



February 25, 2026

Dr. Mehmet Oz
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Ave SW
Washington, DC 20001

RE: Advance Notice of Methodological Changes for Calendar Year (CY) 2027 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies (CMS-2026-0034)

Dear Administrator Oz:

On behalf of the American College of Physicians (ACP), I am pleased to share our comments on the Centers for Medicare and Medicaid Services (CMS) Advance Notice of Methodological Changes for Calendar Year (CY) 2027 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies. The College is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 163,000 internal medicine physicians, related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

ACP appreciates CMS's efforts to update and strengthen the CMS-HCC risk adjustment model for CY 2027. As CMS proposes to fully implement the 2027 CMS-HCC model and exclude diagnoses from unlinked chart review records, ACP encourages the agency to ensure that methodological refinements improve accuracy while maintaining stability and fairness for physicians and beneficiaries. Payment adjustments of the magnitude projected underscore the importance of adopting approaches that more precisely reflect patient complexity and clinical reality.

ACP [reiterates](#) its call for research and potential implementation of hybrid risk adjustment methodologies that combine elements of both prospective and concurrent models. Hybrid models can leverage the stability of prospective risk adjustment while incorporating concurrent elements that more accurately capture changes in beneficiaries' health status within the same year. For newly aligned beneficiaries, concurrent adjustment can allow immediate recognition of documented conditions. For continuously aligned beneficiaries, integrating prospectively and concurrently measured conditions can better reflect the longitudinal impact of chronic disease while accounting for significant clinical changes. Such an approach can help prevent volatility in risk scores while ensuring that physicians caring for high-

risk patients are adequately supported.

ACP also urges CMS to explore technology-enabled mechanisms that improve data accuracy and reduce administrative burden. For example, validated chronic diagnoses could update beneficiaries' risk profiles in a standardized and automated manner, while acute conditions could be limited to the year in which they occur. Leveraging interoperable health information systems that comply with federal data-sharing requirements can further promote transparency and consistency. Modernizing risk adjustment in this way would represent a meaningful step toward a more responsive and equitable payment system that aligns reimbursement with patient need while safeguarding program integrity.

Conclusion

ACP appreciates the opportunity to provide feedback and looks forward to working with CMS to implement policies that support and improve the practice of internal medicine. ACP is confident that these recommended changes would strengthen these proposals, advance health equity efforts, promote access to affordable care for Medicare patients, and support physicians in delivering innovative care. The College appreciates the opportunity to offer our feedback and looks forward to continuing to work with the agency to implement policies that support and improve the practice of internal medicine. Please contact Brian Outland, Ph.D., Director, Regulatory Affairs for the American College of Physicians, at boutland@acponline.org or (202) 261-4544 with comments or questions about the content of this letter.

Sincerely,

A handwritten signature in blue ink that reads "Leslie Algase MD, FACP". The signature is written in a cursive, flowing style.

Leslie Algase, MD, FACP
Chair, Medical Practice and Quality Committee
American College of Physicians