United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510–6250

July14, 2026

VIA EMAIL

Mr. David Joyner
President and Chief Executive Officer
CVS Health Corporation
1 CVS Drive
Woonsocket, RI 02895

Dear Mr. Joyner:

Two recent reports issued by the Department of Health and Human Services Office of the Inspector General (HHS OIG) contain troubling findings about the scale of prior authorization denials in the Medicare Advantage program by CVS and other large insurers. These findings follow and closely track those of an October 2024 staff report of the Permanent Subcommittee on Investigations ("PSI" or "the Subcommittee") finding that CVS and other Medicare Advantage insurers disproportionately denied post-acute care to America's most vulnerable patients.[1] These new HHS OIG reports suggest that little has changed, and call into question claims your company has made since the release of the Subcommittee's report that it is reining in prior authorization. Accordingly, we write to request updated information about your company's prior authorization practices.

The Subcommittee's report was based on a review of more than 280,000 pages of documents from the three largest Medicare Advantage insurers, including internal emails and strategy documents, as well as prior authorization data not previously provided to regulators. The documents and data showed that CVS and other insurers denied prior authorization requests for admission to skilled nursing facilities (SNFs), inpatient rehabilitation facilities (IRFs), and long-term acute care hospitals (LTCHs) at rates vastly higher than for other types of treatments. Stays in these facilities can be critical to recovery for vulnerable seniors who have been ill or injured. Documents obtained by the Subcommittee indicated that insurers sought ways to deny increasing shares of this expensive care.

In the period since the Subcommittee's report, CVS and other large insurers have claimed that they are reducing the burden prior authorization poses for members and their healthcare

[1] S. PERMANENT SUBCOMM. ON INVESTIGATIONS, *Refusal of Recovery: How Medicare Advantage Insurers Have Denied Patients Access to Post-Acute Care*, 118th Cong (2024).

providers.[2] But the recent HHS OIG reports, which were based on data from approximately a year-and-a-half after the Subcommittee's report, demonstrate that prior authorization's disproportionate impact on post-acute care has, if anything, intensified.[3]

One HHS OIG report found that the largest Medicare Advantage insurers denied prior authorization requests for admission to LTCHs and IRFs at substantially higher rates than other insurers.[4] CVS, for example, denied 80 percent of IRF admission requests, while 16 smaller insurers covering Medicare Advantage beneficiaries denied an average of 41 percent of such requests. The report noted that it was "unclear why some [insurers] had denial rates that were much higher than their peers," and that it potentially indicated that some insurers were pursuing non-standard interpretations or applications of coverage criteria for these facilities. HHS OIG has previously examined individual claims from large Medicare Advantage insurers and found that they denied post-acute care claims that would have been approved under Traditional Medicare, a potential violation of federal healthcare regulations.[5]

The second HHS OIG report found that the largest Medicare Advantage insurers had among the highest rates of prior authorization denial for skilled nursing facilities (SNFs), and that almost all of the appeals of those initial denials were subsequently overturned.[6] For example, CVS reversed 98.2 percent of all initial SNF denials. As HHS OIG noted, "each overturned denial represents a case in which the patient or their provider had to file an appeal to access SNF services that were medically necessary and covered by Medicare." Research has shown that the delays associated with such needless denials are "associated with measurable patient harm."[7]

The data contained in these reports indicate that the disparities the Subcommittee revealed either endure or have grown worse. For example, PSI found that in 2022, CVS denied 48.1 percent of prior authorization requests for IRFs. By June 2024, that figure had risen to 50.7

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[2] *See, e.g.*, Press Release, Aetna Announces Progress on Industry Leading Efforts to Simplify Prior Authorization, PR Newswire (Apr. 24, 2026), https://www.prnewswire.com/news-releases/aetna-announces-progress-on-industry-leading-efforts-to-simplify-prior-authorization-302752426.html.

[3] The Subcommittee's report was based on data and documents covering the period from 2018 through 2022; the HHS OIG reports are drawn from an analysis of prior authorization requests processed in June 2024.

[4] U.S. DEP'T OF HEALTH AND HUM. SERVS. OFF. OF THE INSPECTOR GEN., OEI-09-24-00330, *The Three Largest Medicare Advantage Organizations Denied Requests for Long Term Acute Care and Inpatient Rehabilitation at Some of the Highest Rates* (June 2026), https://oig.hhs.gov/documents/audit/11693/OEI-09-24-00330.pdf.

[5] U.S. DEP'T OF HEALTH AND HUM. SERVS. OFF. OF THE INSPECTOR GEN., OEI-09-18-00260, *Some Medicare Advantage Organization Denials of Prior Authorization Requests Raise Concerns About Beneficiary Access to Medically Necessary Care* (Apr. 2022), https://oig.hhs.gov/documents/evaluation/3150/OEI-09-18-00260-Complete%20Report.pdf.

[6] U.S. DEP'T OF HEALTH AND HUM. SERVS. OFF. OF THE INSPECTOR GEN., OEI-09-24-00331, *Medicare Advantage Organizations Overturned Nearly All Appealed Prior Authorization Denials for Skilled Nursing Facility Admission, Raising Concerns About Initial Denials* (June 2026), https://oig.hhs.gov/documents/audit/11694/OEI-09-24-00331.pdf.

[7] Jacob Murphy et al, *Adverse effects of health plan prior authorization on clinical effectiveness and patient utcomes: A systematic review,* AM. J. OF MED. (Jan. 2026), https://www.amjmed.com/article/S0002-9343(25)00553-4/fulltext

percent. If extended on an annual basis, this increase would amount to nearly a thousand additional denials of care for vulnerable seniors every year. And because of an absence of comprehensive reporting requirements, Medicare Advantage insurers are able to hide the full extent of denials of care resulting from their abuse of prior authorization. HHS OIG's recent reports make clear that critical data reporting gaps highlighted by the Subcommittee continue to obscure the full extent of this problem.

The Subcommittee's previous investigation followed reports that insurers had deployed artificial intelligence to limit beneficiary access to post-acute care.[8] Data from PSI's report demonstrated that denial rates for post-acute care had increased at the same time CVS and other insurers were investing in artificial intelligence and other predictive technologies used to evaluate admission requests for these facilities.[9] Although each of the insurers insisted that all final denials had to come from human reviewers, the Subcommittee documented ways in which their employees may have been pressured to hew to machine-generated recommendations, and that contractors may have had greater flexibility when using predictive technologies.

As noted in a letter to your company last fall, the increasing reliance of large insurers on predictive technologies poses a profound risk for seniors enrolled in Medicare Advantage.[10] A majority of healthcare providers believe that predictive technologies will—or already have—result in an increase in prior authorization denials.[11] And the potential misuse of these technologies is likely to expand as artificial intelligence becomes further integrated into our healthcare system.[12]

This year, the federal government is projected to spend $76 billion more to cover Medicare Advantage enrollees than it would have if these beneficiaries were enrolled in Traditional Medicare.[13] Despite the Trump Administration's promises to crack down on excesses in the program, the Center for Medicare and Medicaid Services' latest rules for the Medicare Advantage program abandoned plans to curtail overpayments, an announcement that sent the stock prices of the largest insurers skyward.[14] As CVS and others continue to deny claims at

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[8] Casey Ross & Bob Herman, *Denied by AI: How Medicare Advantage plans use algorithms to cut off care for seniors in need*, STAT (Mar. 13, 2023), https://www.statnews.com/denied-by-ai-unitedhealth-investigative-series/.

[9] S. Permanent Subcomm. on Investigations, *supra* note 1.

[10] Letter from Sen. Richard Blumenthal, Ranking Member, Permanent Subcommittee on Investigations, to David Joyner, Chief Executive Officer, CVS (Oct. 9, 2025), https://www.hsgac.senate.gov/wp-content/uploads/2025-10-09-Letter-from-Ranking-Member-Blumenthal-to-CVS.pdf.

[11] AM. MED. ASS'N, *2025 AMA Prior Authorization Physician Survey* (May 13, 2026), https://www.ama-assn.org/system/files/prior-authorization-survey.pdf.

[12] Michelle M. Mello et al, *The AI Arms Race in Health Insurance Utilization Review: Promises of Efficiency and Risks of Supercharged Flaws,* Health Affairs (Jan. 6, 2026), https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2025.00897.

[13] MEDPAC, *March 2026 Report to the Congress*, https://www.medpac.gov/wp-content/uploads/2026/03/Mar26_Ch12_MedPAC_Report_To_Congress_SEC.pdf

[14] Bob Herman, *Trump promised to clamp down on insurers. His policies are enriching them*, STAT (Apr. 9, 2026), https://www.statnews.com/2026/04/09/medicare-advantage-rates-latest-trump-policy-helps-health-

record rates and pursue lucrative technologies that threaten patient wellbeing, it is incumbent upon Congress to provide oversight of this vast expenditure of taxpayer dollars.

In order to help the Subcommittee assess the prior authorization practices of Medicare Advantage insurers, please provide the information requested below by July 28, 2026. The period covered by this request is January 1, 2023 to the present.

1. All records[15] referring or relating to CVS's process for authorizing or covering post-acute care or services for Medicare Advantage beneficiaries, including, but not limited to, the use of any algorithm, software, or artificial intelligence to determine medical necessity, payment, or authorization.
2. All records referring or relating to CVS's handling of appeals of denials of post-acute care.
3. A breakdown of the personnel relied upon by CVS to evaluate prior authorization requests for post-acute care by Medicare Advantage beneficiaries, including:
    a. The number of employees, by year, with these responsibilities;
    b. The number of contractors, by year, with these responsibilities;
    c. The number of the employees and contractors identified in response to Questions 3(a) and 3(b) that are medical doctors.
4. The number of prior authorization requests your company has processed for admission to the following facilities, by year, from 2023 through the present:
    a. Skilled nursing facilities;
    b. Inpatient rehabilitation facilities;
    c. Long-term acute care hospitals.
5. For each of the facility types identified in Question 4, please also provide, on an annual basis:
    a. The number of prior authorization requests that received an initial denial;
    b. The number of these initial denials that were appealed;
    c. The number of these appeals that were overturned by CVS.
    d. The number and percentage of patients that receive a denial of care after successfully appealing the same or substantially similar care.
    e. The average number of denials of care issued to patients at that facility.
6. For Medicare Advantage beneficiaries admitted to SNFs, please provide, on an annual basis:
    a. The number of Notices of Medicare Non-Coverage (NOMNCs) provided to these enrollees;
    b. The average length of stay preceding issuance of a NOMNC;
    c. The number of beneficiaries who received and then appealed a NOMNC, and the share of these appeals that were successful;

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insurers/; Bob Herman, *Health insurers score major win with higher 2027 Medicare Advantage rates*, STAT (Apr. 6, 2026), https://www.statnews.com/2026/04/06/medicare-advantage-rates-2027-unitedhealth-humana-cvs-health-stocks-climb/.

[15] "Records" include written, recorded, or graphic material of any kind, including, but not limited to, letters, memoranda, reports, notes, electronic data (emails, email attachments, and any other electronically-created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether or not they resulted in final documents).

   d. The number of successful appeals of NOMNCs who subsequently received one or more coverage termination notices;
   e. For the enrollees described in Question 6(d), the average length of time between a successful appeal of an NOMNC and the issuance of a subsequent coverage termination notice.
7. Organizational charts reflecting corporate structure, officers, directors, and employees.
8. A detailed explanation for the significant variation in denial rates between CVS and other Medicare Advantage insurers for prior authorization requests for admission to post-acute care facilities as described in the recent HHS OIG reports.
9. Will CVS commit to supporting CMS regulations calling for more detailed reporting by Medicare Advantage plans to require a standardized field indicating responses to requests for admission to post-acute care facilities, broken down by facility type?
10. Does it remain the policy of CVS that final adverse determinations for Medicare Advantage beneficiaries cannot be made by AI or other predictive technologies?
    a. If not, please provide a detailed description of when this change was implemented, as well as copies of all documentation reflecting the change in policy;
11. Which AI or predictive technologies have been employed by CVS for the evaluation of patient care or the payment for patient services? Please include the name of the technology, how it is used, and any limitations on its use.
12. Please describe any policies implemented since October 2025 to prevent predictive technologies from unduly influencing the work of human clinicians, and provide copies of each policy.
13. All records reflecting any complaints received by CVS about the use of algorithms, software, or artificial intelligence.

Thank you for your attention to this matter.

Sincerely,

Richard Blumenthal
Ranking Member
Permanent Subcommittee on Investigations

Josh Hawley
Member
Permanent Subcommittee on Investigations

cc: The Honorable Ron Johnson
Chairman
Permanent Subcommittee on Investigations