Association of American Medical Colleges
Statement for the Record
before the
House Committee on Ways and Means
Subcommittees on Health and Oversight
hearing, titled
"Medicare Advantage: Past Lessons, Present Insights, Future Opportunities"
July 22, 2025

The Association of American Medical Colleges (AAMC)[1] appreciates the opportunity to submit this statement for the record regarding the hearing entitled "Medicare Advantage: Past Lessons, Present Insights, Future Opportunities" before the House Ways and Means Subcommittees on Health and Oversight on July 22, 2025.

We applaud both subcommittees' attention to the Medicare Advantage (MA) program's evolution and the need to ensure that its growth supports value, quality, and access for beneficiaries and taxpayers alike, particularly as the number of MA beneficiaries continues to rise. The AAMC supports strong transparency, oversight, and accountability in the MA program to ensure that its operations uphold the promise of high-quality, timely, patient-centered, and medically necessary care.

The AAMC offers the following policy recommendations:

Address the Overuse and Misuse of Prior Authorization
Prior authorization is a utilization management tactic used by insurers to determine whether a given service or item will be covered. While not a new concept, prior authorization in the MA program has become increasingly burdensome and has drawn widespread concern for its overuse and potential misuse. Medicare beneficiaries have historically experienced limited prior authorization in traditional Medicare. However, MA enrollees face frequent denials, often for medically necessary care. In 2023 alone, more than 50 million prior authorization requests were submitted to MA plans, and although only 11.7% were appealed, 81.7% of those appeals resulted in a full or partial overturn, suggesting the original denials were often unjustified.[2] Some MA

[1] The AAMC is a nonprofit association dedicated to improving the health of people everywhere through medical education, clinical care, biomedical research, and community collaborations. Its members are all 160 U.S. medical schools accredited by the Liaison Committee on Medical Education; 13 Canadian medical schools accredited by the Committee on Accreditation of Canadian Medical Schools; nearly 500 academic health systems and teaching hospitals, including Department of Veterans Affairs medical centers; and more than 70 academic societies. Through these institutions and organizations, the AAMC leads and serves America's medical schools, academic health systems and teaching hospitals, and the millions of individuals across academic medicine, including more than 210,000 full-time faculty members, 99,000 medical students, 162,000 resident physicians, and 60,000 graduate students and postdoctoral researchers in the biomedical sciences. Through the Alliance of Academic Health Centers International, AAMC membership reaches more than 60 international academic health centers throughout five regional offices across the globe.
[2] Medicare Advantage Insurers Made Nearly 50 Million Prior Authorization Determinations in 2023

plans deny large volumes of claims, often using automated algorithms or artificial intelligence, only to reverse them later upon appeal.

The impact on patients is profound. They must navigate complex appeals processes and delays that can lead to personal financial challenges, worsened outcomes, or in tragic cases, death while awaiting approval for necessary treatment. The burden also extends to physicians, who must "re-prove" the medical necessity of care they have already determined appropriate. Academic health systems, teaching hospitals, and faculty physicians report that they face immense administrative burdens and extended delays in securing prior authorization approvals and payments. Often, they must employ teams of staff specifically to manage prior authorization and denials, adding significant, wasteful costs to the system and effectively siphoning funds that could be used to support their mission-related work. Even MA plans have recognized the broken and burdensome prior authorization process, as evidenced by their recent pledge to "streamline, simplify, and reduce prior authorization."[3] Ultimately, patients may develop distrust of the health care system as they struggle with obstacles to receiving their medically necessary care. The AAMC believes that addressing issues with the prior authorization process will benefit patients and strengthen our health care system.

The AAMC has long supported efforts to reform MA prior authorization practices, including the bipartisan Improving Seniors' Timely Access to Care Act of 2025 (H.R. 3514/S. 1816). We also applaud the Centers for Medicare and Medicaid Services (CMS) for advancing deeply needed regulatory requirements that reflect many bipartisan aspects of that legislation. We urge Congress to support further reforms that limit inappropriate denials, prohibit algorithmic overreach, and center the process around clinical judgment and patient health. These protections will become increasingly important as CMS implements the Wasteful and Inappropriate Service Reduction (WISeR) model, which will implement prior authorization in traditional Medicare in six pilot states.

We also support including Level 1 denial rates in MA Star Ratings to give beneficiaries and policymakers a clearer picture of how often MA plans reverse their own decisions, which will elucidate the reliability of initial determinations.

Expand Transparency and Oversight of MA Data

As MA now covers over half of Medicare beneficiaries, Congress must ensure that the same level of data transparency and access available in traditional Medicare applies to MA. Currently, Medicare Advantage encounter data is incomplete, lacks payment details, and its availability is often delayed. Researchers, regulators, and stakeholders cannot fully evaluate MA plan performance without robust, real-time data.

To ensure transparency and optimal data analysis, the AAMC recommends that Congress urge CMS to:

- Publish standardized encounter data, including cost and payment information;

[3] Health Plans Take Action to Simplify Prior Authorization, June 23, 2025.

- Expand access to Limited Data Sets (LDS) for researchers, not just Research Identifiable Files (RIFs);
- Collect and report granular prior authorization metrics, including denial rates, timeliness, service categories, and outcomes;
- Require public reporting on the use of algorithms and AI in utilization management, including how these tools are used, what data they are trained on, and whether they result in disparities or adverse outcomes.

Protect Access to Specialty and Subspecialty Care
Many AAMC academic health systems and teaching hospitals have reported being excluded from MA plan networks, which limits Medicare beneficiaries' access to specialized, complex care. The AAMC strongly believes that MA plans must not rely on narrow networks to meet network adequacy requirements, especially for high-acuity and underserved populations. Congress should ensure reimbursement policies support both in-network and out-of-network access to care and prevent financial disincentives that undermine provider participation.

Improve Oversight of Supplemental Benefits and Plan Marketing
The AAMC recognizes that supplemental benefits in MA can play an important role in meeting social and clinical needs. However, plans must be accountable for how they administer and advertise these benefits. We urge Congress to support CMS efforts to:

- Ensure that Special Supplemental Benefits for the Chronically Ill (SSBCI) are evidence-based and equitably distributed;
- Improve transparency and limit misleading marketing practices by brokers;
- Monitor and enforce compliance with mid-year benefit notifications and access standards.

Strengthen Quality Measurement and Equity Standards in MA
Finally, Congress should ensure that MA quality reporting is comprehensive and timely. This includes expanding CMS authority to assess and report quality measures across all MA populations, not just those used for Star Ratings.

The AAMC supports the goals of the MA program, and strongly urges Congress to take steps to ensure that these goals are matched by policies that prioritize patients, access, transparency, and accountability. We look forward to continuing to work with the Ways and Means Subcommittees on Health and Oversight to address these issues and ensure that the Medicare program serves seniors as best it can. If you have any further questions, please contact AAMC Director of Government Relations Ally Perleoni (aperleoni@aamc.org).