addressing problematic prior authorization practices in Medicare Advantage, but there remains much work to be done to effectively reform prior authorization in both the Medicare Advantage and commercial space.

MGMA KEY RECOMMENDATIONS TO CMS

- Finalize many of the prior authorization proposals in this rule that address our long-established concerns. Prior authorization is routinely the most burdensome issue facing medical group practices.
- Apply the proposed clinical validity and transparency of coverage criteria policies beyond the current scope to include prescription drugs.
- Establish and implement an oversight plan that will hold plans accountable for noncompliance.
- Include additional prior authorization reforms in future rulemaking, such as eliminating step therapy, requiring gold-carding programs, and exempting medical groups participating in value-based models from prior authorization requirements.

NEXT STEPS

CMS will review comments that were submitted before the Feb. 13, 2023, deadline and likely issue a final rule this year. We believe that if CMS largely finalizes these prior authorization proposals, it will be a step in the right direction to reforming problematic prior authorization practices in Medicare Advantage.

RELATED LINKS

- [MGMA's comments](#)
- [2024 Medicare Advantage/Part D Proposed Rule](#)
- [CMS fact sheet](#)
- [2022 OIG report](#)
- [MGMA's 2023 position paper on prior authorization](#)