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NABIP Calls for Clarity on CMS Proposed Rule Impacting Medicare Advantage

(Washington, DC) -- NABIP, an association representing over 100,000 licensed health insurance agents, brokers, general agents, consultants, and employee benefits specialists seeks further clarification from the Centers for Medicare and Medicaid Services (CMS) regarding the proposed rule on Contract Year 2025 Policy and Technical Changes to the Medicare Program. This rule pertains to significant changes to the Medicare Advantage, Medicare Prescription Drug Benefit Program, and other related health programs.

Medicare Advantage (MA) is a crucial choice for seniors and disabled patients, offering high-quality, coordinated care. With projections indicating that MA will cover 62% of Medicare beneficiaries by 2034, it's important to maintain the program's viability and ensure that seniors and individuals with disabilities eligible for Medicare are able to make knowledgeable choices about their healthcare coverage.

Field Marketing Organizations (FMOs) play a pivotal role in this ecosystem by lowering overall costs to the Trust Fund. They support independent agents by providing essential services like credentialing, compliance assistance, and technology support. The proposed rule by CMS could significantly affect Medicare beneficiaries, FMOs, and the numerous agents and brokers who assist millions of seniors in understanding their Medicare plan options. Without the general support of FMOs, insurance carriers would need to provide these services, raising their administrative costs and premiums to Medicare beneficiaries.

"NABIP understands that the proposed rule aims to preserve the integrity and enhance the accessibility of the Medicare program," said NABIP CEO Jessica Brooks-Woods. "However, we are concerned about potential unintended consequences that might jeopardize patient access to quality care.

"The redefinition of contracts and compensation for agents, brokers and FMOs who help seniors select a plan under the proposed CMS rule is a key area of concern. It involves an increase of \$31 for administrative payments, which are meant to cover a wide range of benefits including customer service, new technology, training, and other critical services. This raises questions about the rationale behind this specific increase, and whether the data and calculations used to arrive at this figure are robust enough to ensure its sufficiency.

"Another area of concern is the elimination of administrative fees. These fees are essential for supporting the operations of local, independent agents, and if removed, could potentially restrict beneficiaries' access to and use of services they currently depend on.

"As CMS reviews the proposed changes, NABIP emphasizes the need for a detailed assessment of their impact, especially on Medicare-eligible seniors and individuals with disabilities, to ensure the programs' sustainability as well as the well-being of all Medicare beneficiaries."

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[NABIP](https://www.nabip.org) is the preeminent organization for health insurance and employee benefits professionals, working diligently to ensure all Americans have access to high-quality, affordable healthcare and related benefits. To meet that vital mission, NABIP advances the interests of its members and advocates for sound public-policy solutions. NABIP represents and provides professional development opportunities for more than 100,000 licensed health insurance agents, brokers, general agents, consultants, and benefit professionals through more than 200 chapters across America.