

Reforming Medicare's benefit design

ISSUE: The design of Medicare's fee-for-service benefits and cost-sharing requirements expose Medicare beneficiaries to financial risk. The Commission has been considering ways to reform the traditional benefit package with two main goals: to give beneficiaries better protection against high out-of-pocket spending and to create incentives for beneficiaries to make better decisions about their use of health care.

KEY POINTS: We will continue our discussion of the illustrative model of changes in the FFS benefit design presented at the March meeting, with the goal of finalizing the chapter for publication in the forthcoming June report.

ACTION: Commissioners should provide feedback on this installment of our work on Medicare's benefit design.

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