

CAPITOL STREET

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More Spring Rain Falls on MA Plans

CMS Finalizes Many Policies As Proposed in Clean-Up Rule ('25/'26)

Relevant Companies



CMS released the final 2025 Policy and Technical Changes to the Medicare Advantage (MA), Medicare Prescription Drug Benefit, and Medicare Cost Plan Programs, and PACE regulations after the close of the US markets today ([here](#)). Policies would be applicable for CY 2025 and some provisions in the rule are not set to start until January 1, 2026.

»» Our Take & Next Up

CMS finalized most MA plan policies as proposed, with supplemental benefit “bibliography” and mid-year benefit notifications being the most onerous to MA plans. The rule also provides policies around dual eligible (D-SNPs), cracking down on aggressive broker/marketing behaviors, mental health, post-acute denials/RADV and biosimilars. There is no significant cost burden accompanying the rules. CMS rules for MA focus on enhanced reporting requirements with an emphasis on health equity and transparency. More importantly, MA plans are gearing up for a 2025 pay cut per the final MA rules released on April 1 (our analysis is [here](#)). CMS appears not to believe that plans will reduce benefits in '25, but we very much believe that will be the case, with smaller and mid-sized regional plans being particularly vulnerable in the new rate environment.

»» Key Points

SUPPLEMENTAL BENEFITS: CMS is finalizing that MA plans offer mid-year notifications for...

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