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CHEROKEE NATION®
Health Services

MEDICARE PART B, C, AND D USAGE REPORT AND ACCESS SUPPORT

Expanding Access, Sponsorship Opportunities, and Financial Sustainability for Cherokee Citizens

ABSTRACT

This report examines Cherokee Nation Health Services (CNHS) patient usage of Medicare Parts B, C, and D, including enrollment levels, financial impacts, and opportunities to expand coverage.

MEDICARE USAGE AND ACCESS WORK GROUP

Dr. Stephen Jones, Chief Executive Officer of Cherokee Nation Health Services, Dr. Corey Bunch, Chief of Staff of the Cherokee Nation, Deputy Secretary of State Canaan Duncan

Report compiled by the Medicare Usage and Access Work Group and published by the Cherokee Nation Office of the Principal Chief.

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Abstract

Pursuant to the February 27, 2025 administrative memorandum issued by Principal Chief Chuck Hoskin Jr., this report was prepared by the Medicare Sponsorship Workgroup to evaluate the state of Medicare Part B, C, and D usage among Cherokee Nation Health Services (CNHS) patients. Chief Hoskin's directive called for a clear picture of current usage, barriers to access, and opportunities to support enrollment, with a particular emphasis on the financial risks faced by citizens and the potential benefits to CNHS through increased third-party revenue.

As highlighted in Anadisgoi, Chief Hoskin's initiative reflects the administration's broader commitment to ensuring "a world-class system of wellness" by carefully studying gaps in coverage and responding to citizen and Council priorities. This report provides current enrollment statistics, identifies opportunities for expanded sponsorship programs, and outlines challenges CNHS must navigate to effectively support Medicare access for Cherokee citizens, both on the reservation and at-large.

About Cherokee Nation Health Services (CNHS)

Cherokee Nation Health Services (CNHS) is the largest tribally operated health care system in the United States, serving more than 2 million patient visits annually across a network of nine health centers, one employee clinic, and W.W. Hastings Hospital in Tahlequah. CNHS provides comprehensive medical, behavioral, and community health services, while also investing in state-of-the-art facilities such as a new $400 million hospital and an $84 million health center in Salina. With programs ranging from diabetes prevention and cancer care to emergency medical services and behavioral health treatment, CNHS works to ensure no citizen within the reservation lives more than 30 minutes from quality care. Guided by the vision of "Healthy Cherokee people, families, and communities for this and future generations," CNHS reflects the Cherokee Nation's commitment to improving the quality of life for its more than 460,000 citizens, strengthening tribal sovereignty, and building a world-class system of wellness for future generations.

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Executive Summary

Cherokee Nation Health Services (CNHS) serves more than 130,000 patients annually, with Medicare coverage playing an increasingly important role in both patient well-being and the financial health of the system. In FY2025, Medicare represented **21.6% of all CNHS revenue**, and **16.79% of all outpatient visits** in April 2025 were by Medicare patients. Current data show that 13,214 patients are enrolled in Medicare Part A, while enrollment in Parts B, C, and D remains significantly lower.

To address these gaps, CNHS has launched and planned several initiatives:

- **Part B Sponsorship Pilot (2026):** Planned for rollout as an income-based assistance program, though penalties and premium payment logistics remain barriers.
- **Part C:** Not recommended for sponsorship at this time due to inadequate coverage under bundled plans.
- **Part D Sponsorship:** Active program with **440 Cherokee citizens currently enrolled** and an expansion goal to **1,000 citizens in FY2026**, including at-large citizens.

Opportunities exist to leverage Patient Benefit Coordinators, who have already assisted hundreds of citizens in Medicare enrollment, to expand sponsorship reach and reduce the uninsured rate. At the same time, CNHS must carefully weigh the financial implications of large-scale sponsorship, federal regulatory changes, and the administrative challenges of ensuring that enrolled citizens utilize CNHS facilities whenever possible.

This report concludes that increasing Medicare Part B, C, and D enrollment offers both a patient-centered benefit — reducing out-of-pocket costs and increasing access to prescription coverage — and a strategic advantage for CNHS by reducing Purchased and Referred Care expenditures and enhancing third-party revenue. However, success will depend on deliberate program design, careful financial planning, and ongoing communication with citizens to ensure understanding and uptake of coverage options.

Purpose

This report explores the impact of **Medicare Part B, C, and D** insurance coverage within Cherokee Nation Health Services (CNHS). By examining patient visit data within CNHS, this report provides a comprehensive overview of the current Medicare B, C, and D user population within CNHS and identifies the current patient population who are eligible, but do not currently have Medicare B, C, or D coverage. Additionally, the report highlights potential opportunities to increase Medicare enrollment among eligible Cherokee citizens, including those residing at-large, and supports ongoing efforts to connect these individuals with coverage options for which they may be eligible.

Eligibility Criteria

- **Age 65 or Older**
    - U.S. citizen or permanent legal resident (for at least five continuous years).
    - Eligible to receive Social Security or Railroad Retirement benefits.
    - Even if you are not receiving Social Security yet, you may still qualify at 65.
- **Under 65 with Certain Disabilities**
    - You are eligible after 24 months of receiving Social Security Disability Insurance (SSDI).
    - You may also qualify sooner if you have:
        - Amyotrophic Lateral Sclerosis (ALS) – automatic Medicare when SSDI begins.
        - End-Stage Renal Disease (ESRD) – special eligibility rules apply (e.g., after dialysis begins or a kidney transplant).
- **Spouse or Dependent Eligibility**
    - You may qualify based on a spouse's work history, even if you personally did not earn enough work credits.

Definitions

- **Medicare Part A:** Medicare Part A is hospital insurance and typically covers:
    - Inpatient Hospital Care
    - Skilled Nursing Facility Care
    - Hospice Care
    - Home Health Care
- **Medicare Part B:** Medicare Part B provides coverage for outpatient care such as:
    - Doctor Visits
    - Outpatient hospital services
    - Clinical laboratory services
    - Mental health services
    - Preventive services: like flu shots, cancer screening, wellness visits
- **Medicare Part C:** Also known as Medicare Advantage, it is an alternative to original Medicare (Parts A and B). Offered by private insurance companies approved by Medicare, these plans provide all the benefits of Part A and Part B and often include additional coverage such as prescription drugs (Part D), dental, vision and hearing services.
- **Medicare Part D:** Provides prescription drug coverage through private insurance companies approved by Medicare.

Current Statistics on Medicare usage in Cherokee Nation Health Services

- **Current State of Medicare Coverage within CNHS. (Calendar year 2023/2024)**
    - Our current **patient population** seen within CNHS during 2023/2024 is **130,363.**

Medicare Type	Number of Patients	% of Total CNHS Patients
Medicare Part A (Total)	13,214	10.14%
Part A Only	1,649	1.26%
Medicare Part B	11,543	8.85%
Medicare Part C	3,376	2.59%
Medicare Part D	6,597	5.06%

    - **Total Medicare Revenue at CNHS:** Medicare represents 21.6% of all revenue received by CNHS (current fiscal YTD 2025).

Summary

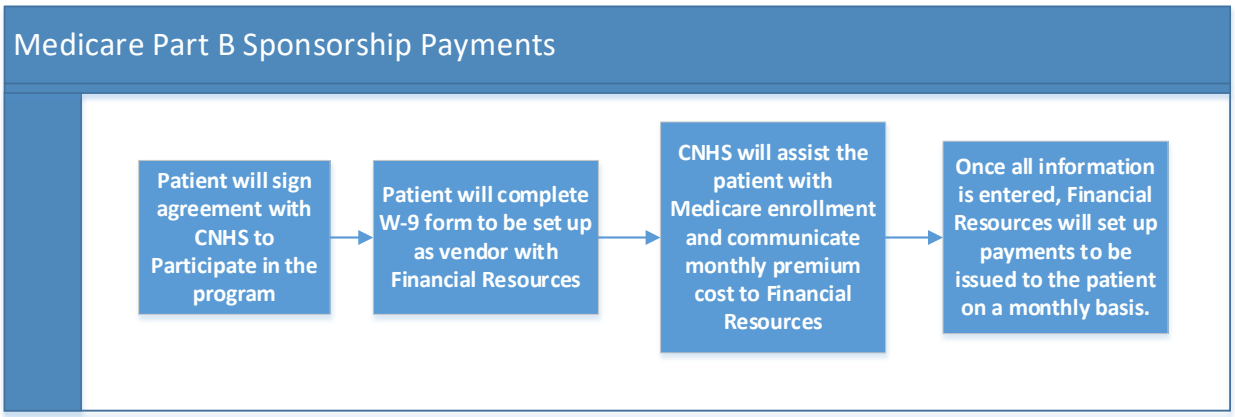
- Medicare coverage is extremely important to our patients and to the financial viability of CNHS. In April 2025, 16.79% of all outpatient visits were Medicare patients.

Opportunities to Expand Medicare

Within Cherokee Nation Health Services:

- **Medicare Part B Sponsorship (Planned for 2026)**

  Currently, Medicare Part B sponsorship is in the planning phases, intending to go live during the calendar year 2026 as a pilot for Cherokee Nation citizens who utilize CNHS. This Part B plan is income-based and does present penalties for patients who haven't enrolled in Medicare upon turning 65.



  *Refer to the "Barriers to Providing Support for Medicare Parts B, C, or D" section for additional information.

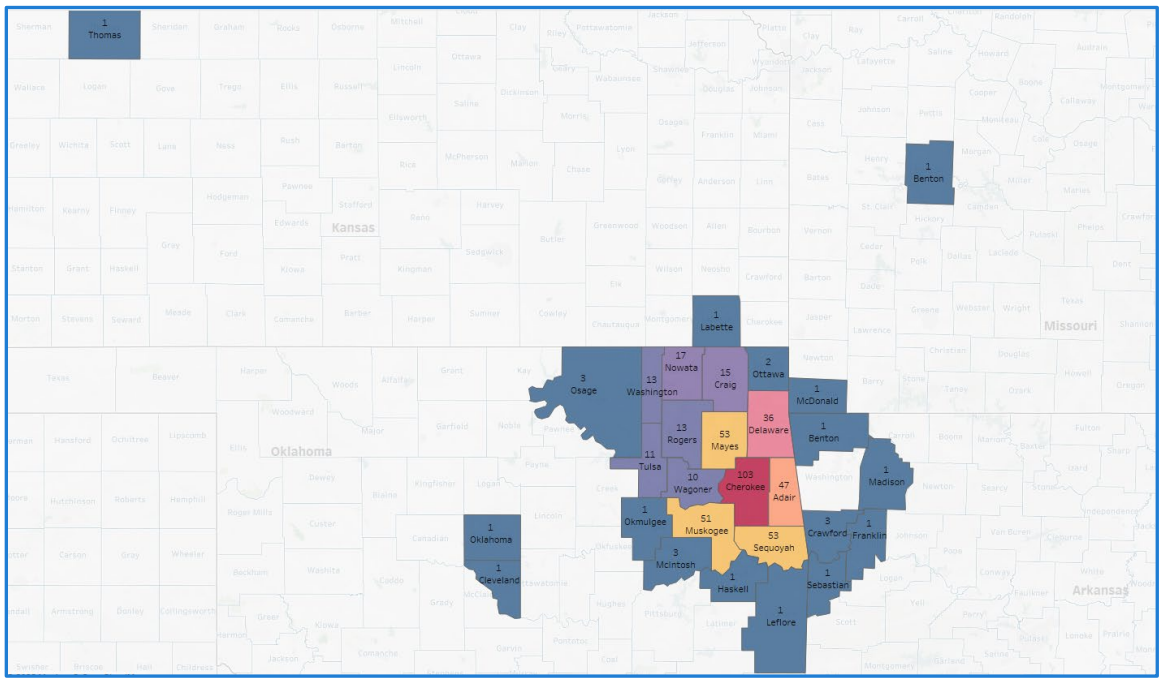
- **Medicare Part C Sponsorship**

  Medicare Part C plans are managed care plans that patients self-enroll in with an insurance broker. These are bundled plans that come with bundled benefits. Currently, there are no plans for Medicare Part C sponsorship. These plans are often portrayed as more affordable options than traditional Medicare, but they do not offer ample and sufficient coverage.

- **Medicare Part D Sponsorship (Ongoing and Expanding)**

Medicare Part D sponsorship is currently underway with 440 sponsored Cherokee Nation citizens. Upon budget approval for FY2026, CNHS will expand this sponsorship program to 1,000 citizens during the calendar year 2026. The expansion will continue to focus on citizens with the highest prescription drug costs and those most at risk of financial hardship from medication expenses, ensuring assistance is directed to those with the greatest need.

Part D Pilot Patients by County:



- **At-large Cherokee Citizens**

  At-large Cherokee Citizens who utilize CNHS are eligible for the Medicare Part D sponsorship pilot program.

- **Staffing Support**

  Currently CNHS employs 28 Patient Benefit Coordinators system wide. Two additional Patient Benefit Coordinators are being selected to assist patients with sponsorship opportunities. These Patient Benefit Coordinators will help decrease the overall uninsured rate for our patient population by assisting patients in signing them up for insurance coverage. Our patients benefit from having medical coverage not only in our health facilities but also when receiving care outside of our health system. Not having insurance coverage can place a person and their families in a vulnerable position, with

the potential of out-of-pocket expenses for prescription drugs and/or higher levels of care.

These are some statistics on how many enrollments our Patient Benefit Coordinators have assisted in competing in the last five years:

Month	2021	2022	2023	2024	2025
January	-	22	13	12	21
February	-	25	19	24	19
March	-	19	21	16	16
April	-	17	15	32	36
May	-	36	34	29	12
June	-	16	22	17	20
July	-	24	15	24	
August	25	39	35	39	
September	39	17	17	22	
October	37	39	20	14	
November	19	20	16	26	
December	12	13	11	11	
	132	**287**	**238**	**266**	**124**

**Started tracking in August 2021

Summary

- Medicare coverage significantly reduces Purchased and Referred Care dollars that are spent on patient referrals.
- Medicare is a significant payer for CNHS. Increases in our Medicare population through tribal sponsorship could significantly increase revenue for CNHS.

Barriers to Providing Support for Medicare Parts B, C or D

- **Premium Payment Logistics**

  Medicare Part B premiums are withheld from each patient's social security, so the monthly sponsorship premium assistance payment must be made directly to the patient. The minimum premium in 2025 is $185 per month. There are options for monthly premium assistance and penalty waivers available based on income.
- **Cost Implications Outside IHS**

  Deductibles and co-pays will be applicable if an Indian Health Services facility is not used.
- **Part B Late Enrollment Penalties**

  Medicare Part B requires penalty payments to be made in addition to the monthly premium when not signing up for Medicare Part B at age 65.
- **Limitations of Medicare Part C Coverage**

  Medicare Part C is income-based and often leads to uncovered services that traditional Medicare would offer.
- **Challenges in Monitoring CNHS Utilization**

  We will require patients to utilize CNHS services when participating in a sponsorship program. This is difficult to monitor.
- **Financial Impact**

  There will be significant costs to sponsor our Medicare population.
- **Federal Government Implications**

  Changes in federal government regulations can have a direct effect on the costs of programs and care and options for coverage that are available to our patient population.

Multidisciplinary Workgroup Members

- Dr. Corey Bunch, CN Chief of Staff
- Canaan Duncan, CN Deputy Secretary of State
- Dr. Stephen Jones, CNHS Executive Director
- Wayne Coldwell, CNHS Chief Operating Officer
- Crosby Caughron, CNHS Senior Clinic Administrator
- Elton Sunday, CNHS Senior Clinic Administrator
- Jason Loepp, CNHS Senior Director Health Business Operations
- MaKenley Barton, CNHS Director Billing
- Marisa Hambleton, CNHS Director Patient Access Management
- Cindy Martin, CNHS Senior Director Hospital Administration
- Jace Shepherd, CNHS Deputy Clinic Administrator III
- Robin L. Colclasure, CNHS Deputy Clinic Administrator III
- Joshua Copeland, CNHS Health Administrative Coordinator
- Mary Anderson, CNHS Special Projects Officer
- Chandler Welch, CNHS Senior Director Hospital Administration
- Brandy Law, CNHS Nursing Programs Manager
- Daryl Rogers, CNHS Ambulatory Care Nurse Manager III
- Skylar Glass, CNHS Health Administrative Coordinator

Appendices

1. Transcription of original *Administration Memorandum Directing a Review of the State of Medicare Part B, C and D Usage by Cherokee Nation Health Services Patients and Opportunities to Support such Usage by the Work Group on Medicare Usage and Access Support*

February 27, 2025
To: Dr. Stephen Jones, Chief Executive Officer of Cherokee Nation Health Services
From: Chuck Hoskin, Jr. Principal Chief
CC: Cabinet, Dr. Corey Bunch, Chief of Staff, Sub-Cabinet, Mike Shambaugh, Speaker of the Council of the Cherokee Nation

Administration Memorandum Directing a Review of the State of Medicare Part B, C and D Usage by Cherokee Nation Health Services Patients and Opportunities to Support such Usage by the Work Group on Medicare Usage and Access Support

The purpose of this memorandum is to direct a review of current usage of Cherokee Nation Health Services patients of Medicare part B, C and D and evaluate what opportunities exist to support patients accessing these federal health insurance programs.

I. Overview: Medicare Parts B, C & D

Cherokee Nation's Health Services actively encourages, though does not require, patients to apply for third party payor programs, including private health insurance and government funded programs such as Medicaid and Medicare.

Patients who apply for and qualify for Medicare are automatically enrolled in Medicare Part A, which covers hospital stays, hospice care, and certain limited post-surgery skilled nursing services.

Medicare Part B is optional coverage that helps pay for outpatient services, including but not limited to doctor visits, ambulance services, diagnostic screenings, lab tests, and medical equipment.

Medicare Advantage plans, also known as Medicare Part C, are an optional, private insurance option, combining Medicare Part A and Part B, which are required by law. Many Medicare Advantage Care plans include prescription drug coverage.

Medicare Part D is an insurance option designed to help cover the cost of prescription drugs. It is available to those with Medicare Part A or Part B. Part D plans vary in coverage and costs, and beneficiaries can choose from a range of plans based on their medication needs.

II. Elected leadership can more effectively support the continued expansion of telemedicine by gaining a clearer understanding of current patient utilization of Medicare optional plans, as well as identifying opportunities and barriers in helping patients access these plans.

Cherokee Nation's commitment to excellence in health care requires a broad understanding of our growing and increasingly complex health system by not only health care staff and leadership but also by elected and appointed leadership outside of our health system. Cherokee Nation leadership is deeply invested in the success of our health system, and every leader has the opportunity to support and strengthen it. Additionally, citizens look to Cherokee Nation leadership to have sufficient depth of knowledge of the health system to answer questions and understand concerns.

Citizens' interest in Medicare access grows as the cost of healthcare rises and as our gaining population explores health coverage options in their later years. This interest extends, naturally, to Cherokee Nation leadership on their behalf. Understanding how Medicare operates, how it is accessed and what it costs participants can be complex for individuals and even more so as it relates to access to and financing of the Cherokee Nation health system.

To support our Health System's continued growth in telemedicine, leadership needs an overview of the current state of Medicare utilization, as well as future opportunities and challenges in improving citizen access to Medicare Plans B, C, and D.

Similarly, as Cherokee Nation has steadily expanded access to our health care system to at-large citizens and provided related forms of support, there is naturally a desire on the part of leaders and citizens to go further. An examination of Medicare optional plans should also explore how expanding access to coverage to at large citizens in the future could benefit both the citizens and our health system particularly in the areas of mail order prescription ·services and telemedicine.

III. Medicare Usage and Access Work Group

On the basis of the foregoing, I am directing a Work Group on Medicare Usage and Access Support. The Work Group is composed of:

- Health leadership and staff as designated by Dr. Jones
- Chief of Staff Corey Bunch or Designee
- Deputy Secretary of State Canaan Duncan

The Work Group will draft and submit a concise report to the Principal Chief, outlining current Medicare usage statistics by plan part, along with opportunities to enhance patient access to Medicare Parts B, C, and D, as determined by Dr. Jones. The report will focus on key Medicare-related issues, as identified by Dr. Jones, and should address the following topics:

- What are the current statistics on Medicare usage by our patients?

- What opportunities exist now, or may exist in the future, to support patient access to parts B, C and D, including premium support?
- What barriers exist to providing access support for our citizens to Medicare Parts B,
- C or D, including financial risks to the patient.
- Do any unique opportunities exist to support access to Medicare or other third party coverage for at-large citizens given that our health system provides mail order prescription drug services and increased access to telemedicine?

The Work Group described herein is not a public body within the meaning of Cherokee Nation FOIA, but the report or a summary thereof will be disclosed to members of the Council of the Cherokee Nation and to the general public as the Principal Chief directs. The report should be submitted by July 1, 2025, or by an approved deadline extension.

Signed.
Chuck Hoskin, Jr.
Principal Chief of the Cherokee Nation