

Automatic enrollment in Medicare Advantage plans under consideration, top Trump health official says

The idea, a plank of Project 2025, could benefit major health insurance companies



Medicare Director Chris Klomp speaks at STAT's Breakthrough Summit East event in New York on Thursday. *Greg Riccardi for STAT*
By [Tara Bannow](#) – STAT News

President Trump's Medicare director said Thursday his team is considering a policy that would automatically enroll Medicare beneficiaries into Medicare Advantage plans, a controversial idea that was touted in the conservative Project 2025 policy blueprint.

Chris Klomp said the Centers for Medicare and Medicaid Services is mulling the feasibility of models that would either automatically enroll beneficiaries into the private form of Medicare or accountable care organizations, such as those that participate in the Medicare Shared Savings Program. Individuals could still opt into a different insurance arrangement. Right now, people who don't make a choice are covered by traditional Medicare.

"Would either of those, in my view, be superior to a default enrollment into a fee-for-service arrangement, where there's not this long-term, secular relationship between the beneficiary, the patient, and their provider? Yes," Klomp said.

He made the comments in an interview with STAT reporter Mario Aguilar on the sidelines of STAT's Breakthrough Summit East in New York, where he also spoke on stage about TrumpRx.

Klomp, who recently added chief counselor of the Department of Health and Human Services to his title, cautioned that there are no definitive plans and that his team is still analyzing the mechanics of such arrangements, "but it is something that we're thinking through."

Any such move could be a major win for the health insurance industry, which has seen Medicare crack down on the Medicare Advantage program in recent years, compromising its profits. The top private insurers offering Medicare Advantage plans are UnitedHealth Group, Humana, and CVS Health's Aetna.

The Biden administration in 2024 began phasing in a major crackdown on Medicare Advantage insurers' ability to exaggerate their members' medical conditions, and the Trump administration is following its lead. While Medicare can run experiments with specific populations of beneficiaries, a wholesale change to how the program assigns people

would require congressional approval. Rep. David Schweikert (R-Ariz.) introduced a bill last year that would make Medicare Advantage the default option for older adults, but it didn't go anywhere.

The idea of default enrollment into Medicare Advantage has been a conservative talking point in recent years. The Heritage Foundation touted it in its Project 2025. The conservative think tank Paragon Health Institute recommended ending the current default enrollment into traditional Medicare for people who enroll in Medicare Parts A and B and instead directing them to choose between traditional Medicare and Medicare Advantage.

Joe Albanese, the author of the Paragon paper, left his position there to join CMS, where he's currently director of policy at the Center for Medicare.

Medicare could potentially dip its toes into default Medicare Advantage enrollment using a demonstration through its Innovation Center, although Jeannie Fuglesten Biniek, associate director of KFF's Program on Medicare Policy, noted that Innovation Center projects cannot increase spending. Medicare Advantage is frequently shown to be more expensive than traditional Medicare, but such a pilot could potentially target specific populations or be combined with payment changes, Fuglesten Biniek said.

The federal government is projected to pay \$76 billion more for people enrolled in Medicare Advantage this year than it would have if the same people were enrolled in traditional Medicare, according to the Medicare Payment Advisory Commission. It happens for two reasons: Insurers get more money for making their members appear sicker than they are and people who enroll in Medicare Advantage tend to be healthier and require less care.

"It would increase spending, increase costs to taxpayers and the premiums that beneficiaries pay," Fuglesten Biniek said of defaulting people into the program.

Klomp cited CMS' stated goal of enrolling every traditional Medicare beneficiary into a care relationship that's accountable for quality and total cost of care by 2030. As of January 2025, 53.4% of those

beneficiaries were in such relationships, which is short of the agency's goal of 65% by 2025.

Accountable care organizations are groups of doctors, hospitals, and other providers that work together to keep patients healthy and lower their costs. They're only for beneficiaries enrolled in traditional Medicare. Currently, most people in these arrangements don't choose to be. They're assigned based on whether their provider participates in the ACO.

In some ways, default enrollment into ACOs already happens, because if people get care from an ACO-aligned provider, they are aligned to that ACO, Fuglesten Biniek said.

"It's unclear how this would be different from what's done now," she said.

In some states, a subset of people who are dually eligible for Medicare and Medicaid are already automatically enrolled into Medicare Advantage plans when they turn 65, said Rachel Gershon, a senior attorney with Justice in Aging, a group that supports low-income adults. It's not clear how often it happens, but when it does, the instructions on how to opt out come from a private insurer, so people often think it's junk mail.

"We're concerned people are auto-enrolled into a Medicare Advantage plan without being given the true option to opt out," Gershon said. The problems with default enrollment in Medicare Advantage — mainly, not being able to ensure an individual's providers and medications are covered — are intensified with dual eligibles, who often rely on services like home care and management of chronic conditions, Gershon said. Ultimately, Klomp said getting all Medicare beneficiaries into accountable arrangements is the best way to keep them healthy.

"Accountable relationships lead to higher-quality measures, a better clinical experience, better clinical performance," he said. "It's healthier beneficiaries, healthier patients."

But the data are mixed on whether ACOs and Medicare Advantage actually keep people healthier, with some studies showing they do, and others failing to identify the same benefits.