



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: June 16, 2025

TO: Medicare Advantage Organizations

FROM: Kathryn A. Coleman
Director

SUBJECT: Exercising Enforcement Discretion Regarding the Requirements under 42 CFR §§ 422.137(c)(5), and 422.137 (d)(6) and (7)

The Centers for Medicare & Medicaid Services (CMS) is announcing its decision to exercise enforcement discretion regarding the requirements under 42 CFR §§ 422.137(c)(5), and 422.137 (d)(6) and (7). Under 42 CFR § 422.137(c)(5), beginning January 1, 2025, all utilization management (UM) committees are required to include at least one member with expertise in health equity. Under 42 CFR § 422.137(d)(6) and (7), UM committees are required to conduct a health equity analysis of the use of prior authorization at the plan level. By July 1, 2025, and annually thereafter, Medicare Advantage Organizations (MAOs) are required to publicly post the results of the health equity analysis on the plan's website.

Over the past several months, CMS has received numerous questions regarding the implementation of these requirements, as well as requests for additional technical guidance. After careful consideration, CMS has determined that a temporary pause in enforcement is necessary to reevaluate the current regulatory requirements.

Effective immediately, CMS will:

1. Suspend enforcement of the requirement that all UM committees include at least one member with expertise in health equity as specified at 42 CFR § 422.137(c)(5);
2. Suspend enforcement of the requirement to conduct the annual health equity analysis as specified at 42 CFR § 422.137(d)(6); and
2. Suspend enforcement of the requirement to publicly post the results of such analysis as specified at 42 CFR § 422.137(d)(7).

The suspension will remain in effect until further notice. CMS is committed to ensuring that prior authorization is not used as a tactic to delay or deny medically necessary care and will use this period to consider potential regulatory changes through formal rulemaking, which would not be effective until contract year 2027 at the earliest. CMS also reminds MAOs that the requirement to report prior authorization metrics under 422.122(c), beginning in 2026, is still in effect.

Please submit any suggestions or questions to <https://dpap.lmi.org/dpapmailbox>.