AMERICA'S PHYSICIAN GROUPS

November 16, 2026
Contact: Jenifer Callahan, Chief of Staff, APG
jcallahan@apg.org
Phone: (703) 282-3027

Expanding and Improving Processes for Risk Adjustment Data Validation Audits Could Enhance Program Integrity in Medicare Advantage, But The Details Warrant Scrutiny, America's Physician Groups Says

Washington, DC, November 16, 2026 – A proposal by the Centers for Medicare & Medicaid Services (CMS) to overhaul aspects of so-called risk adjustment data validation (RADV) audits could be an important contributor to enhancing the financial integrity and accountability of Medicare Advantage (MA) and help to thwart improper payments in the program, America's Physician Groups said today. These audits are used by CMS to verify the diagnosis codes that Medicare Advantage organizations (MAOs) submit to the agency to obtain risk-adjusted payments for caring for patients. "APG's more than 300 physician group member organizations care for approximately one in three MA enrollees, and we have long supported efforts to strengthen the audits to hold MAOs accountable if they game the system by seeking to inflate patients' risk scores through unsupported diagnoses," said Susan Dentzer, president of chief executive officer of APG. "We will now review the proposal carefully to focus on the details and determine how to work toward a final rule that effectively targets abuse without impeding the effective value-based care arrangements that our members have with many MA health plans or unduly impairing the ability of the MA program to adequately serve patients."

CMS's proposals are part of the agency's newly released proposed Comprehensive Regulations to Uncover Suspicious Healthcare (CRUSH) rule, which aims to strengthen the agency's ability to prevent, identify, and address fraud, waste, and abuse across Medicare and other public health insurance programs. APG is especially focused on several aspects of the CMS proposal, including how the agency would extrapolate past RADV audit error rates across an entire audited MA contract population, retroactive to 2018; on accelerated timelines for such audits; and how recoveries of overpayments to MA plans by the government could be passed down to its physician group members through contractual "clawbacks" by MA plans. The reality is that physician groups operating in risk-based arrangements with MA plans are often vulnerable to such clawbacks, and those that code and document accurately should not be penalized if an MA plan, rather than the physician providers, turns out to be the entity that has inflated risk scores or is otherwise the "bad actor." "How audits are designed and carried out matters, and we want to make sure that the final rule doesn't penalize physician groups that are diagnosing and coding patients accurately, and therefore doing the right thing," Dentzer said.

APG also expects to review and seek its members' feedback on other provisions in the proposed rule that would have an impact on its members, including shortened timelines for reporting to CMS on critical changes in Medicare enrollment. APG will submit its full comments to the agency by the due date of Jan. 19, 2027.

About America's Physician Groups

APG's more than 300 physician groups comprise roughly 260,000 physicians and other clinicians providing care to nearly 90 million patients, including an estimated 1 in 4 Americans and 1 in 3 Medicare Advantage enrollees. APG's motto, 'Taking Responsibility for America's Health,' represents our members' commitment to clinically integrated, coordinated, value-based health care in which physician groups are accountable for the costs and quality of patient care. Visit us at www.apg.org.

####