



## Capitol Insights Newsletter

March 28, 2025

Author: Nathan Baugh

### What Happened in Congress this Week

Dr. Jay Bhattacharya was confirmed by the Senate to lead the National Institutes of Health (NIH) and Marty Makary was confirmed to serve as Food and Drug Administration (FDA) Commissioner.

### Picking Medicare Advantage is a Lifelong Decision

Enrolling in Medicare Advantage (MA) is like getting a tattoo. You should ask yourself: “Is this really something I want for the rest of my life?” before committing.

Indeed, [more and more](#) Americans are choosing to enroll in MA plans without realizing the significance of that decision. The problem is that once you, your parents, or your grandparents pick an MA plan, they may not be able to go back to traditional Medicare and purchase a supplemental plan.

Medicare Advantage was created by Congress in 1997 as a private option for enrollees in lieu of traditional Medicare. This design suggests the two Medicare coverage options are interchangeable and beneficiaries can select the alternate option if they don't like whichever version they selected but this is not always the case. To be clear, MA enrollees can go back to traditional Medicare. But the wise thing to do if you enroll in traditional Medicare is to also purchase a Medicare supplemental plan, or “Medigap” plan. This is because traditional Medicare only covers 80% of most healthcare services and there is **no out-of-pocket maximum** if you only have traditional Medicare. Medigap plans, as the name implies, close this gap in coverage.

When one first joins traditional Medicare, there is a [six month period](#) in which you can purchase a Medigap plan and be guaranteed pre-existing condition protections. However, if you miss that window, or enroll in an MA plan, **the Medigap plans can either raise prices or outright deny you coverage based on your pre-existing conditions**. This is called the “Medigap trap.”

Four states, Connecticut, Massachusetts, Maine and New York, have recognized how unfair this is for Medicare beneficiaries and have laws protecting beneficiaries from this trap. But there are no pre-existing condition protections in the rest of the country for supplemental/Medigap plans outside of the critical six-month window.

---

[Click here to subscribe for weekly updates!](#)

1009 Duke St. Alexandria, VA 22314  
(202) 544-1880 | Fax: (202) 543-5913  
administrator@capitolassociates.com



## Capitol Insights Newsletter

### March 28, 2025

Author: Nathan Baugh

While having two insurance plans may seem like a hassle, enrolling in traditional Medicare plus a supplemental gives you the most options as a patient. Almost every provider accepts traditional Medicare whereas MA coverage is usually limited to provider-networks.

I'm sure we have all seen the MA commercials touting the benefits of Medicare Advantage: dental coverage, vision coverage, prescription coverage, some plans even have no premium! Many MA enrollees are happy with their MA plans, particularly when they are healthy, and there are certainly good reasons why you or the Medicare-eligible beneficiaries in your life might want to choose MA plans over traditional. In general, the premiums for MA plans are cheaper than the premiums for traditional plus Medigap.

But the public needs to understand that Medicare Advantage also has significant drawbacks. MA coverage often requires going through pre-authorization processes that can delay care, or cause care to not be covered at all if the fine print is not perfectly followed. Contrast that to traditional Medicare, where coverage for services is more generous and there is generally less red tape for patients and providers to navigate.

The administrative burdens, coverage denials, and reimbursement issues have caused many [healthcare systems](#) to stop accepting MA plans. Furthermore, the MA plans themselves are [pulling back from markets](#) where they aren't making enough profit. If either the providers you rely on leave your MA plan, or your MA plan leaves your area, you may find you are stuck up the creek without a paddle. Unfortunately, MA enrollees in these areas will find themselves forced into the Medigap trap through no fault of their own.

In this way, choosing to enroll in a Medicare Advantage plan is significantly more impactful than simply getting a tattoo that you ultimately regret, because this decision has major and irreversible consequences for your health and finances. Choose wisely.

### **Top Stories in Healthcare Policy**

**After President Trump's last-minute withdrawal of Dave Weldon to lead the Centers for Disease Control and Prevention (CDC), President Trump has nominated acting CDC director Susan Monarez to fill the role.** She will now need to be confirmed by the Senate to assume the position. She has held various positions across the Department of Health and Human Services (HHS), including during the Biden Administration.

---

[Click here to subscribe for weekly updates!](#)

1009 Duke St. Alexandria, VA 22314  
(202) 544-1880 | Fax: (202) 543-5913  
[administrator@capitolassociates.com](mailto:administrator@capitolassociates.com)



## Capitol Insights Newsletter

### March 28, 2025

Author: Nathan Baugh

**The DNA testing company 23andMe declared for bankruptcy on Sunday.** The company is now for sale. Many are concerned about what will be done with the millions of highly sensitive DNA samples the company has in its possession.

**HHS Secretary Robert F. Kennedy Jr. announced that an additional 10,000 workers will be cut from the HHS.** Including previous downsizing, early retirements, and voluntary buyouts, HHS will reduce its workforce by a total of 20,000 employees this year. The agency employed 82,000 workers last year and is expected to have an estimated 62,000 employees moving forward. From there, HHS plans to consolidate the agency's 28 divisions into 15.

**Virginia Governor Glenn Youngkin vetoed state legislation that would have created a Prescription Drug Affordability Board (PDAB).** He vetoed similar legislation last year as well.

**The newly founded House Democratic Congressional Doctors Caucus hopes to work alongside the GOP Doctors Caucus to address Medicare Advantage overpayments, as shared at The Hill's Health Next Summit.** The newly formed caucus is comprised of six founding Members: Rep. Kim Schier (D-WA-8), Rep. Raul Ruiz (D-CA-25), Rep. Ami Bera (D-CA-6), Rep. Herb Conaway Jr. (D-NJ-3), Rep. Maxine Dexter (D-OR-3), and Rep. Kelly Morrison (D-MN-3).

**House of Representatives leadership has committed to including a series of Pharmacy Benefit Manager (PBM) reforms into this year's Budget Reconciliation package.** These reforms were originally included in the Continuing Resolution (CR) passed just before the holiday season but were ultimately not included in the final version. This was shared by House Energy and Commerce Health Subcommittee Chair Buddy Carter (R-GA-1) at The Hill's Health Next Summit.

**The Department of Justice (DOJ) launched an "Anticompetitive Regulations Task Force."** Healthcare stakeholders have until May 26<sup>th</sup> to offer feedback on rules that they limit competition.

---

[Click here to subscribe for weekly updates!](#)

1009 Duke St. Alexandria, VA 22314  
(202) 544-1880 | Fax: (202) 543-5913  
administrator@capitolassociates.com