Exhibit 1

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).


<table>
<thead>
<tr>
<th>Percent</th>
<th>Traditional Medicare spending per beneficiary</th>
<th>Medicare Advantage benchmarks</th>
<th>Medicare Advantage plan payment rates</th>
<th>Medicare Advantage plan bids (expected Part A and Part B costs per enrollee)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0</td>
<td></td>
<td></td>
<td>-0.7</td>
<td>2.6</td>
</tr>
</tbody>
</table>

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.


![Bar chart showing changes in traditional Medicare spending per beneficiary, Medicare Advantage benchmarks, and Medicare Advantage plan payment rates by traditional Medicare spending quartile](chart.png)

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

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.

Exhibit 7

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.