

## **Context for Medicare payment policy**

**ISSUE:** Each year, the Commission includes a context chapter in its March report to the Congress to provide an overview of Medicare’s financial outlook. This information conveys the budget implications of remaining on Medicare’s current unsustainable financial trajectory, and is meant to serve as a backdrop for MedPAC’s discussions and recommendations over the coming year.

**KEY POINTS:** The context chapter outlines the factors contributing to Medicare’s financing challenges and the Commission’s approach to addressing spending inefficiencies in the program.

**ACTION:** Commissioners will discuss the draft chapter.