

The relative cost of Medicare Advantage, Accountable Care Organizations, and fee-for-service Medicare

ISSUE: There are different payment models available in Medicare, including the traditional fee-for-service (FFS), accountable care organizations (ACOs), and Medicare Advantage (MA). The relative cost of the three models to the Medicare program can vary across markets.

KEY POINTS: We will compare the cost of the three payment models in in different types of markets. We will also discuss how the current MA model and ACO model are supported by the current FFS payment system.

ACTION: Commissioners should provide direction and feedback on our analytic questions and objectives for this work.

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