

## **Member Call Summary**

**August 22, 2025**

### **Changes to 2026 MA Plan Offerings: Implications for SNFs, Home Health, Older Adults**

The landscape for Medicare Advantage (MA) plans is set to shift dramatically for calendar year (CY) 2026, with ripple effects that will be felt across the continuum of care—including skilled nursing facilities (SNFs), home health agencies (HHAs)—and among Medicare beneficiaries themselves.

As health insurers react to rising medical costs and declining profit margins, a series of strategic changes are underway that will alter the way providers and beneficiaries interact with MA plans. This article delves into the most salient changes and explores their practical implications.

#### **MA Retrenchment: Market Exits, Reduced Beneficiary Choices**

Rising costs and shrinking profits have prompted major health insurers to reconsider their market footprints. UnitedHealthcare (UHG), one of the largest MA organizations (MAOs), has announced its intention to exit certain markets, with an estimated 600,000 of their nearly 10 million enrollees expected to be affected. CVS/Aetna likewise plans to withdraw from select regions, anticipating a 10% reduction in MA enrollment—translating to roughly 400,000 beneficiaries losing access to their current plans.

For SNFs and HHAs in impacted markets, these plan exits mean that these MA enrollees, many who may be their residents or clients, will need to either choose a new MA plan for CY26 or return to traditional Medicare when the MA annual enrollment opens on October 15.

These plan exits could also impact providers' contracts and future admission volumes. CY26 MA and special needs plan (SNP) information will be released in October prior to the kick-off of the MA annual enrollment period (October 15–December 7).

#### **Contraction of Plan Offerings**

MA plans are projected to have fewer dollars to work with for their CY26 plan offerings, as their net revenues have declined and some plans also had their MA Star Ratings decline, which impacts their ability to capture additional premium dollars through quality bonuses and higher rebate dollars.

Analysts suggest that we can expect fewer MA plans with \$0 premiums in 2026, with affordability potentially becoming a greater concern for Medicare beneficiaries. Fewer rebate dollars, in turn, will translate to reductions in supplemental benefit offerings. And finally, in the MAOs pursuit of bolstering profits over a growth strategy in the coming year, the balance of plan types offered will also shift: Two-thirds of all MA plans on the market will be health maintenance organizations (HMOs), compared to preferred provider organizations (PPOs).

### **Lower MA Star Ratings May Limit Robustness of Supplemental Benefits**

Medicare Advantage plan payments for CY2026 will be affected by the CY25 MA Star Ratings, which show only 40% of MA plans are expected to have a four-star rating or higher. MAOs that achieve four stars or higher receive a 5% quality bonus on their payments and are eligible for higher rebate payments.

For example, plans that underbid their county benchmark are eligible to receive rebate dollars that must be used to offer supplemental benefits for their enrollees. MAOs earning 4.5–5.0 stars retain 70% of their rebate, whereas plans with just three stars keep only 50%. The financial incentive to boost star ratings is profound—moving from 3.5 to 4 stars can add \$5.4 million for every 10,000 enrollees.

With bonus payments and rebates tied directly to star ratings, plans with lower scores are expected to offer less robust supplemental benefits in 2026. Plans typically try to maintain supplemental benefits that reduce enrollees' cost sharing, and nearly all plans offer dental, vision and hearing coverage as core supplemental benefits. Therefore, the lost revenue may result in reductions in other benefits including the popular flexible benefit cards plans have offered in the past. We don't expect that cards to completely be eliminated but the reduction in MAO revenues could result in the cards being offered at lower amounts.

### **MA Enrollees Choice of Provider May Be Limited**

In CY26, MAOs will be offering more HMO plans vs. PPO plans. Most HMOs limit their coverage of services to those provided by in-network providers and typically require the enrollee to designate a primary care provider who must be consulted for specialist referrals. HMO-POS plans offer a limited out-of-network benefit. PPOs, on the other hand, allow their MA enrollees to choose to receive services from both in-network and out-of-network providers with enrollee out-of-pocket costs being higher for the latter option.

In an effort to drive more Medicare beneficiaries to select HMO MA plans, some MAOs—Blue Shield of California and UHG—publicly announced they will no longer pay broker commissions for PPO enrollments. This will likely lead brokers to encourage older adults to enroll in HMO plans over PPOs.

## Provider Considerations and Resources

Providers should carefully evaluate the MA enrollment offerings in the counties where they service Medicare beneficiaries. CMS publishes [MA enrollment data by state, county and plan monthly](#). In this information, providers can see enrollment by plan and whether the plan is an HMO, HMO-POS, or PPO. This information can arm providers for their contract negotiations with key information about which MAOs (e.g., UHG, Aetna, Humana, Elevance Health, etc.) dominate a given market so they know which contracts to prioritize.

Providers who are not contracted with the dominant HMO plans in their service areas will likely have their admissions impacted. This is a double-edged sword, as MA payments to providers are at historic lows, making caring for MA enrollees a net loss in many cases. However, losing all potential MA admissions could pose its own challenges.

MA contract management, negotiation, and network participation will be paramount for SNF and HHA organizations. This includes knowing when to walk away from a contract offer that is insufficient. For more information and tips about how to approach contract negotiations, see the LeadingAge webinar, "[Mastering the Medicare Advantage Contract Lifecycle](#)."

Providers should prepare for increased inquiries about network status and coverage and be ready to educate patients and families on options and limitations.

With MA enrollment at 54% of all Medicare beneficiaries, changes in the MA marketplace can have more pronounced impact on SNFs and HHAs. Therefore, SNFs and HHAs must begin to reassess their relationships with MAOs, their readiness for network changes, and their communication strategies with the older adults they serve. Key strategies include:

- Contract optimization: Ensure active participation with the largest MAOs and most popular HMO plans in your region. Regularly review and renegotiate contracts to stay competitive. For more information and tips about how to approach contract negotiations, see the LeadingAge webinar, "[Mastering the Medicare Advantage Contract Lifecycle](#)."
- Educate on Medicare options: Aging services providers can be a trusted source for the older adults and families they serve about their choices between traditional Medicare and MA/SNP plans. Providers, in fact, can provide information listing which plans they contract with. Once CY26 MA plan offerings are announced in October, providers should share information on these options. LeadingAge has the following resources available to assist members with this task: our free 18-minute QuickCast on "[The Importance of Medicare Open](#)

Enrollment” and our “Medicare Open Enrollment: Top 5 Things to Know” issue brief for helping to educate older adults you serve.

## **2025 Iowa Medicaid Annual Provider Training**

You’re invited to the 2025 Annual Medicaid Provider Training! Join IME for a full day of insights and networking—available either in person or virtually. Brought to you by the Provider Outreach team.

Same great content, whichever format you choose.

### **Registration Deadline:** September 19, 2025

After registering, you’ll receive a confirmation email. Virtual attendees will also receive their Zoom link shortly after the deadline.

Please select one option only: in-person or virtual.

### **In-Person Session**

📍 Location: State Historical Building, Des Moines, Iowa

📅 Date: Tuesday, September 30, 2025

🕒 Time: 8:00 AM – 5:00 PM (CT)

### **Virtual Session (via Zoom)**

📅 Date: Tuesday, October 14, 2025

🕒 Time: 8:00 AM – 5:00 PM (CT)

View the agenda [here](#). Register [here](#). For additional questions, please contact our Provider Outreach team at [imeproviderservices@hhs.iowa.gov](mailto:imeproviderservices@hhs.iowa.gov).

## **Letter to the Editor Toolkit**

We’re excited to share a brand-new resource available exclusively to LeadingAge Iowa members- the Letter to the Editor Toolkit.

This toolkit is designed to help you quickly and effectively respond to negative press about nursing homes or long-term care, and to highlight the positive work happening in your organization. It includes:

- Fill-in-the-blank templates to make writing fast and easy
- Tips for tone and messaging to ensure your response is professional and compelling
- “What not to do” guidance to avoid attracting negative attention
- Submission instructions for getting published in your local newspaper

With this toolkit, you'll have a ready-to-use resource to turn challenging media coverage into an opportunity to tell your story, showcase your values, and advocate for your mission.

The Letter to the Editor Toolkit is now available in the Member Resources section of our website.

You can access the Toolkit [here](#).

### **CMS Launches Effort to Remove Ineligible, Non-Citizen Medicaid Enrollees**

On August 19, the Centers for Medicare and Medicaid Services (CMS) [issued a press release](#) about an effort to ensure Medicaid enrollees are U.S. Citizens, U.S. Nationals, or have satisfactory immigration status. This will be accomplished with monthly enrollment reports sent to states detailing individuals whose citizenship or immigration status could not be confirmed through federal databases, including the Department of Homeland Security's Systematic Alien Verification for Entitlements (SAVE) program. CMS expects states to take quick action and will monitor state progress monthly. Specifically, states are responsible for reviewing cases sent to them on August 19 and subsequent reports, verifying citizenship or immigration status of individuals, requesting additional documentation from individuals, and acting, when necessary to adjust coverage and enforce non-citizen eligibility rules. LeadingAge will be reviewing the process for potential impacts on aging service providers including nursing home or home and community-based services eligibility.

### **CMS Releases Final MDS 3.0 Item Sets for October 1**

The final Minimum Data Set (MDS) 3.0 Item Sets version 1.20.1v3 and Item Matrix v1.20.1v3 are now available in the downloads section on the [Minimum Data Set \(MDS\) 3.0 Resident Assessment Instrument \(RAI\) Manual](#) page. The MDS v1.20.1v3 will be effective for nursing home providers on October 1, 2025. The final Item Sets include the following changes from the v.1.19.1:

- A0800 – Instead of “Gender”, CMS revised to “Sex”.
- A1250 – Transportation was retired and A1255 implemented. The difference includes slight wording changes “In the past 12 months, has lack of reliable transportation kept you from medical appointments, meetings, work, or from getting things needed for daily living?” With coding options of Yes, No, Resident declines to respond, and Resident unable to respond.
- Throughout the MDS, updates were made accordingly if specific item sets were changed or removed. For example, under B0100, if you coded 0 = No, you skipped to B0200, Hearing while you will now skip to B1300, Health Literacy.
- O0390 was added where providers will now code what therapies were administered for at least 15 minutes a day on one or more days in the last 7 days

with options including Speech-Language Pathology and Audiology Services, Occupational Therapy, Physical Therapy, Respiratory Therapy, Psychological Therapy, and None of the above.

- Subitems in Section O including O0400A, O0400B, O0400c, O0400D1, O0400E, and O0400F were changed to O0425 and will only be completed if A0310H=1. A couple years ago when therapy services were revised to only Medicare Part A services, there was a lot of concern expressed about case mix index and resident acuity which led to changes shortly after implementation. We will monitor this change as well.
- Additionally, as notified by CMS Section R which was included in the initial draft MDS is not included in the final version.

Kellie Van Ree, Director of Clinical Services expressed concern to LeadingAge regarding the revision of the therapy minutes on behalf of nursing home members and will continue to monitor.

### **CMS Pauses Care Compare Updates**

The Centers for Medicare & Medicaid Services (CMS) issued a Quality & Safety Special Alert Memo (QSSAM) [QSSAM-25-03-NH](#) temporarily pausing updates to care compare. According to the memo, the temporary pause was effective on July 30 and will resume in October 2025. The reason behind the temporary pause relates to the transition of the nursing home survey software to iQIES on July 14 and CMS wants to ensure that publicly reported data is accurate before resuming updates to the Care Compare website. All information that will be displayed on Care Compare for skilled nursing providers will remain static as of the latest refresh.

The memo includes a reminder that the Requirements of Participation (RoP) for all nursing home providers includes ensuring that survey reports are publicly accessible.

### **Livanta BFCC-QIO Rebranding – Updates to NOMNC Forms Needed**

Effective August 18, [Livanta's Beneficiary and Family Centered Care – Quality Improvement Organization \(BFCC-QIO\)](#) program was rebranded as Commence Health. Livanta's BFCC-QIO program is currently included in your Notice of Medicare Non-Coverage (NOMNC) form that must be provided to residents/patients when Medicare coverages are ending.

#### What do you need to do?

Update your Medicare NOMNC form with the new name. According to Livanta's website, all contact information will remain the same therefore the phone number you currently have on the NOMNC form will still be valid. Here is a link to [Medicare's NOMNC and Detailed Explanation of Non-Coverage \(DENC\) website](#) where you can find the template notices for download.

## **DIAL Reports Longer Survey Processing Periods for Nursing Homes**

The Department of Inspections, Appeals, & Licensing (DIAL) informed LeadingAge Iowa about delayed survey processing periods due to the transition to iQIES. DIAL indicated that they are working diligently to meet the Centers for Medicare & Medicaid Services (CMS) 10-day processing requirement, however, there may be circumstances outside their control which may delay this. DIAL stated that the processing concerns are related to the need to submit iQIES help desk tickets which may not have a quick turnaround time, delaying the release of the survey reports to the nursing home. DIAL sincerely appreciates everyone's patience as they work through this challenge.

## **New Member Resources**

A new webcast on [Long and Short Stay Antipsychotic Quality Measures](#) is now available on the [Driving Quality YouTube channel!](#)

## **Feedback – Has anyone had nurse aides complete online competency examination yet?**

## **Upcoming Events**

[A Plan for PDPM, Payers, & Payments: Solving the Mysteries & Myths while Modernizing & Maximizing Your Methods](#) (virtual)

August 27, 2025 from 1 - 2 p.m.

[Regional Networking Meeting](#) (in-person)

August 27, 2025 from 1-3 p.m. (The Meth-Wick Community will be hosting lunch at noon for those that are able to come at that time.)

Location: Meth-Wick Community, 1224 13th St. NW, Cedar Rapids, IA 52405

Sponsored by: Key Rehab & TrueMed

[Regional Networking Meeting](#) (in-person)

September 8, 2025 from 11:30 a.m.-2:30 p.m. (lunch included)

Location: Martin Bros. Solutions Center, 312 Viking Road, Cedar Falls, IA 50613

Sponsored by: Plunkett Raysich Architects, LLP

**Navigating OBBBA: What Senior Living Providers Need to Know** (virtual)

September 9, 2025 from 10-11 a.m.

**All those Challenges, Changes, & Completing Notifications: Creating a Comprehensive Plan to Cover all the Contingencies** (virtual)

September 10, 2025 from 1 - 2:30 p.m.

**Leadership Retreat** (in-person)

September 29, 2025 from 9 a.m.-4:30 p.m. and September 30, 2025 from 8 a.m.-1 p.m.

Location: DeSoto House, 230 S. Main Street, Galena, IL 61036