



February 25, 2026

Mehmet Oz, MD, MBA  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Attention: CMS-2026-0034  
P.O. Box 8016  
Baltimore, MD 21244-8016

*Submitted electronically via regulations.gov*

Re: Calendar Year 2027 Advance Notice of Methodological Changes for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies [CMS-2026-0034]

Dear Dr. Oz:

The Academy of Managed Care Pharmacy (AMCP) thanks the Centers for Medicare & Medicaid Services (CMS) for the opportunity to comment on the Calendar Year (CY) 2027 Advance Notice of Methodological Changes for Medicare Advantage (MA) Capitation Rates and Part D Payment Policies (Advance Notice), issued on January 26, 2026.

AMCP is the nation's leading professional association dedicated to increasing patient access to affordable medicines, improving health outcomes, and ensuring the wise use of healthcare dollars. Through evidence and value-based strategies and practices, AMCP's nearly 8,000 pharmacists, physicians, nurses, and other practitioners manage medication therapies for the 270 million Americans served by health plans, pharmacy benefit management firms, emerging care models, and government health programs.

AMCP offers the following comments to highlight concerns regarding proposed payment updates and risk adjustment changes and to recommend considerations for finalizing the Rate Notice.

### **Net Average Payment Increase**

AMCP is concerned that the proposed net average payment increase of approximately 0.09 percent is insufficient to support the Medicare Advantage (MA) program in light of current cost growth and utilization trends. The projected decline in plan payments is largely driven by proposed changes to the MA risk adjustment model, which would offset expected annual rate growth associated with medical cost trends and inflation and place additional financial pressure on plans.

Recent experience demonstrates the risks of inadequate payment updates. The prior year's MA rate increase was widely viewed as insufficient to keep pace with rising medical costs and



contributed to market instability, including plan withdrawals in some areas. A substantially lower update in 2027, particularly when combined with risk adjustment changes, could further destabilize the MA market.

AMCP urges CMS to consider current utilization and cost trends when finalizing the Rate Notice to ensure payment adequacy, promote program stability, and preserve beneficiary access to affordable, high-value care.

### **RxHCC Risk Adjustment Model and Normalization Factors**

AMCP supports CMS's proposed updates to the Part D risk adjustment (RxHCC) model to align with the Inflation Reduction Act (IRA) and appreciates CMS's data-driven and transparent approach. However, it is critical to ensure that recalibrated risk-adjusted payments remain adequate across all therapeutic areas and beneficiary populations. The IRA materially increases plan liability for drugs in the catastrophic phase and for low-income subsidy (LIS) enrollees, making accurate risk adjustment essential to prevent financial losses and preserve incentives for plans to enroll and serve high-need beneficiaries. Accurate and timely risk adjustment is necessary to ensure that plan payments reflect real-world drug spending and liability under the new benefit structure. This need is heightened by rapid evolution in the pharmaceutical pipeline, particularly the growing use of high-cost specialty therapies and treatments for complex or rare conditions that may not be fully reflected in historical data at the time of model calibration.

As CMS continues to refine the RxHCC model, payment adequacy must keep pace with evolving utilization patterns and the uptake of new therapies. AMCP urges CMS to closely monitor implementation impacts to identify potential access issues, including changes in formulary placement and coverage conditions for high-value therapies, increased reliance on utilization management tools such as prior authorization or step therapy, and beneficiary out-of-pocket exposure despite the statutory cap. Ongoing monitoring will help distinguish transitional effects from more persistent access barriers and inform timely and targeted refinements to the model or related policies.

As plan liability and manufacturer contributions evolve under the redesigned benefit, it will be important to understand how payment adequacy and risk adjustment interact with these shifts in practice. In some cases, changes that reduce beneficiary cost exposure at the point of sale may be accompanied by greater reliance on care management and utilization tools as part of broader cost containment strategies, particularly for high-cost or specialty therapies. In this context, AMCP recommends that CMS evaluate whether payment changes are associated with measurable changes in plan behavior that could affect beneficiary access. Such evaluation could include examining trends in utilization management, delays in therapy initiation, formulary design and coverage conditions, and administrative requirements for patients and providers. Monitoring these dynamics will be essential to ensuring that the affordability gains achieved through the IRA are realized in practice and are not offset by new non-price barriers to access.



## Conclusion

AMCP appreciates CMS's continued engagement with stakeholders and its efforts to modernize payment and risk adjustment policies. Given ongoing medical cost growth, evolving utilization patterns, and significant policy changes affecting plan liability, AMCP urges CMS to ensure that final payment updates adequately reflect current cost and utilization trends to support program sustainability and predictability. Payment adequacy is essential to maintaining market stability, preserving plan participation, and ensuring beneficiary access to affordable, high-value care.

AMCP looks forward to continued collaboration with CMS as these policies are finalized and implemented. If you have any questions regarding these comments or would like to discuss them further, please contact Vicky Jucelin, Manager of Regulatory Affairs, at [vjucelin@amcp.org](mailto:vjucelin@amcp.org) or (571) 858-5320.

Sincerely,

Geni Tunstall, JD  
Associate Vice President, Regulatory Affairs