



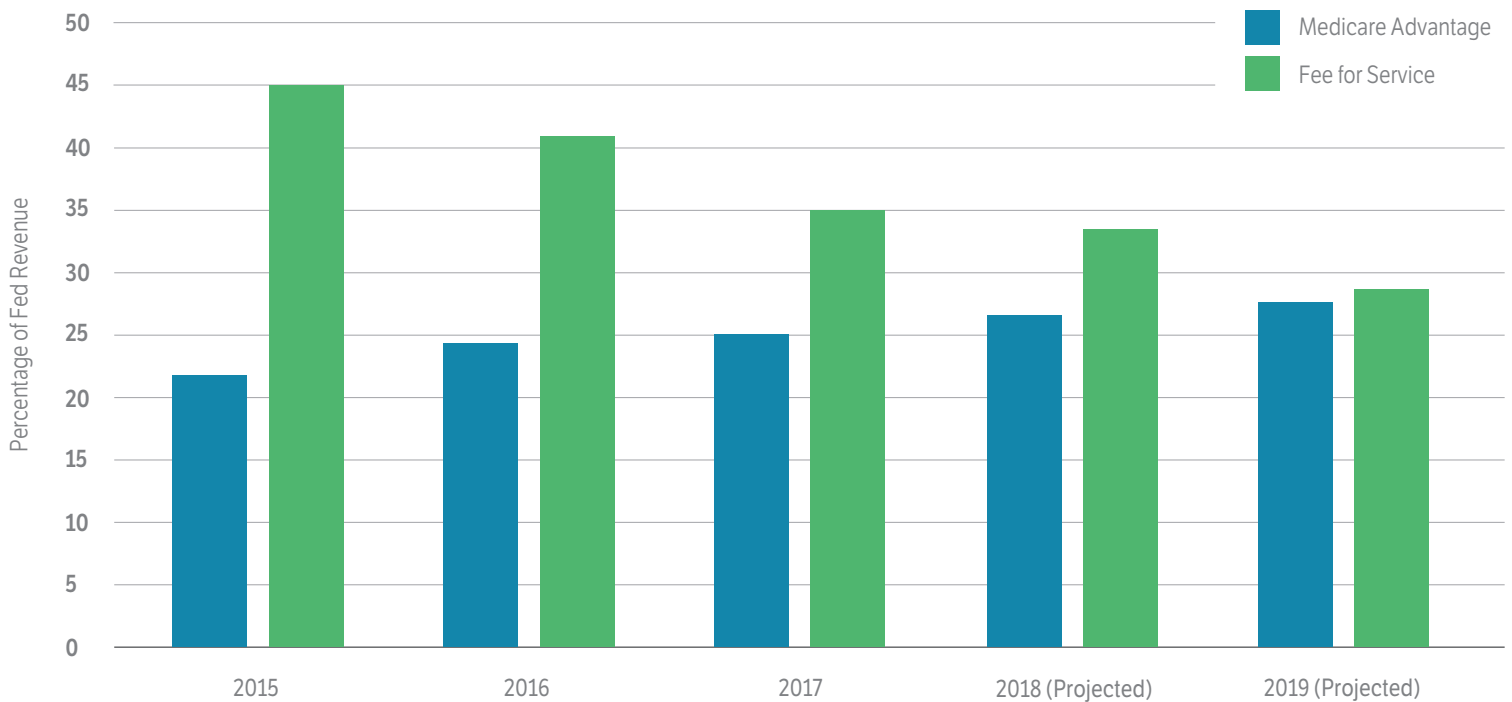
Taking Risk, 3.0:

Medicare Advantage Gaining Ground on Fee for Service

For the third consecutive year, AMGA surveyed its members to get the latest insight on the progress and challenges as medical groups and large systems transition to risk-based models.

This year's survey found AMGA members expect nearly 60 percent of federal revenues will come from risk-based products (bundled payment, Medicare Advantage (MA), Medicaid Managed Care Organizations, and Medicare Accountable Care Organizations) by 2019. Specifically, the results show that members anticipate the growth of MA will continue and project federal MA revenue will essentially equal Medicare Fee for Service (FFS) payments by that time (see chart below).

Revenue from Medicare Advantage vs. Fee for Service



What This Means

MA is helping ease the transition away from traditional FFS payment models. The program is an increasingly popular choice among Medicare beneficiaries, and given the current market of risk products, AMGA members view it as an important gateway for them to begin taking on more financial risk. Progress in the commercial market remains slow, due in large part to the lack of risk-based products from commercial plans.

Methodology

In 2015, AMGA first surveyed its members about transitioning from FFS to value-based payment models. AMGA repeated this process in 2016 and 2017 to assess member progress on the transition to value or risk. Respondents answered the current survey between June and August 2017 via AMGA Survey Analytics. Eighty respondents from AMGA member groups began the survey, and 74 answered all of the questions.

For more information about the AMGA 2017 Risk Survey, visit amga.org.