**Advance Notice Template Comments for Individuals**

[Submission Date]

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, MD 21244

**Re: Docket No. CMS-2023-0010-0002; Advance Notice of Methodological Changes for Calendar Year (CY) 2024 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies**

I appreciate the opportunity to comment on the Centers for Medicare & Medicaid Services (CMS) 2024 Advance Notice (AN).

[Description of yourself, including your interest in the issue and/or relevant experience(s) with MA]

Research consistently shows that overpayments to MA plans are increasing Medicare spending, beneficiary premiums, and taxpayer costs.[[1]](#footnote-2) The AN is largely responsive to these findings, and to [current or future] beneficiaries like me who are concerned about Medicare costs[[2]](#footnote-3) and solvency.[[3]](#footnote-4)

It’s clear that plans are overpaid. The Government Accountability Office estimates that in 2013 alone, MA plans received an extra $14.1 billion,[[4]](#footnote-5) and the Medicare Payment Advisory Committee (MedPAC) has cataloged $140 billion in MA overpayments over the past 12 years.[[5]](#footnote-6) In 2018, CMS itself identified an extra $650 million paid to just 90 plans from 2011 through 2013; some analysts calculated overpayments of at least twice that much.[[6]](#footnote-7)

Reining in MA overpayments is long overdue. Some plans are saying they will respond by scaling back benefits, raising premiums, or both.[[7]](#footnote-8) But any costs MA plans pass on to enrollees is entirely their choice. They don’t have to cut benefits or charge more for coverage. They could choose to reduce sky-high profits or lower their administrative costs instead.[[8]](#footnote-9)

If a plan truly cannot survive without being overpaid, then it should not have been operating in the first place. After all, MA was created to save Medicare dollars. It is disheartening that instead, the opposite has proven true—MA costs more, both per person and overall, than Original Medicare.[[9]](#footnote-10) And, it is frustrating that Medicare and the rest of us are footing this bill.

I urge CMS to center beneficiary needs and Medicare sustainability, not plan profits and scare tactics. The MA financing system desperately needs an overhaul, and the AN is a good first step. I specifically support the proposed risk adjustment updates and a higher, more accurate coding intensity adjustment.

MA payment must strike a balance between encouraging insurers to enter and remain in the market and providing value for beneficiaries, taxpayers, and Medicare. Currently, the needle has swung too far towards plans, at the expense of Medicare solvency and my own financial security.

Thank you again for this opportunity to provide comment.

Sincerely,

[Name]

1. *See, e.g*., Medicare Payment Advisory Commission, “The Medicare Advantage program: Status Report” (March 2019), <https://www.medpac.gov/wp-content/uploads/import_data/scrape_files/docs/default-source/reports/mar19_medpac_ch13_sec.pdf>; and Medicare Payment Advisory Commission, “Medicare Payment Policy: Report to the Congress” (March 2022), <https://www.medpac.gov/wp-content/uploads/2022/03/Mar22_MedPAC_ReportToCongress_SEC.pdf>. [↑](#footnote-ref-2)
2. Shannon Shumacher, *et al.*, “KFF Health Tracking Poll December 2022: The Public’s Health Care Priorities for the New Congress” Kaiser Family Foundation (December 20, 2022), <https://www.kff.org/health-costs/poll-finding/kff-health-tracking-poll-december-2022/>. [↑](#footnote-ref-3)
3. West-Health and Gallup, “2022 Healthcare in America Report” (October 6, 2022), <https://s8637.pcdn.co/wp-content/uploads/2022/10/2022-Healthcare-in-America.pdf>. [↑](#footnote-ref-4)
4. U.S. Government Accountability Office, “Medicare Advantage: Fundamental Improvements Needed in CMS’s Effort to Recover Substantial Amounts of Improper Payments” (April 2016), <https://www.gao.gov/assets/gao-16-76.pdf>. [↑](#footnote-ref-5)
5. Richard Gilfillan and Donald M. Berwick, “Medicare Advantage, Direct Contracting, And the Medicare ‘Money Machine,’ Part 1: The Risk-Score Game” Health Affairs (September 29, 2021), <https://www.healthaffairs.org/do/10.1377/forefront.20210927.6239/>. [↑](#footnote-ref-6)
6. Fred Schulte, “Government Lets Health Plans That Ripped Off Medicare Keep the Money” Kaiser Health News (January 30, 2023), <https://khn.org/news/article/cms-audits-medicare-advantage-plans-can-keep-hundreds-of-millions-in-federal-overpayments-maybe-more/>. [↑](#footnote-ref-7)
7. Better Medicare Alliance, “Biden Administration Proposal Could Reduce Medicare Advantage Benefits By $540 Per Beneficiary in 2024, Independent Analysis Finds” (February 15, 2023), <https://bettermedicarealliance.org/news/biden-administration-proposal-could-reduce-medicare-advantage-benefits-by-540-per-beneficiary-in-2024-independent-analysis-finds/>. [↑](#footnote-ref-8)
8. *See, e.g.,* Medicare Payment Advisory Commission, “Medicare and the Health Care Delivery System: Report to the Congress” (June 2021), <https://www.medpac.gov/document/june-2021-report-to-the-congress-medicare-and-the-health-care-delivery-system/> and Jeannie Fuglesten Biniek, *et al.*, “Higher and Faster Growing Spending Per Medicare Advantage Enrollee Adds to Medicare's Solvency and Affordability Challenges” Kaiser Family Foundation (August 17, 2021), <https://www.kff.org/medicare/issue-brief/higher-and-faster-growing-spending-per-medicare-advantage-enrollee-adds-to-medicares-solvency-and-affordability-challenges/>. [↑](#footnote-ref-9)
9. Medicare Payment Advisory Commission, “Medicare Payment Policy: Report to the Congress” (March 2021), <https://www.medpac.gov/wp-content/uploads/import_data/scrape_files/docs/default-source/reports/mar21_medpac_report_to_the_congress_sec.pdf#page=401>. [↑](#footnote-ref-10)