

Medicare Advantage

Failing patients and jeopardizing Nebraska hospitals.

Biggest Challenges with MA Plans

PRIOR AUTHORIZATION REQUIREMENTS

PAYMENT DENIALS

LOWER REIMBURSEMENT

Financial Impact on Nebraska Hospitals

HAS THE SHIFT IN MEDICARE/MEDICARE ADVANTAGE PAYER MIX NEGATIVELY IMPACTED THE FINANCES OF YOUR HOSPITAL?



Q: If your patient service area continues to experience growth in Medicare Advantage enrollment, how would you describe your hospital's future financial position?

100% of our responding CAHs told us their financial position would be **much more** or **somewhat more challenging**.

91%

of our responding hospitals told us their facility has incurred additional staffing costs related to caring for Medicare Advantage patients, including

- seeking **prior authorizations**
- filing appeals for **claim denials**
- community outreach
- contract management
- and other administrative tasks

Administrative Burdens on Nebraska Hospitals

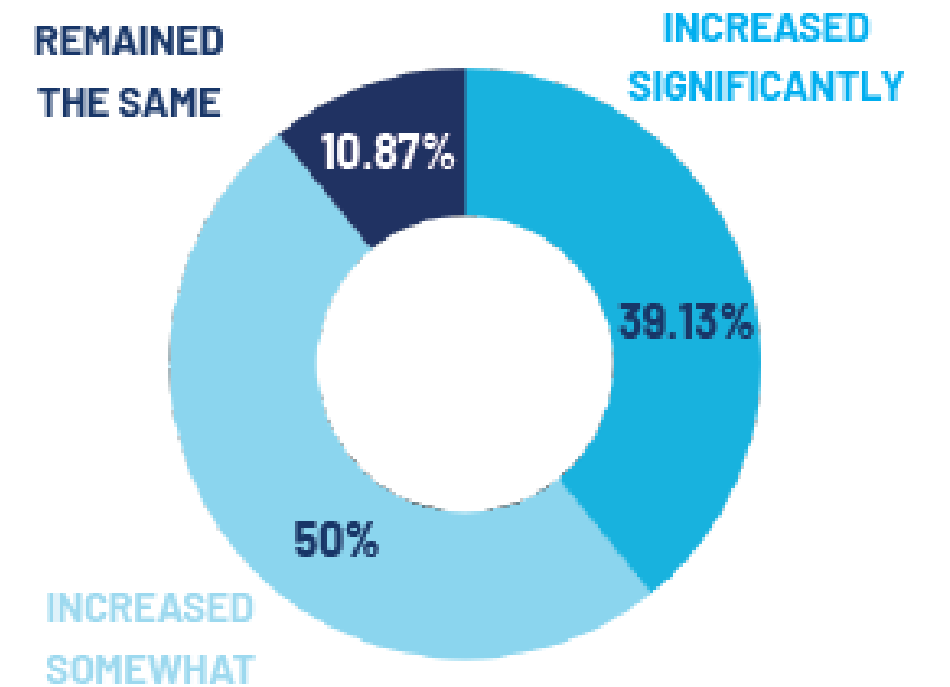
“Staffing required for prior authorization is the main increase to our overall costs. Front line staff, nurses and physicians are all involved in this process. Case managers and billing staff are also labored with ensuring the patient received an authorization, otherwise payment denials will follow.”

“Our care teams are spending time on hold justifying their care decisions instead of treating patients.”

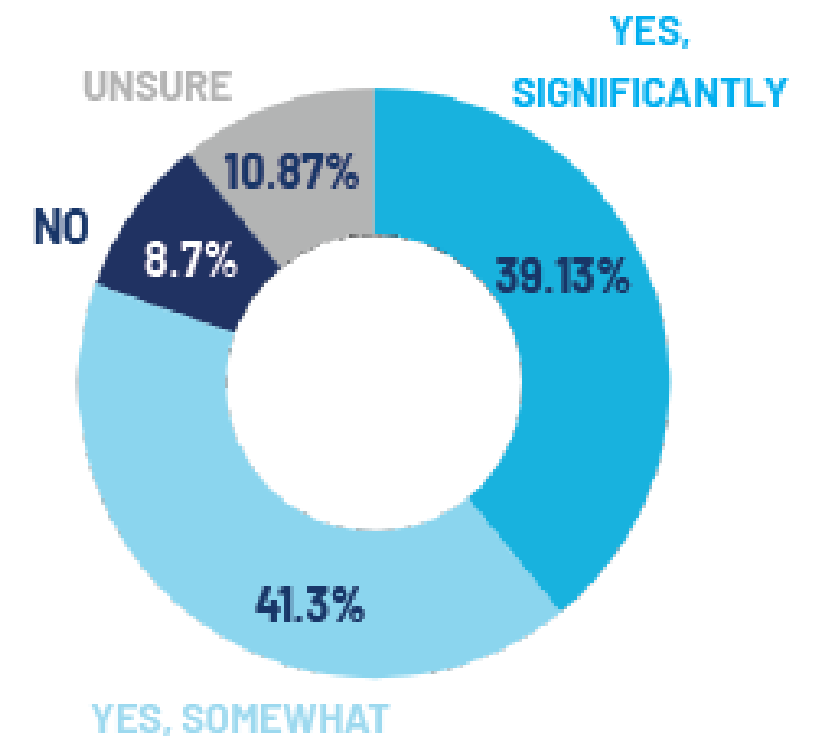
“The lower payments and higher administrative burden is a significant negative impact which limits our ability to expand services or add needed resources to existing services.”

“We have seen increased denials and have had to allocate more resources to fighting these denials.”

Over 89% of NE hospitals report that the cost to comply with MA plans has increased.

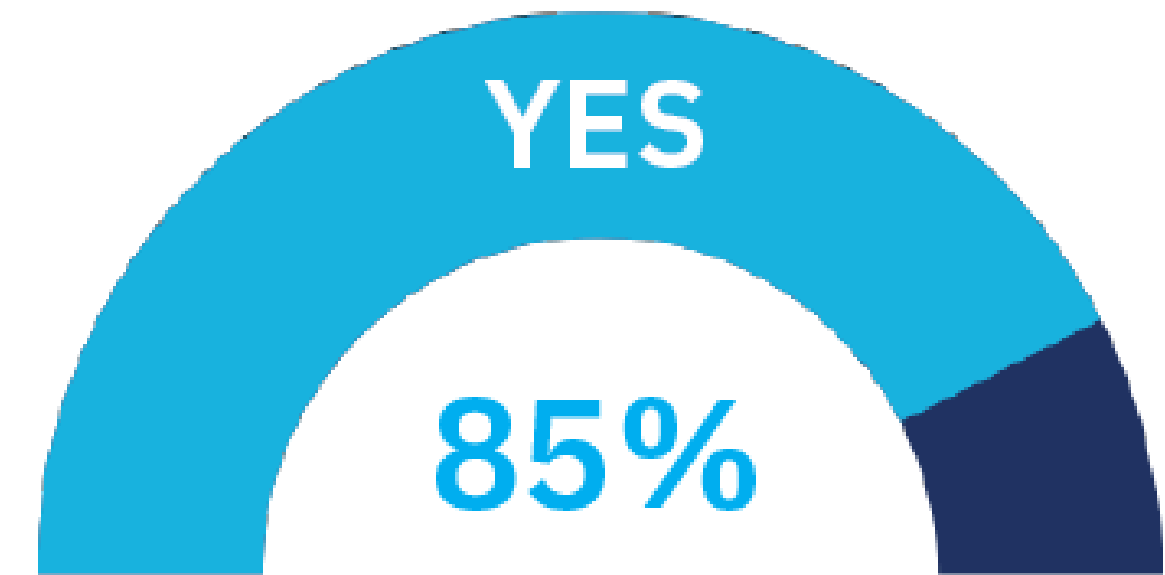


80% of NE hospitals tell us the increased administrative barriers in MA plans to provide care contribute to physician burnout.

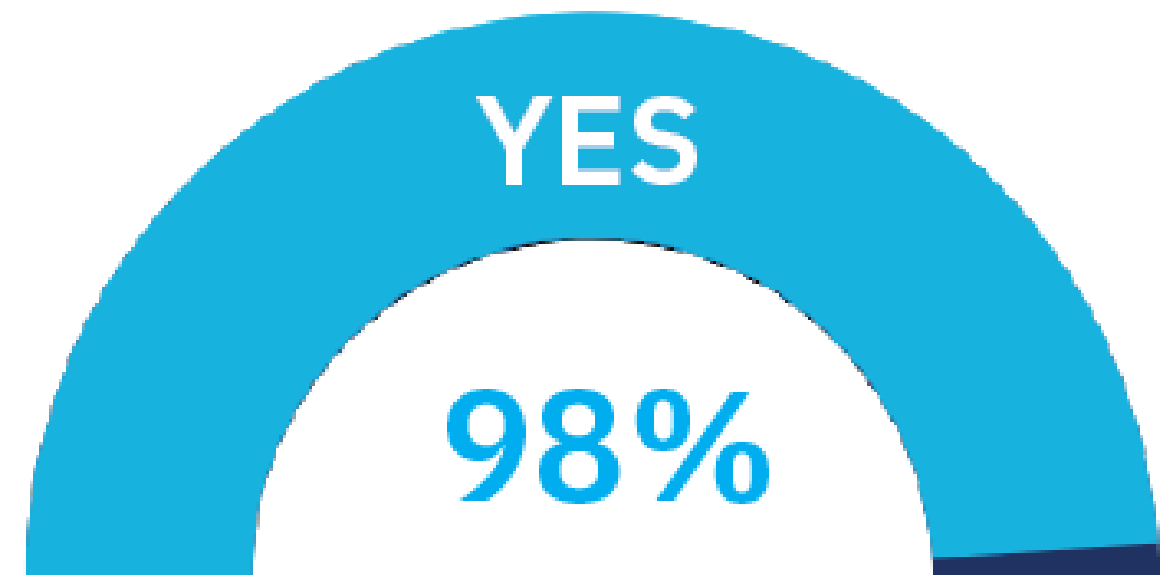


MA Prior Authorization Restricts Necessary Care

85% of NE hospitals report that Medicare Advantage plans negatively impact the care their hospital is able to provide to patients.

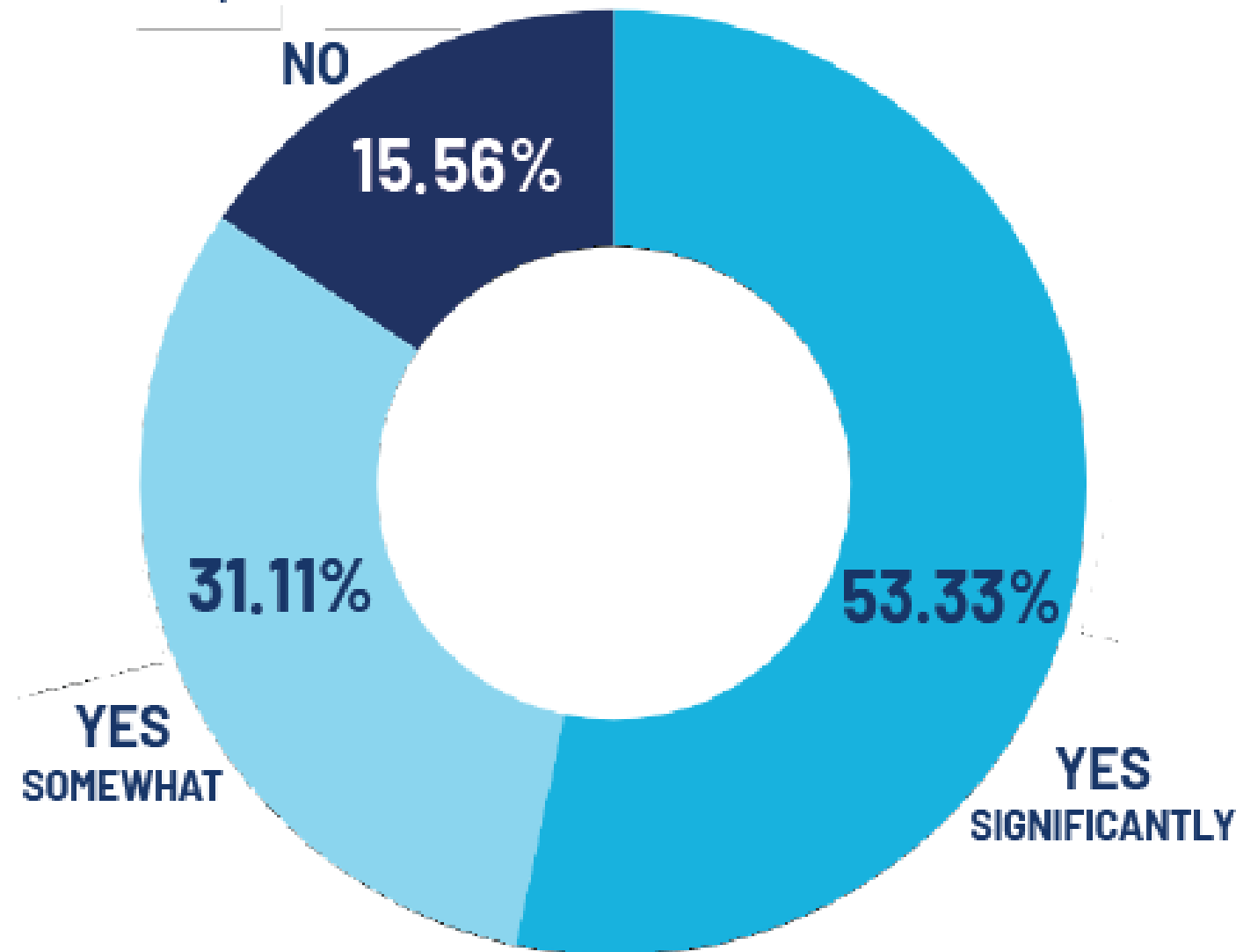


Almost 98% of NE hospitals report that prior authorization requirements by Medicare Advantage plans negatively impact clinical care and DELAY necessary care.



Post-Acute Placement Delays

Over 84% of NE hospitals report it is more difficult to get post-acute placements approved for Medicare Advantage patients than traditional Medicare patients.



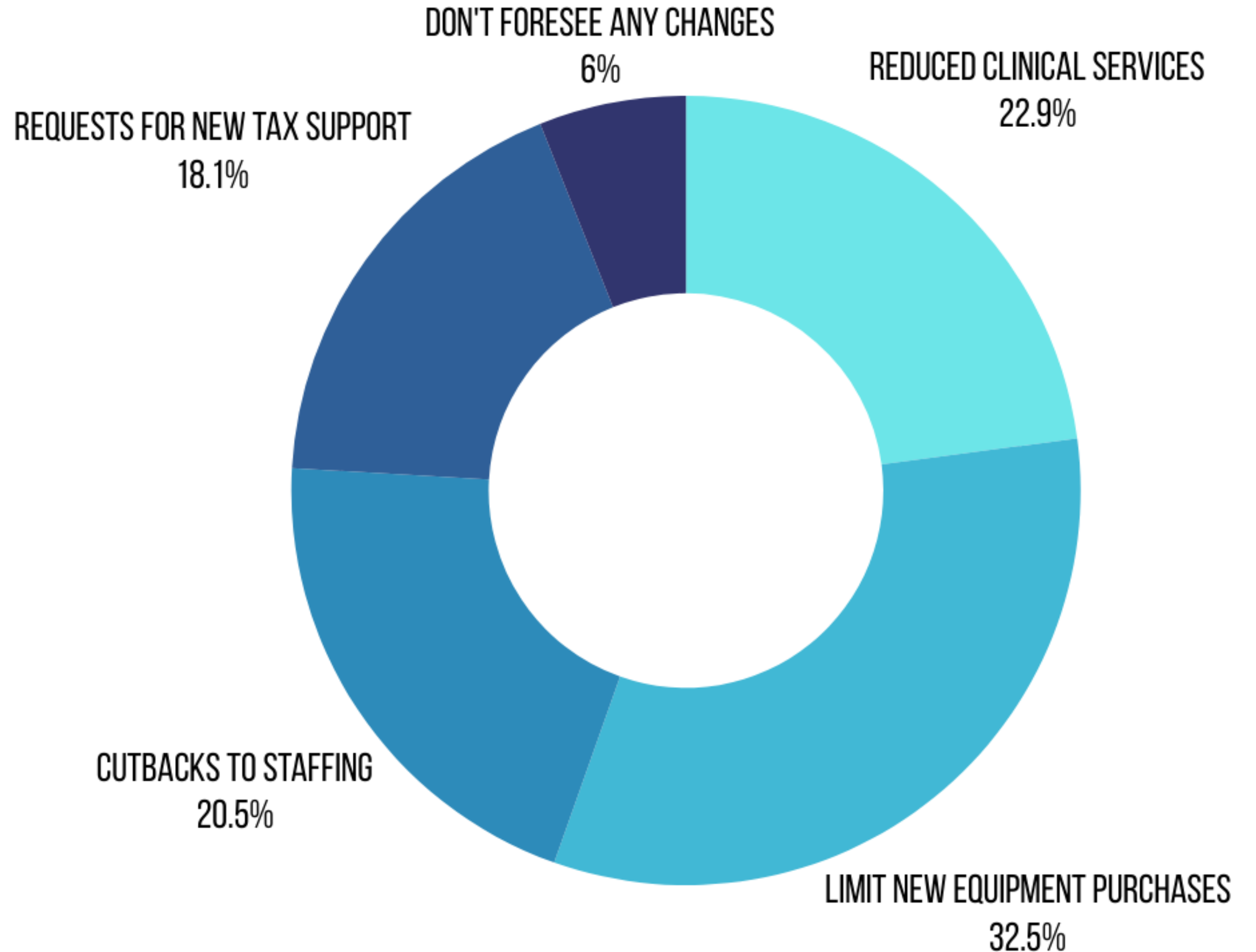
"A patient was in a Nebraska hospital with a broken pelvis, waiting to be discharged to skilled care. We spent more than a week trying to find a placement for her. When we finally found placement with the 4th facility on our list, the MA plan only approved her for a stay of less than two weeks even though the facility was advocating heavily that she needed to stay longer."

"Delays in obtaining authorization is the main barrier for post-acute placement. Delays can take several days. This is especially true over the weekend when MA plans don't respond."

"Many post-acute facilities do not like to see patients with MA plans and they shy away from accepting them because of payment issues."



Q: If your patient service area continues to experience growth in Medicare Advantage enrollment (CAHs), **what possible steps do you see may be necessary to maintain quality healthcare services in your community ?**



Policy Changes for Medicare Advantage

The NHA recommends:

- **STREAMLINING PRIOR AUTHORIZATION REQUIREMENTS FOR MA PLANS.**
- **PAYING RURAL HOSPITALS ADEQUATELY TO PRESERVE HEALTH CARE SERVICES.**
- **FEDERAL LEGISLATION WITH ADDITIONAL OVERSIGHT OF THE MA PROGRAM.**

