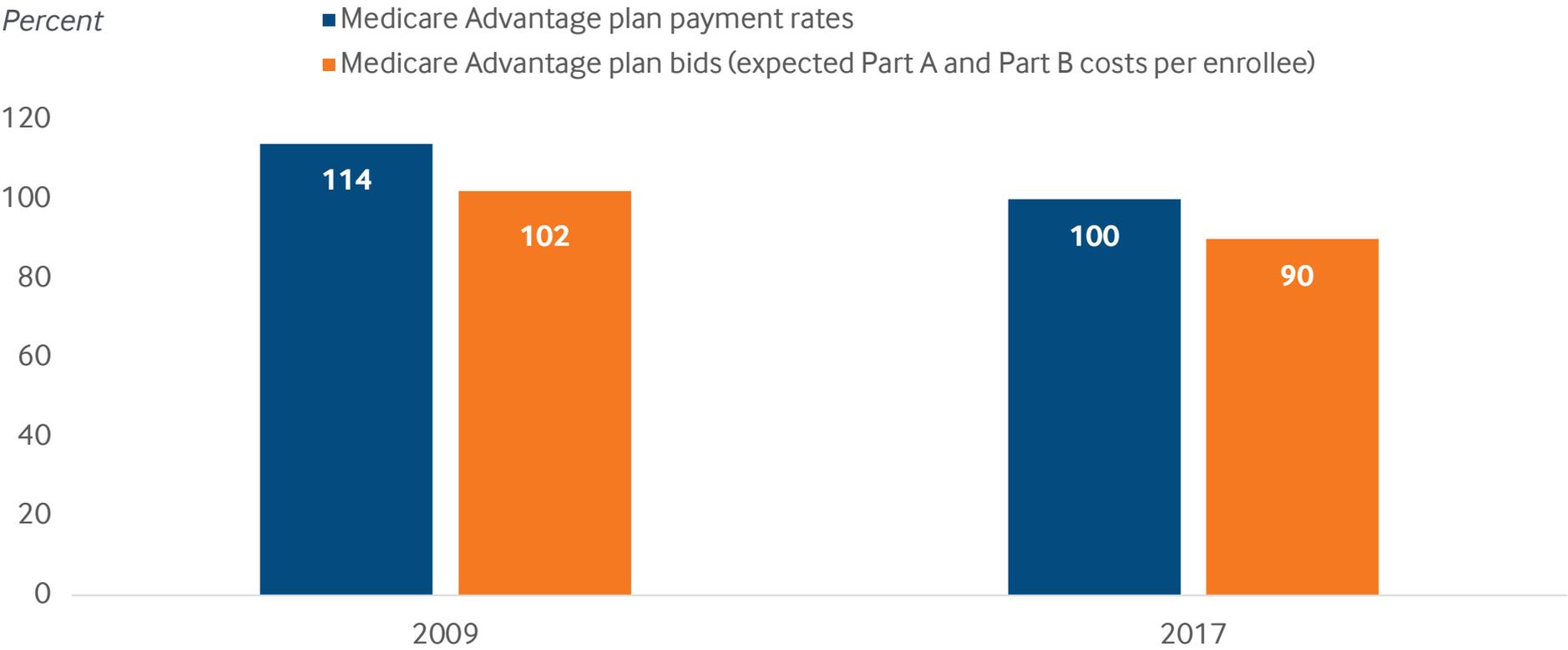


Medicare Advantage Plan Payment Rates and Plan Bids Relative to Traditional Medicare, 2009 and 2017

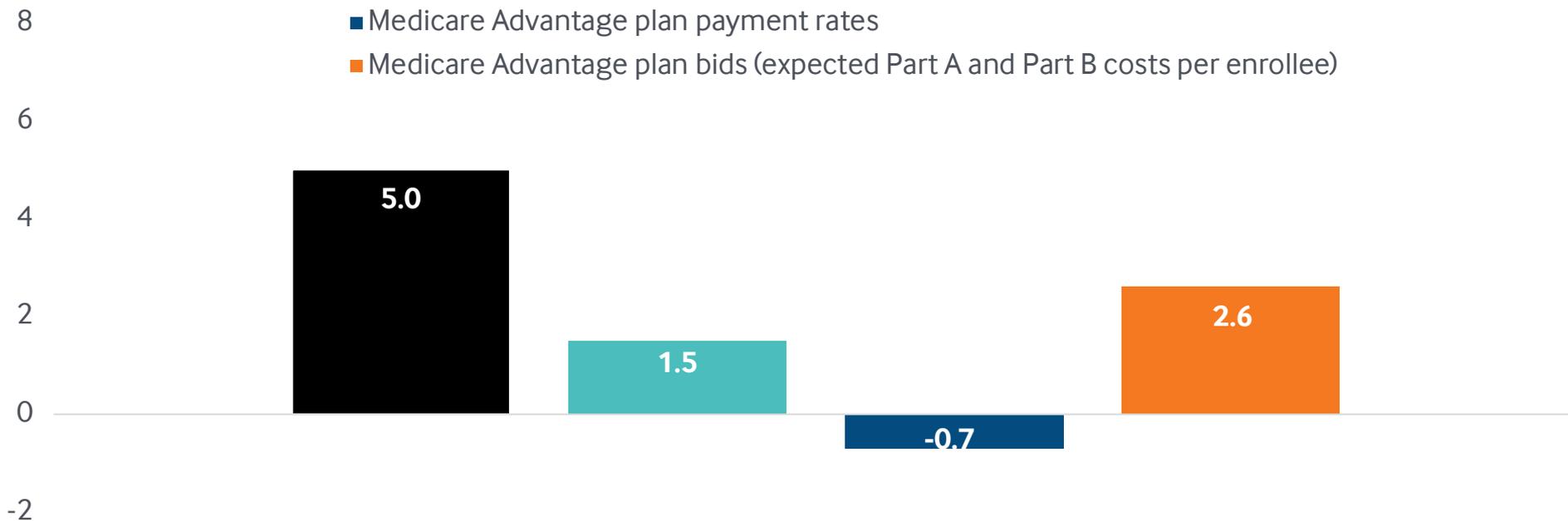


Note: Medicare Advantage plan bids, by law, represent their expected costs of providing Medicare Part A and Part B benefits to their enrollees (including medical expenditures, administrative costs, and profits).
Data: Medicare Payment Advisory Commission, *Report to the Congress: Medicare Payment Policy* (MedPAC, March 2009); and Medicare Payment Advisory Commission, *Report to the Congress: Medicare Payment Policy* (MedPAC, March 2017).

Changes in Traditional Medicare Spending, Medicare Advantage Benchmarks, Medicare Advantage Plan Payment Rates, and Medicare Advantage Plan Bids, 2009–2014

Percent

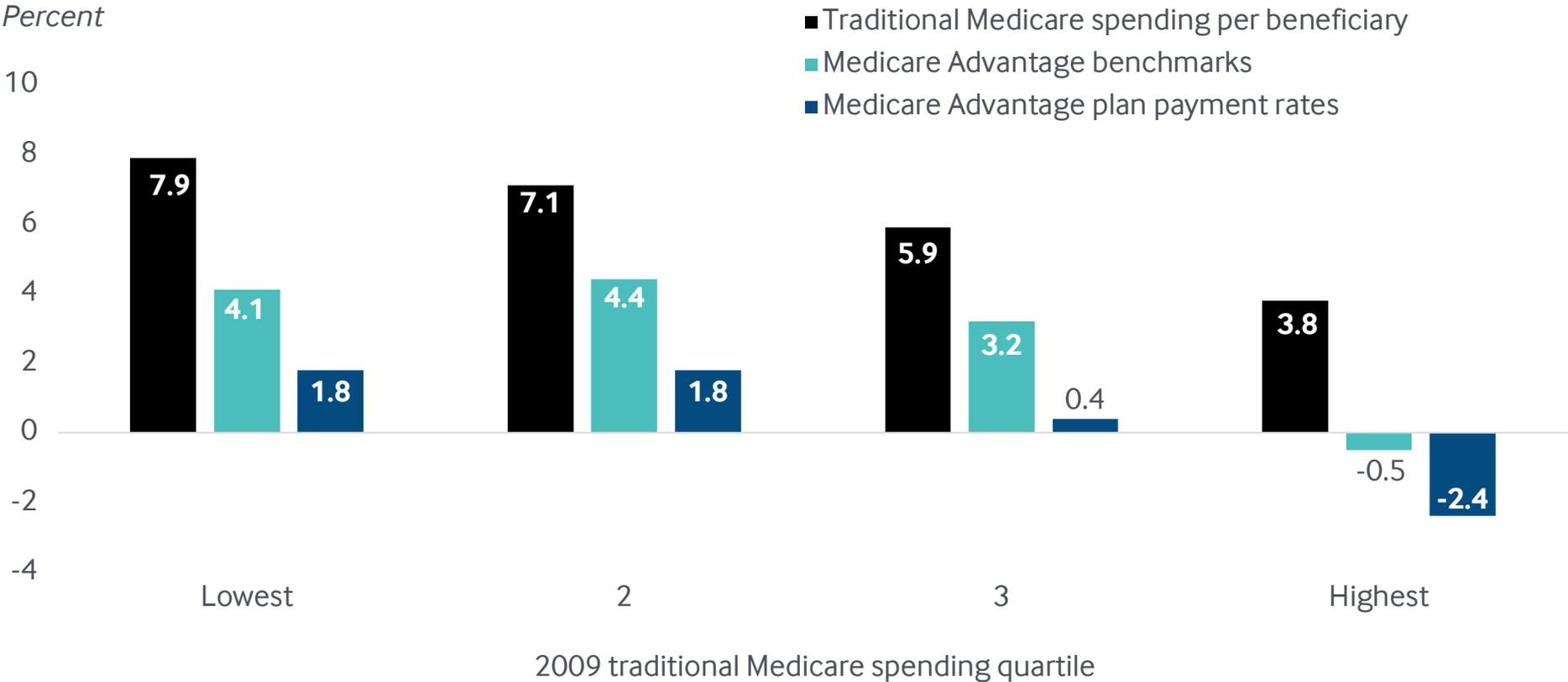
- Traditional Medicare spending per beneficiary
- Medicare Advantage benchmarks
- Medicare Advantage plan payment rates
- Medicare Advantage plan bids (expected Part A and Part B costs per enrollee)



Note: Medicare Advantage plan bids, by law, represent their expected costs of providing Medicare Part A and Part B benefits to their enrollees (including medical expenditures, administrative costs, and profits).

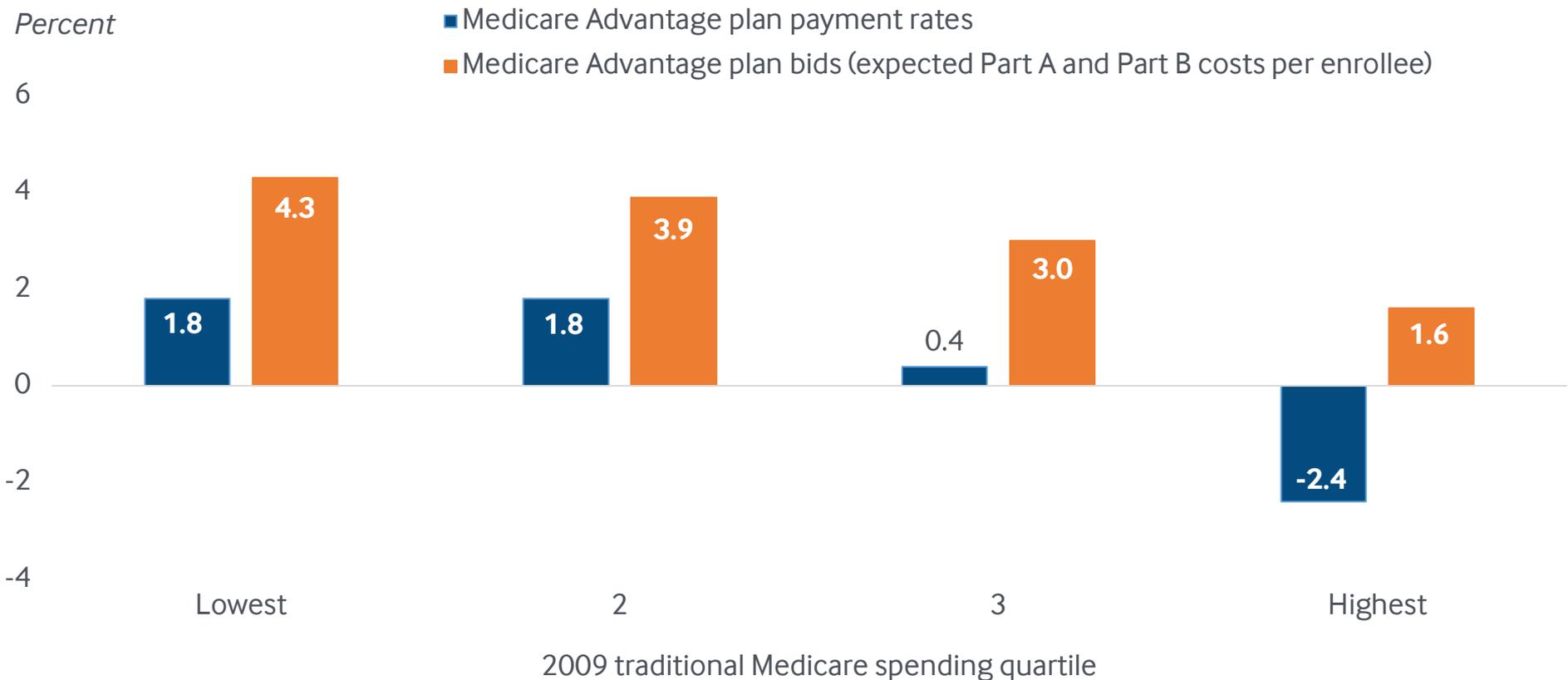
Data: Authors' analysis of data obtained from the Centers for Medicare and Medicaid Services.

Changes in Traditional Medicare Spending, Medicare Advantage Benchmarks, and Medicare Advantage Plan Payment Rates by Traditional Medicare Spending Quartile, 2009–2014



Note: Spending quartile comprises equal numbers of counties, ranked by traditional Medicare spending per beneficiary, from low to high.
Data: Authors' analysis of data obtained from the Centers for Medicare and Medicaid Services.

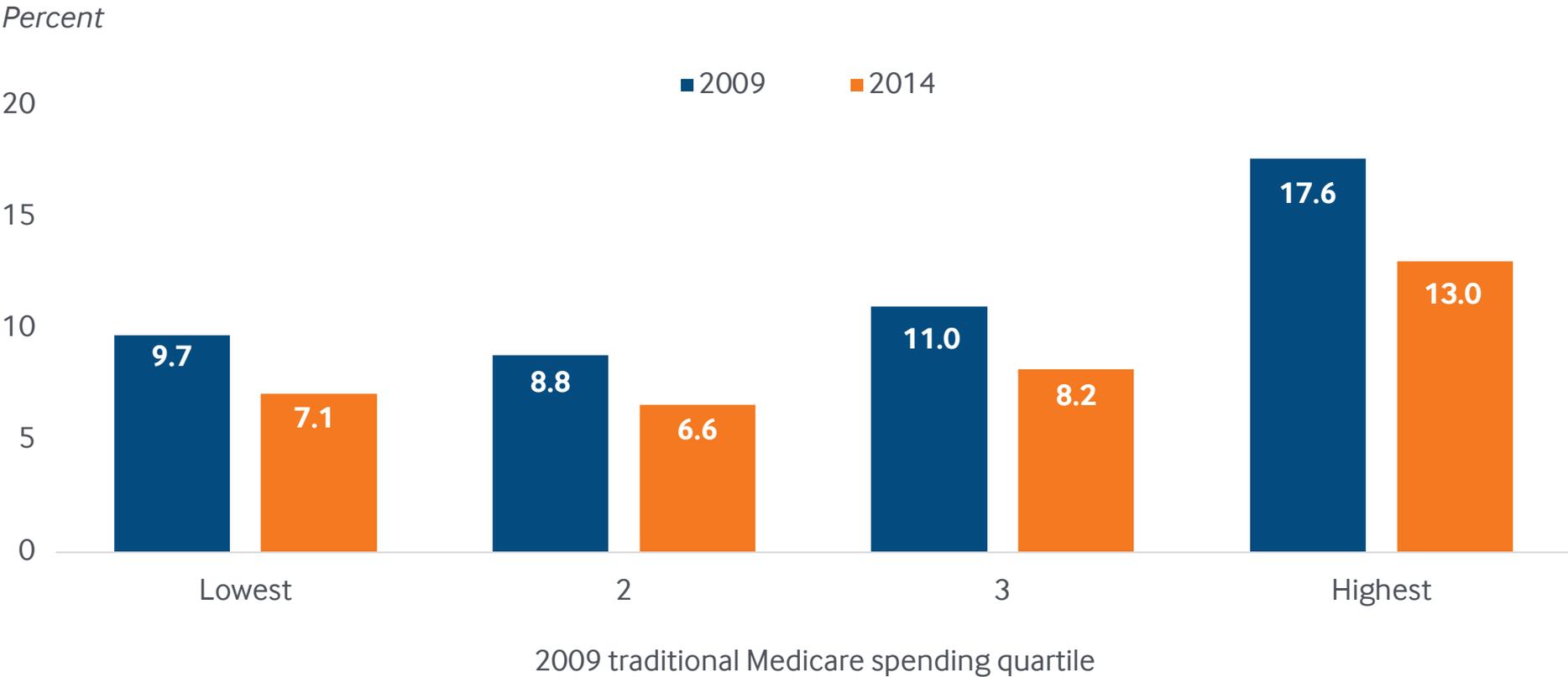
Changes in Medicare Advantage Plan Payment Rates and Plan Bids by Traditional Medicare Spending Quartile, 2009–2014



Notes: Spending quartile comprises equal numbers of counties, ranked by traditional Medicare spending per beneficiary, from low to high. Medicare Advantage plan bids, by law, represent their expected costs of providing Medicare Part A and Part B benefits to their enrollees (including medical expenditures, administrative costs, and profits).

Data: Authors' analysis of data obtained from the Centers for Medicare and Medicaid Services.

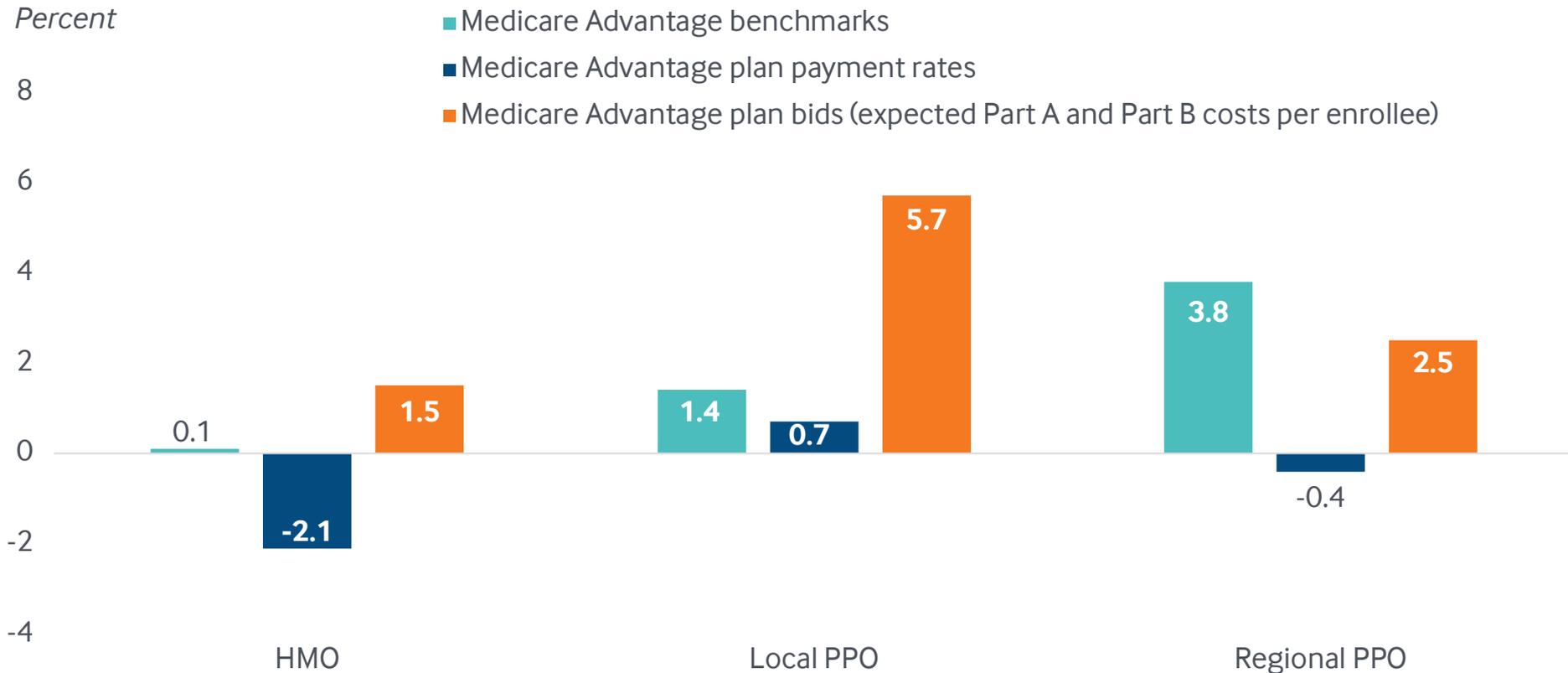
Surplus of Medicare Advantage Plan Payment Rates Relative to Plan Bids by Traditional Medicare Spending Quartile, 2009–2014



Notes: Spending quartile comprises equal numbers of counties, ranked by traditional Medicare spending per beneficiary, from low to high. Medicare Advantage plan bids, by law, represent their expected costs of providing Medicare Part A and Part B benefits to their enrollees (including medical expenditures, administrative costs, and profits).
Data: Authors' analysis of data obtained from the Centers for Medicare and Medicaid Services.

Changes in Medicare Advantage Benchmarks, Plan Payment Rates, and Plan Bids by Type of Medicare Advantage Plan, 2009–2014

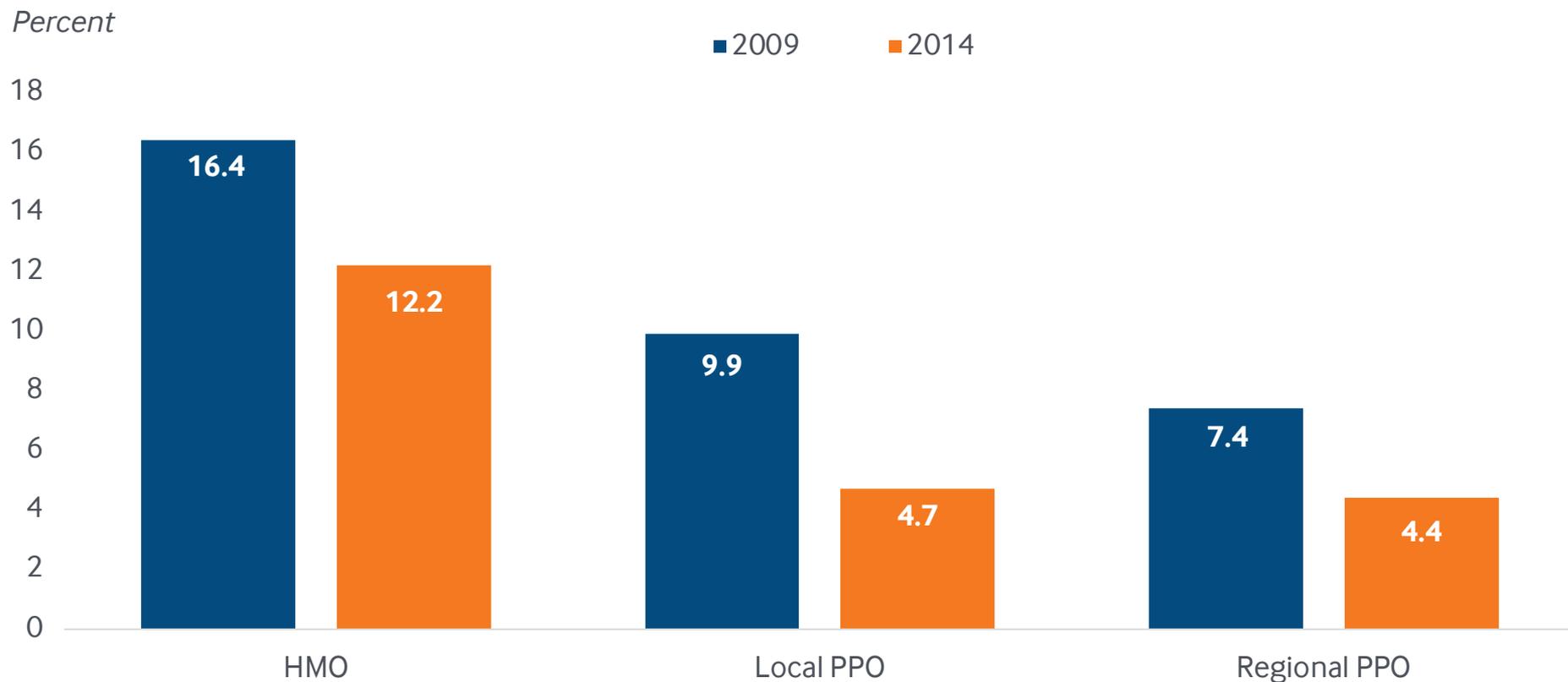
Percent



Notes: Medicare Advantage plan bids, by law, represent their expected costs of providing Medicare Part A and Part B benefits to their enrollees (including medical expenditures, administrative costs, and profits). HMO = health maintenance organization; PPO = preferred provider organization.

Data: Authors' analysis of data obtained from the Centers for Medicare and Medicaid Services.

Surplus of Medicare Advantage Plan Payment Rates Relative to Plan Bids by Type of Medicare Advantage Plan, 2009–2014



Notes: Medicare Advantage plan bids, by law, represent their expected costs of providing Medicare Part A and Part B benefits to their enrollees (including medical expenditures, administrative costs, and profits). HMO = health maintenance organization, PPO = preferred provider organization.

Data: Authors' analysis of data obtained from the Centers for Medicare and Medicaid Services.