

Rural Medicare Advantage

NRHA Urges Congress to...

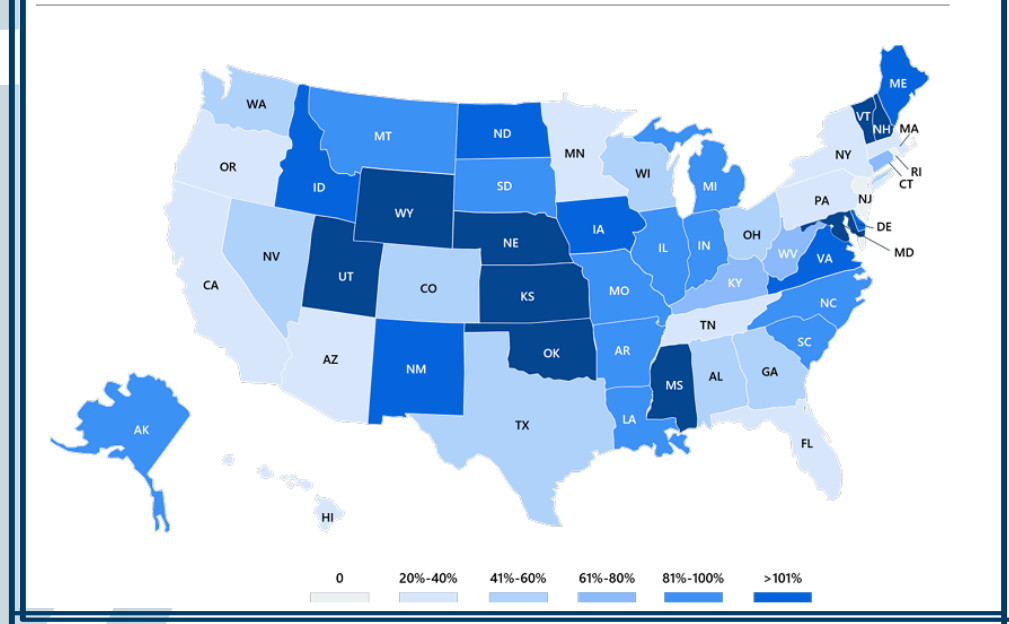
- **Require Medicare Advantage plans to pay rural providers their special traditional Medicare rates.**
- **Ensure plans must provide Medicare beneficiary education regarding traditional Medicare and Medicare Advantage benefits.**
- **Enforce prompt payments by Medicare Advantage plans to rural providers.**
- **Ensure CMS must exercise greater enforcement and oversight of Medicare Advantage plans, including their prior authorization practices.**

Rural Medicare Advantage

Medicare Advantage enrollment has **quadrupled** in rural areas since 2010 and reached **48%** in 2024.

In **seven** states, Medicare Advantage penetration **exceeds 50%** in their rural communities.

Figure 2: Percentage growth of Medicare Advantage enrollees in rural communities between 2019 and 2023



Medicare Advantage plans can financially hurt rural

- MA plans often **pay rural providers less** than their traditional Medicare rates, including Critical Access Hospitals and Rural Health Clinics, eroding the importance of their rural designations.
- MA plans create **administrative burdens for rural providers** who struggle to keep up with prior authorization requests, denials, and appeals for necessary services.
- Rural providers generally do not have ample cash on hand to sustain significant **delays in timely payments** by MA plans.
- MA **may not cover** services traditional Medicare does, including swing beds, which provide local skilled nursing care for patients and are often a source of financial stability for rural hospitals.
- Rural Medicare beneficiaries reported a **greater financial burden of care** than urban, with the most significant burden among rural MA beneficiaries, possibly due to the less generous financial structures offered by rural MA plans.