



*Advising the Congress on Medicare issues*

# Workplan: Assessing Medicare Advantage provider networks

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# Presentation roadmap

- 1 Background on networks in MA
- 2 Data sources for analyzing MA provider networks
- 3 Potential future work on understanding MA provider networks
- 4 Discussion

# MA network adequacy requirements

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- CMS has network adequacy requirements for 14 facility types and 29 specialty types
- For each of these, MA plans must demonstrate that their provider networks comply with:
  - Minimum numbers of providers
  - Maximum travel time and distance to providers
  - Maximum wait times
- CMS reviews networks for new plans, service area expansions, and otherwise on a roughly three-year cycle

**Note:** CMS (Centers for Medicare & Medicaid Services). MA (Medicare Advantage).  
**Source:** MedPAC, June 2024.

# MA provider directories and network changes

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- The current system for generating and maintaining MA provider directories is costly and inefficient (June 2024)
  - Plans maintain directories of in-network providers
  - Providers must submit information to every plan they contract with
  - 2018 CMS evaluation: About half of directories had at least one inaccuracy
- MA plans and providers can initiate or terminate contracts at any time
  - Most beneficiaries may only change plans during open enrollment
  - CMS has the discretion to declare a special enrollment period when beneficiaries are substantially affected by a mid-year contract change

**Note:** MA (Medicare Advantage). CMS (Centers for Medicare & Medicaid Services).  
**Source:** MedPAC June 2024; CMS 2018, "Online provider directory review report"

# Literature finds variation in MA network breadth

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- MA networks are generally broader than those in other markets
- Narrowness of networks varies by geography and specialty type
- Network breadth involves tradeoffs
  - A narrow network could improve quality and/or reduce costs, but could also cause access problems by constricting supply
  - A broad network could provide better access, but it could also expose enrollees to low-quality providers and reduce a plan's ability to negotiate on price

**Note:** MA (Medicare Advantage).

**Source:** Meyers et al. 2022; Oh et al. 2023; Sen et al. 2021; Feyman et al. 2019; Jacobson et al. 2017; Baicker and Levy 2015; Feyman et al. 2024; Skopec et al. 2018; Ludomirsky et al 2022

# Implications of network design for access, quality, and cost

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- MA networks have been found to include less-costly providers than their regional average, but differences in quality are less clear
  - Some studies have found positive associations between quality indicators and narrower networks
  - Some have found a negative relationship between narrow networks and quality
  - Some have found no clear association
- May disproportionately affect dually eligible beneficiaries and those with chronic illnesses (e.g. ESRD, behavioral health, cancer)

**Note:** ESRD (end-stage renal disease).

**Source:** Xu et al. 2023; Politzer et al. 2024; Meyers et al. 2022; Sen et al. 2021; Oh et al. 2023; Haeder 2020; Dai et al. 2024; Marr et al. 2023; Zhu et al. 2023; Raof et al. 2021

# Aims of analytic work on MA networks

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- To better understand:
  - Provider participation in MA networks
  - The use of MA provider networks by enrollees
  - The impact of MA network adequacy standards on access to care

**Note:** MA (Medicare Advantage).

# Data sources for analyzing MA provider networks

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- Ideon data
  - Third-party vendor that helps insurance carriers (including MA plans) compile and maintain provider directories
  - Several peer-reviewed studies of provider networks have used this data
- Can be linked with CMS data to assess network design and use
  - MA enrollment data to analyze by plan size, type, and location
  - Provider registries like NPPES and PECOS to confirm provider details
  - MA encounter data to analyze utilization of in-network and OON providers

**Note:** CMS (Centers for Medicare & Medicaid Services). MA (Medicare Advantage). FFS (fee-for-service). NPPES (National Plan and Provider Enumeration System). PECOS (Provider Enrollment, Chain, and Ownership System), OON (out-of-network).



# Validation of Ideon data

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- Verifying that contract IDs represent real MA plans, and NPIs represent real providers
- Identifying providers that actively participate in Medicare
- Inspecting the accuracy of associated data elements (e.g. plan names, provider specialty types, locations)

**Note:** CMS (Centers for Medicare & Medicaid Services). MA (Medicare Advantage). FFS (fee-for-service). PECOS (Provider Enrollment, Chain, and Ownership System), NPPES (National Plan and Provider Enumeration System).

# Workplan to better understand provider participation in MA networks

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- Breadth of provider participation in MA and FFS, e.g.:
  - Share of providers that participate in MA and FFS, FFS only, and MA only
  - Variation in participation by provider and plan characteristics
- Changes in providers' participation in plan networks, e.g.:
  - Percent of providers that exit MA networks each year
  - Percent of new providers entering MA plan networks each year
  - Qualitative work to understand drivers and impact of contract changes

**Note:** MA (Medicare Advantage). FFS (fee-for-service).

# Workplan to better understand use of MA provider networks by MA enrollees

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- “Nominal” vs. “effective” provider networks
  - Quantify overlap between providers categorized by Ideon as “in-network” (nominal) and those used by MA enrollees (effective)
  - Explore variation by plan characteristics and provider characteristics
- Use of out-of-network care
  - Indicator of access to care in MA
  - May be difficult to implement; claims are not always submitted for OON care
  - Important for payment policy to understand the percent of MA encounter records that represent OON care

**Note:** MA (Medicare Advantage). OON (out-of-network).

# Longer-term workplan: Understanding MA network adequacy

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- Analyze association of network size to access-related indicators, potentially including:
  - MA network size relative to CMS network adequacy standards
  - Rates of switching out of MA plans
  - Average distance enrollees travel to providers of different specialties, in different areas
  - Share of enrollees with a particular condition who visit a relevant specialist
- Evaluate network size and breadth for providers not subject to network adequacy requirements

**Note:** CMS (Centers for Medicare & Medicaid Services). MA (Medicare Advantage).

# Discussion

- Questions about proposed analyses
- Priorities for analytic work



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