

CAPITOL STREET

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CMS Administrator Dr. Oz Addresses MA

Oz Outlines Key Priorities On Day 1 of MA Open Enrollment

Relevant Companies



»» Our Take & Next Up

2026 will be challenging for MA plans but federal policies on the horizon are unlikely to be draconian per comments today at the BMA Conference in Washington, DC. Dr. Oz, CMS Administrator, believes MA is at an inflection point. Our take on Stars is [here](#). Elevance & Centene did better, Humana & CVS Aetna did worse while UnitedHealth was about in line (for 2026). Per our landscape analysis MA plans are, generally speaking, (1) exiting unprofitable plan lines and reducing footprint in many zip codes (2) focusing on HMO versus PPO (more generous) products (3) supplemental benefits likely move to the core -- vision, dental, hearing & silver sneakers will remain -- while the other "extras" likely dwindle (hair do's, pet walking) as (4) adapting to 100% V28 model in '26 continues to be challenging for MA plans across the board. V28 is coming into its third and final year of a three-year phase-in (2024-2026).

»» Key Points

Dr. Oz wants to see private sector solutions that aid MA plans (1) provide high quality and (2) ensure care where MA does not cost more than FFS Medicare. These are his two overarching goals. MA is still in its infancy, according to the CMS Administrator. Oz addressed a crowd of several hundred at the Better Medicare Alliance annual conference in Washington, DC today ([here](#)).

Prior authorization (PA) is important for its speed and won't be eliminated, according to CMS

Administrator Oz. We don't see PA legislation as moving anytime soon, as plans pledge to reform its ways starting in 2026-27 (our June take [here](#)). Over 50 plans to revamp PA in all lines of business, not just MA. Plans pledged to 6 main behaviors ([here](#)).

RADV is important in a "trust but verify" situation, signaling support for agency-led audits. Bad actors have lower COGS (cost of goods sold) and lower quality. Oz notes that "we need to know about them." We believe that RADV audits will likely be postponed given recent litigation that did not go in CMS's favor ([here](#)). The aggressive Sept/Oct 2025 medical record deadlines will likely be discarded until CMS crafts new & improved rules of the road around risk adjustment data validation (RADV), where CMS recently noted it will audit 100% of MA plans around risk adjustment and coding.

In-home health assessments (HRAs) are important, but coding conditions that aren't treated is a problem. Coding predicts 15% of next year (patient severity of illness) and is not accurately helping us predict which diabetics go into renal failure, for instance, according to Dr. Oz. He advocates to "professionalize" coding. We have said that CMS can get rid of HRAs via rulemaking; a change in the law is likely not needed. We do not think CMS will go that route but may provide guardrails in requiring a confirmatory claim for a diagnosis obtained at home.

Legislation like *No Upcodes Act* ([here](#)) is unlikely to pass in 2025, but could be tweaked and revisited in 2026+. As a reminder Republicans are looking to do another Reconciliation bill 1H26, with healthcare as a likely feature. We have said -- [here](#) -- that the price tag and policies in the Sen. Cassidy (R-LA) bill are likely to be modified before passage.

Provider directory improvement, per HealthTech initiative (our take [here](#) and [here](#)), is a major goal for CMS. Dr. Oz noted that this is the way for beneficiaries to better adjudicate care. Paying for outcomes, not engagement, is the goal, and Oz emphasized that private apps must deliver measurable results, placing beneficiaries in control of apps they use. Along with developing a more efficient provider directory system, identity verification remains a goal for CMS, utilizing tech tools like facial recognition to securely verify who patients and providers are. As a reminder 400 groups have pledged to advance the goals in the Make HealthTech Great Again initiative, whereas only 60 were initially announced. The industry and CMS are waiting for regulatory support for data sharing before the health tech ecosystem can fully blossom.

How does the government shutdown impact MA?

- **MA pharmacy and formulary details (2026) were due to be released by CMS today.** We do not expect this to take place due to the government shutdown.
- **The 2027 MA & Part D rule may not be released until late November/December.** This means that some of the policies may not be achievable in time for PY 2027. Again, the delay in the technical rule is due to the government shutdown.

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