

Scale of Medicare Demonstrations

Š About 25 demonstrations implemented

Š About 12 demonstrations under
development

Š

Medicare Considerations

- Š Trust funds train wreck, urgent need to increase efficiency
- Š Secretary Leavitt emphasis on Medicare as a purchaser of quality services
- Š

Gainsharing Demonstrations

- Š Two similar demonstrations, authorized by DRA sec. 5007 and MMA sec. 646
- Š Gainsharing incentive payments paid by hospitals to physicians as a share of savings incurred from collaborative efforts between hospitals and physicians to improve quality and efficiency

