

Vertical integration and Medicare payment policy

ISSUE: Some analysts have voiced concern that consolidation and vertical integration have contributed to high costs of health care in the United States.

KEY POINTS: In its March 2020 report, the Commission examined consolidation of health care providers including hospital acquisitions of physician practices. Because of the implications of vertical mergers for the Medicare program, this session will look at examples of health plans' acquisitions of outpatient providers, pharmacy benefit managers, and post-acute care services.

ACTION: Commissioners will discuss the material.