

# Ensure Timely Payment Under Medicare Advantage



Texas Association for Home Care & Hospice  
Leading ★ Advancing ★ Advocating

## Please Support H.R. 5454 (Medicare Advantage Prompt Pay Act)

### The Problem

No federal prompt-pay standard



Cash-flow instability for providers



Care access suffers for MA patients



**MedPACs March 2026 report identifies \$76 billion in excess payments to Medicare Advantage plans,** even as plan delays and denials jeopardize timely care to clients and further strain provider finances.

**No federal prompt-payment standard for MA plans:** Unlike Traditional Medicare, MA lacks uniform rules requiring timely payment of clean claims—leading to long delays and cash-flow instability for providers.

### Real World Impact on Home Health

- Fewer visits for MA patients, driven by prior auth and lower payment. MedPAC's analysis shows MA home health users receive fewer visits on average than fee-for-service (FFS); researchers link this to prior authorization/cost-sharing, and agencies report they often prefer FFS admissions because MA rates are mostly below cost.
- Patients struggle to find an agency; services cut below the plan of care. CMS has received increasing beneficiary complaints that HHAs won't accept them and that services are being reduced below the ordered plan, signaling access frictions worsened by payment delays/denials.
- Tightening margins amplify MA payment delays. CMS' 2026 rule reduced Traditional Medicare home health payments by 1.3%, compounding cash-flow strain when MA payments are delayed or denied—limiting admissions and staffing and delaying starts of care.

### What H.R. 5454 Would Do

95%

Clean Claims Paid

14 days

Electronic In-Network

30 days

Paper/Out of Network

- Set national MA prompt-pay rules. Require plans to pay ≥95% of clean claims within 14 days for electronically submitted in-network claims and 30 days for paper or out-of-network claims.
- Enforce accountability. Authorize civil monetary penalties (up to \$25,000 per violation) for plans that miss prompt-pay standards.
- Increase transparency. Require public reporting on prompt-pay performance (timeliness rates; interest paid on late claims).
- Pay interest on late payments and clarify claim-receipt rules to prevent gamesmanship.

### The Ask

- 1 Please sign on and vote YES on H.R. 5454 to establish fair, enforceable prompt-pay standards for Medicare Advantage.
- 2 Urge Ways & Means and Energy & Commerce to advance the bill and align MA operations with timely-payment rules.
- 3 Support the Senate companion (S. 2879), strong enforcement, and public reporting to ensure compliance.



### Status & Bipartisan Support

TAHC&H, AHA, FAH, AHCA/NCAL Supports:

**House (H.R. 5454)** – Introduced Sept. 18, 2025 by Rep. Jodey Arrington (R-TX-19); referred to Ways & Means and Energy & Commerce; bipartisan cosponsors include Rep. Linda Sánchez (D-CA-38) and others.

**Senate companion (S. 2879)** – Led by Sen. Catherine Cortez Masto (D-NV) and Sen. Marsha Blackburn (R-TN)

