



May 12, 2024

Michael E. Chernew, Ph.D.
Chairman
Medicare Payment Advisory Commission
25 I Street N.W., Suite 701
Washington, D.C. 20001

Dear Chairman Chernew:

On behalf of the 5,600 Rural Health Clinics (RHCs), providing outpatient care to over 60% of rural Americans across the country, the National Association of Rural Health Clinics (NARHC) is reaching out to comment on the MedPAC April 2025 public meeting.

MedPAC's 2024-2025 work plan, presented last spring, acknowledged provider concerns about Medicare Advantage (MA) in Critical Access Hospitals (CAH) and Rural Health Clinics that were raised during site visits. Specifically, for RHCs, providers had shared receiving lower reimbursement rates from MA plans than their All-Inclusive Rate (AIR) payments reimbursed, as well as highlighted the significant administrative burden challenges they were facing.

NARHC annual survey data supports the site visit findings that MedPAC reported. The over 1,200 RHCs represented in 2024 results shared that MA reimbursement and MA administrative challenges are the two top concerns for RHCs.

Strikingly, 26.7% of RHCs nationwide report receiving slightly (5-20%) less from Medicare Advantage than traditional Medicare, and 24.7% report receiving significantly (20+%) less from MA than traditional Medicare. Unfortunately, however, MedPAC only studied CAH MA experiences in the 2024-2025 work period, and did not present data on Rural Health Clinics.

We strongly urge the Commission to further study the impacts of Medicare Advantage penetration on all rural facility types, including RHCs, in future work periods. Data is instrumental in understanding these true impacts and in developing potential solutions. Please don't hesitate to contact Sarah Hohman at Sarah.Hohman@narhc.org to discuss further.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Nathan Baugh'.

Nathan Baugh
Executive Director
NARHC
Nathan.Baugh@narhc.org
(202) 543-0348

A handwritten signature in dark ink, appearing to read 'Sarah Hohman'.

Sarah Hohman, MPH
Director of Government Affairs
NARHC
Sarah.Hohman@narhc.org
(202) 543-0348