

Congress of the United States
House of Representatives
Washington, DC 20515

March 21, 2023

The Honorable Xavier Becerra
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Becerra and Administrator Brooks-LaSure:

We write to request more information on the proposed Center for Medicare and Medicaid Service's (CMS) Calendar Year (CY) 2024 Advance Notice for the Medicare Advantage (MA) program. House Republicans are committed to protecting and strengthening the Medicare program, and as such, we need clarity on recent changes proposed by President Biden to better understand their impact on patients.

We appreciate the recent guidance document posted by CMS that offers additional context surrounding the CY 2024 Advance Notice. We have outstanding questions with respect to the impact that potential changes may have on patients. To that end, we request answers to the following questions no later than March 31, 2023. Please reply to the specific questions – a narrative response that does not address each question is unacceptable.

1. Please provide the following estimates for plan year 2024 under the policies enumerated in the CY 2024 Advance Notice:
 - a. Estimated total bid-based payments to Medicare Advantage Organizations (MAOs);
 - b. Estimated total rebate-based payments to MAOs;
 - c. Estimated average per-member per-month bid-based payments to MAOs; and
 - d. Estimated average per-member per-month rebate-based payments to MAOs.
2. Please provide the following information about the risk score trend estimate:
 - a. The specific methodology used to calculate the risk score trend;
 - b. The first and third quartile (25th and 75th percentile) of projected risk score growth across all contracts; and
 - c. The historical year-over-year risk score trends from the previous five years.
3. Does CMS project behavioral changes from MAOs in response to the proposed changes in the CY 2024 Advance Notice? If so, please detail and, to the extent possible, quantify such projected responses. Are these projected behavioral changes included in the risk score trend?
4. In the FAQ released on March 8, 2023 (the FAQ), CMS stated that MA markets and premiums have remained stable after risk model policy changes. Did CMS conduct a prospective analysis of how the proposed changes in the CY 2024 Advance Notice would impact patient premiums and supplemental benefit offerings?
5. Does CMS project behavioral changes amongst enrollees choosing Medicare Advantage plans? If so, please describe in detail how such changes will impact enrollees' decisions.
6. In the FAQ, CMS stated clinical input was received from a panel of physicians as part of development of the new risk adjustment model. Who specifically constitutes this panel? If this panel made recommendations, please share them.
7. Previous proposed changes to the CMS Hierarchical Condition Category (HCC) model have

included longer periods of evaluation. Changes made by CMS in 2017 were proposed in an October 2015 Health Plan Management System (HPMS) memo. The 21st Century Cures Act required a 60-day comment period for proposed changes to the MA risk adjustment model. Does CMS believe that the statutory minimum of 30 days is sufficient time to evaluate the impacts of CY 2024 Advance Notice proposed changes?

8. Moving the MA risk adjustment model to the ICD-10 diagnosis coding system brings the MA program in line with the American health care delivery system, which has largely been using these granular codes since 2015. Previous changes of this magnitude have been phased in over a period of time. For example, changes proposed in the CY 2014 Advanced Notice were phased in over two years and changes proposed in the CY 2019 Advanced Notice were phased in over three years. Did CMS consider phasing in the transition to ICD-10 codes?
9. Does CMS intend to use the proposed updates to the risk adjustment model for other Medicare programs that currently use HCCs, such as Accountable Care Organizations, and other applicable innovation center models?
10. According to the CY 2024 Advance Notice, the changes will result in a 15.68% reduction in frailty scores and a \$50 million reduction in payments to fully-integrated dually-eligible special needs plans (FIDE SNPs). If finalized, does CMS project that this change will reduce the incentive for SNPs to fully integrate?
11. The FAQ stated that the preliminary growth rate increase includes inflation in the calculation. Provide us with the inflation methodology used in this calculation.

Thank you in advance for your attention to these questions. House Republicans remain committed to protecting and strengthening Medicare and look forward to your prompt response on how the CY 2024 Advance Notice will impact patients.

Sincerely,



Jason Smith
Chairman
House Committee on Ways and Means



Cathy McMorris Rodgers
Chair
House Committee on Energy and Commerce



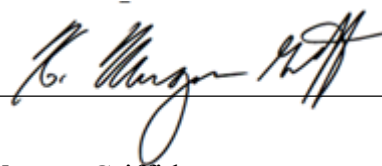
Vern Buchanan
Chairman
Subcommittee on Health



Brett Guthrie
Chairman
Subcommittee on Health




Mike Kelly
Member of Congress



Morgan Griffith
Member of Congress



Adrian Smith
Member of Congress



Michael C. Burgess, M.D.
Member of Congress



David Schweikert
Member of Congress



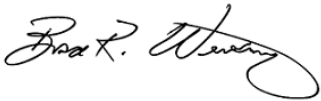
Robert E. Latta
Member of Congress



Darin LaHood
Member of Congress



Gus M. Bilirakis
Member of Congress



Brad R. Wenstrup, D.P.M.
Member of Congress



Bill Johnson
Member of Congress



Jodey Arrington
Member of Congress



Larry Bucshon, M.D.
Member of Congress



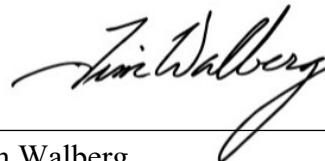
A Drew. Ferguson, IV
Member of Congress



Richard Hudson
Member of Congress



Ron Estes
Member of Congress



Tim Walberg
Member of Congress



Lloyd Smucker
Member of Congress



Earl L. "Buddy" Carter
Member of Congress



Kevin Hern
Member of Congress




Jeff Duncan
Member of Congress



Carol Miller
Member of Congress



Gary Palmer
Member of Congress



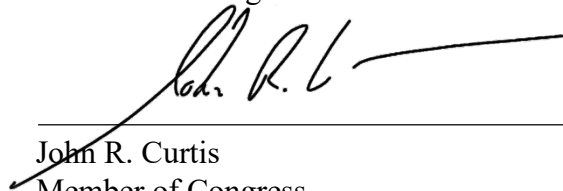
Gregory F. Murphy, M.D.
Member of Congress



Neal P. Dunn, M.D.
Member of Congress



David Kustoff
Member of Congress



John R. Curtis
Member of Congress



Brian Fitzpatrick
Member of Congress



Debbie Lesko
Member of Congress



W. Gregory Steube
Member of Congress



Greg Pence
Member of Congress



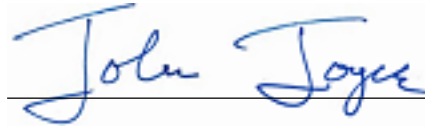
Claudia Tenney
Member of Congress



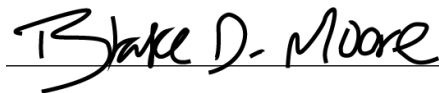
Dan Crenshaw
Member of Congress



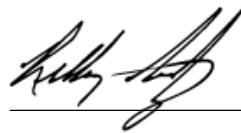
Michelle Fischbach
Member of Congress



John Joyce, M.D.
Member of Congress



Blake Moore
Member of Congress



Kelly Armstrong
Member of Congress



Michelle Steel
Member of Congress



Randy K. Weber
Member of Congress



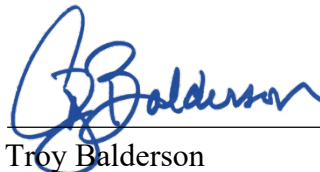
Beth Van Duyne
Member of Congress



Rick W. Allen
Member of Congress



Randy Feenstra
Member of Congress



Troy Balderson
Member of Congress



Nicole Maliotakis
Member of Congress



Russ Fulcher
Member of Congress



Mike Carey
Member of Congress



August Pfluger
Member of Congress



Diana Harshbarger
Member of Congress



Mariannette J. Miller-Meeks, M.D.
Member of Congress



Kat Cammack
Member of Congress



Jay Obernolte
Member of Congress