

# 2026 MEDICARE ADVANTAGE CHANGES

Quick Reference — What Healthcare Providers Must Know

MedSole RCM | January 2026

## MAJOR CHANGE #1: CARRIER MARKET EXITS

Effective January 1, 2026, major carriers exited Medicare Advantage markets, affecting 600,000+ beneficiaries.

### Carriers Exiting Markets:

Carrier	Markets Affected	Members Impacted
UnitedHealthcare	[List specific states]	400,000+
[Other Carrier]	[States]	[Number]
[Other Carrier]	[States]	[Number]

### What This Means For Your Practice:

- Patients will present **OLD** insurance cards (new cards delayed)
- Claims submitted to old carriers will receive **PR-27 denials**
- These are **VALID** denials – coverage truly terminated
- Prevention is the **ONLY** solution – verify every MA patient

### Action Required — January 2026:

- ✓ Verify eligibility for **ALL** Medicare Advantage patients
- ✓ Do **NOT** accept any MA card at face value
- ✓ Ask every patient: "*Did your Medicare plan change this year?*"
- ✓ If old card presented, help patient identify new coverage
- ✓ Run fresh verification regardless of patient history

## **MAJOR CHANGE #2: CMS RETROACTIVE DENIAL PROTECTION**

The 2026 Medicare Advantage Final Rule (CMS-4207-F) provides **NEW** protections against retroactive denials.

**WHAT CHANGED:** MA plans can **NO LONGER** "reopen and modify" previously approved inpatient admissions to issue retroactive denials.

### **Protection Applies When:**

- Prior authorization was requested for inpatient admission
- MA plan **APPROVED** the prior authorization
- Patient was admitted and received care
- Plan later discovered coverage issue and tried to deny retroactively

#### **THE OLD WAY (Before 2026):**

- Plan approves prior auth
- Patient receives inpatient care
- Weeks later, plan discovers eligibility issue
- Plan retroactively denies and issues PR-27
- **Provider eats the cost**

#### **THE NEW WAY (2026 and forward):**

- Plan approves prior auth
- Patient receives inpatient care
- Prior authorization approval is **BINDING**
- Plan **cannot** retroactively deny
- Provider has strong appeal grounds if denial issued

### **How To Use This Protection:**

If you receive PR-27 for a prior-authorized inpatient admission:

## 1. Gather prior authorization documentation:

- Authorization request date
- Approval date and confirmation number
- Approved service description
- Approved date range

## 2. File appeal citing:

- "2026 Medicare Advantage Final Rule (CMS-4207-F)"
- "Prohibition on reopening previously approved admissions"
- Attach prior authorization approval

## 3. Use Template C from MedSole RCM's Appeal Letter Kit

### SAMPLE APPEAL LANGUAGE

"Per the 2026 Medicare Advantage Final Rule (CMS-4207-F), Medicare Advantage plans are prohibited from reopening and modifying previously approved inpatient admissions. Prior authorization #[NUMBER] was approved on [DATE] for this admission. This retroactive PR-27 denial violates current CMS regulations and must be reversed."

## CARC 27 STATUS — NO CHANGES

- Denial code 27 remains unchanged
- Definition: "Expenses incurred after coverage terminated"
- Active since January 1, 1995
- Last X12 review: January 1, 2026 — confirmed stable
- No process changes needed for the code itself

## 2026 ACTION CHECKLIST FOR PRACTICE MANAGERS

### IMMEDIATE (January 2026):

- Alert all front desk staff about MA plan changes
- Implement mandatory verification for every MA patient
- Create "hard stop" if MA verification fails
- Post verification reminders at all check-in stations
- Train staff to ask about plan changes

## ONGOING (Throughout 2026):

- Track PR-27 denial patterns monthly
- Appeal retroactive MA denials citing new CMS rule
- Document all prior authorizations thoroughly
- Stay subscribed to payer update bulletins

## FOR DENIED PRIOR-AUTHORIZED CLAIMS:

- Pull prior authorization documentation
- Use 2026 CMS rule in appeal
- Escalate to IRE if MA plan denies appeal
- Consider CMS complaint if pattern of violations

## KEY DATES & DEADLINES

January 1, 2026	Market exits effective
January 2026	Highest risk month for MA PR-27 denials
60 days	Medicare/MA appeal deadline
2026 ongoing	CMS retroactive protection in effect

## RESOURCES

### CMS 2026 MA Final Rule:

[cms.gov/newsroom/fact-sheets/2026-medicare-advantage-and-part-d-final-rule](https://cms.gov/newsroom/fact-sheets/2026-medicare-advantage-and-part-d-final-rule)

### Medicare Plan Finder:

[medicare.gov/plan-compare](https://medicare.gov/plan-compare)

### MedSole RCM Denial Management:

[medsolercm.com/denial-management](https://medsolercm.com/denial-management)

**Need help managing MA denials?**

MedSole RCM specializes in denial prevention and resolution for healthcare providers.

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