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Press Contact: Joe Nahra, jnahra@amrpa.org | (202) 207-1123

AMRPA Statement on New Senate Report Showing High Rates of Denials for Post-Acute Care by Medicare Advantage Plans

Yesterday, the Majority Staff on the Senate Homeland Security and Government Affairs Committee, Permanent Subcommittee on Investigations released a new report that provides further proof that Medicare Advantage (MA) plans are denying post-acute care at rates higher than other types of care. This report, entitled *Refusal of Recovery: How Medicare Advantage Insurers Have Denied Patients Access to Post-Acute Care*," found that three major MA companies denied prior authorization (PA) requests for post-acute care at higher rates than for other types of care. Specifically, UnitedHealthcare and CVS/Aetna denied PA requests for post-acute care at rates that were approximately three times higher than overall PA denials, while Humana's was over 16 times higher than its overall rate of denial. The report's analysis of requests and denial rates by PAC setting showed particularly high rates of inpatient rehabilitation facility (IRF) denials, with one plan reporting a 71.4% denial rate in the most recent (2022) data.

These findings are reflective of AMRPA members' day-to-day experiences with MA plans and consistent with a <u>2021 AMRPA member survey</u>. Our members across the country report that MA plans routinely and consistently divert beneficiaries away from IRFs through the misuse or abuse of prior authorization. These practices directly threaten beneficiaries' long-term health, function, and ability to maximize their recovery from sustained severe injuries and illnesses that necessitate intensive inpatient hospital rehabilitation.

"Too often, our members face serious difficulties in admitting patients with intensive needs to our hospitals because of the barriers put in place by their MA plans," said Chris Lee, Chair of the AMRPA Board of Directors. "Every day we see the impact of these short-sighted policies. The decisions and clinical expertise of rehabilitation physicians are overridden and the health and functional outcomes of MA beneficiaries are adversely affected. We appreciate the Subcommittee continuing to shine a light on prior authorization concerns and look forward to further reforms to ensure all beneficiaries have access to the medical rehabilitation care they need to return to their life roles, regardless of whether they opt for traditional Medicare or an MA plan.."

Prior authorization reform has been one of AMRPA's top advocacy priorities in recent years, and the Association believes that commonsense reforms to prior authorization practices have the potential to address the pronounced access issues and care delays currently impacting inpatient rehabilitation patients. In particular, AMRPA has long advocated for the Centers for Medicare & Medicaid Services (CMS) to collect, and publicly report, much more robust data from MA plans on their use of prior authorization and other utilization management techniques. Accordingly, AMRPA supports the Committee's recommendation that CMS begin collecting PA information broken down by service category. AMRPA also supports the Committee's recommendation for

increased enforcement around MA plans' PA decision-making processes and for targeted enforcement informed by plans' denial rates.

AMRPA urges Congress and CMS to continue their work to better regulate the prior authorization practices of MA plans and ensure that every Medicare beneficiary can access the post-acute care they need, when they need it.

The American Medical Rehabilitation Providers Association (AMRPA) is the national trade association representing nearly 800 freestanding inpatient rehabilitation hospitals and rehabilitation units in acute care hospitals. Our hospitals and units focus on the care and functional recovery of some of the most vulnerable patients – such as traumatic brain injury, stroke, and spinal cord injury patients. AMRPA members provide intensive rehabilitation services to help patients maximize their health, functional skills, independence, and participation in society so they can return to home, work, or an active retirement. For more information, please visit www.amrpa.org.