

Top health insurance group outlines plans to protect Medicare Advantage

BY KELLY HOOPER | 08/13/2024 08:00 AM EDT



AHIP plans to tout the benefits of Medicare Advantage over traditional fee-for-service Medicare. | Spencer Platt/Getty Images

The top trade group for health insurers is mounting a seven-figure lobbying blitz to ward off congressional scrutiny of Medicare Advantage and have the government pay higher rates to the privately run alternative to Medicare.

Beginning next month, AHIP — which represents the nation’s leading health insurers — plans to tout the benefits of Medicare Advantage over traditional fee-for-service Medicare through new digital advertising, a social media campaign, and encouraging older Americans to head to their district offices to buttonhole representatives.

The campaign will convey a simple message: Medicare Advantage gives seniors better health care at lower costs, and should be protected.

“We’re going to be doing everything we can to make sure that policymakers across the political spectrum can be introduced to these seniors and hear their stories and learn

firsthand how passionately Medicare Advantage beneficiaries feel about their coverage,” AHIP CEO Mike Tuffin said in an interview with POLITICO.

Why it matters: AHIP’s members want more favorable payment rates from the federal government in 2026. Medicare Advantage insurers [have complained about the Centers for Medicare and Medicaid Services’ final payment rate notice](#) for 2025, arguing the 3.7 percent increase is insufficient to address rising medical costs.

The group hopes lawmakers will push CMS for a higher payment rate.

Insurers have flagged during recent earnings calls that medical costs among seniors continue to rise as enrollees receive care they may have delayed during the Covid pandemic. CVS Health was the latest health care giant to point to cost pressures in Medicare Advantage last week, [announcing a major leadership shake-up](#) to address the pressures in the program.

AHIP’s lobbying blitz comes as Congress takes a closer look at Medicare Advantage and the frequency with which insurers deny care to patients. Some [hospitals have dropped Medicare Advantage plans](#), citing high rates of prior authorization denials and payment delays. The allegations [have drawn concern](#) from a bipartisan group of lawmakers, some of whom [have urged CMS to prohibit](#) insurers from using artificial intelligence to deny care until the agency reviews the accuracy of the tools being used to issue denials.

Tuffin said AHIP plans to counter by touting Medicare Advantage enrollees’ high satisfaction rate with their plans. He added that AHIP welcomes discussions with Congress on speeding up the prior authorization process, but noted that it’s a “two-way street” with health care providers that may need to update their technology to speed along the process.

“While prior authorization is an important issue, it feels at times it’s more of an issue for some on K Street, and less so for the seniors in the program themselves,” he said.

Key context: In a [February survey from the Commonwealth Fund](#), 96 percent of Medicare Advantage enrollees said coverage met their expectations, compared with 93 percent of traditional Medicare enrollees. But larger shares of Medicare Advantage enrollees reported delays in getting care because of prior authorization and not being able to afford care because of copayments or deductibles, according to the survey.

About 33 million people are enrolled in a Medicare Advantage plan, accounting for more than half of the eligible Medicare population. Most Medicare Advantage plans offer extra benefits not included in traditional Medicare, such as coverage for dental or vision services.

What’s next: After Labor Day, AHIP will host virtual town halls for seniors to share their experiences with Medicare Advantage with their congressional representatives and launch digital advertising and social media campaigns pointing out the affordability and benefits of the program.

Tuffin said the group will continue engaging with key committees in Congress, including Senate Finance, House Energy and Commerce and House Ways and Means, to fend off cuts to payments and defend the program against allegations that it is denying patients care at high rates.

“Seniors have been promised by elected officials in both parties that their Medicare coverage and care would not be cut,” Tuffin said. “And so our advertising is about reminding elected officials that this is a big constituency that really likes their Medicare Advantage coverage and expects that promise to be kept.”