

FOR IMMEDIATE RELEASE

NEW HHS OIG REPORT CONFIRMS MEDICARE ADVANTAGE PLANS CONTINUE TO RESTRICT ACCESS TO CRITICAL POST-ACUTE HOSPITAL CARE

NATIONAL ASSOCIATION OF LONG TERM HOSPITALS CALLS FOR STRONGER OVERSIGHT AND REFORMS TO PROTECT MEDICALLY COMPLEX PATIENTS

WASHINGTON, D.C.— JUNE 15, 2026 —The National Association of Long Term Hospitals (NALTH) today highlighted troubling findings from a newly released report from the U.S. Department of Health and Human Services Office of Inspector General (OIG), which found that the nation's three largest Medicare Advantage organizations denied requests for long-term acute care hospital (LTCH) and inpatient rehabilitation facility services at some of the highest rates in the Medicare Advantage program.

The OIG report found that prior authorization requests for LTCH care were denied at exceptionally high rates, with Medicare Advantage plans denying nearly two-thirds of requests, on average. Notably, the three largest Medicare Advantage organizations were among those with the highest denial rates for these critical post-acute care services.

"These findings confirm what LTCH providers, physicians, patients, and families have experienced for years: Medicare Advantage plans are too often standing between medically complex patients and the specialized care their physicians have determined they need," said NALTH President Chris Fox. "When access to medically necessary LTCH care is delayed or denied, patients face longer recoveries and increased complications, and potentially worse outcomes."

LTCHs are acute care hospitals that specialize in treating the nation's most medically complex patients, including individuals requiring prolonged mechanical ventilation, complex wound care, intensive respiratory therapy, and extended acute-level hospital treatment. These patients often require specialized interdisciplinary teams and services that are not available in other settings.

NALTH has repeatedly raised concerns with Congress and the Centers for Medicare & Medicaid Services (CMS) regarding Medicare Advantage plans' use of prior authorization and other utilization management practices to restrict access to LTCH care. Surveys of NALTH member hospitals consistently document high rates of prior authorization denials, lengthy appeals processes, and delays that prevent patients from accessing the most appropriate level of care when they need it most.

Despite recent statements by health plans that highlight improvements in reducing prior authorization denials, post-acute care providers have seen no appreciable improvement and some NALTH members have actually seen prior authorization levels worsen, resulting in decreased access to these critical services for our nation's seniors.

The consequences of these delays can be significant. Research published in BMC Pulmonary Medicine found that delaying the transfer of mechanically ventilated patients to an LTCH reduces their likelihood of successfully weaning from a ventilator. Specifically, each additional day spent in a short-term acute care hospital following intubation was associated with an 11.6 percent reduction in the probability of successful weaning. For many medically complex patients, timely transfer to specialized LTCH care can be a critical factor in recovery.

NALTH urges Congress and CMS to take immediate action to ensure Medicare Advantage beneficiaries have timely access to medically necessary care, including:

- ▶ Strengthening oversight of prior authorization practices for LTCH services;
- ▶ Increasing transparency around denial rates and appeal outcomes;
- ▶ Ensuring Medicare Advantage plans follow Medicare coverage standards;
- ▶ Holding plans accountable when utilization management practices create inappropriate barriers to care; and
- ▶ Protecting physician-directed clinical decision-making for medically complex patients.

"NALTH is calling on Congress and CMS to act — not studying, not monitoring, not convening a workgroup — but by taking action," said Fox. "NALTH looks forward to working with Congress and CMS to ensure Medicare Advantage beneficiaries receive the care they need, when they need it."

MEDIA INQUIRIES

Lane Koenig, PhD, NALTH Policy & Research Director, lane.koenig@knghealth.com

Ryan Dryden, NALTH Administrative Director, rdryden@nalth.org

###