

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 continue our presentation of design issues in reforming the FFS benefit. We will also present an illustrative model of changes in the FFS benefit design.

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

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