Health Care Reform Advisory: Medicare in the 21st Century: Achieving Quality and Efficiency Through Payment and Service Delivery Reforms

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Now that the much-anticipated health care reform legislation (the "Legislation") has passed, the country's attention will turn away from contentious debates about issues such as the public option, public funding, and coverage for abortion services, and undoubtedly will turn toward the effects of the Legislation on individuals and businesses.

In particular, all sectors of the health care industry should be focusing on the Legislation's provisions intended to increase the quality of care provided by, and the efficiency and accountability of, the Medicare program while decreasing overall costs. These potential changes, along with the restructuring of the health insurance markets, are the cornerstone of health care reform.

The reasons why Congress sought to make these changes are at least two-fold. First, policy experts have long pointed to the unsustainable growth projections in Medicare spending, which is expected to increase even more as the nation's baby boomers move toward Medicare eligibility. Second, Medicare reforms tend to drive change through the entire health insurance system. For many years, private insurers have followed Medicare's reimbursement and program policies.

All health care providers and suppliers, even those that do not participate in state or federal health care programs, and others in the health care industry should understand the Legislation's provisions meant to transform the Medicare program and should consider their broad implications.

Our recent article in *BNA's Medicare Report* discusses the payment mechanisms, demonstration programs, and other steps taken to increase quality and efficiency in the traditional Medicare programs (Parts A and B), and provides an overview of the other significant changes to the Medicare program, including Medicare Advantage (Part C) the Prescription Drug Benefit program (Part D), and revisions to payment methodologies in Part A and Part B.

Please click here to read the complete article.

For up-to-date information regarding health care reform, please visit our <u>Health Care Reform:</u> <u>Analysis & Perspectives</u> page.

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For further information regarding this or any issue related to Health Care Reform, please contact one of the professionals listed below or the Mintz Levin attorney who ordinarily handles your legal affairs.

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