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## Insurers Face Frozen Medicare Payments for 2011

Written by Staff | April 07, 2010



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UnitedHealth Group, Healthspring, Coventry Health Care and Humana are among the insurers that will receive the same payment rates for 2011 as they did this year for administering Medicare Advantage plans, according to a report in *Bloomberg BusinessWeek*.

The healthcare reform law calls for a freeze in Medicare Advantage payments and \$130 billion in cuts to the program over the next 10 years, according to the report.

Many of the insurance companies had relied on the increases to account for portions of their earnings in the next year. UnitedHealth had accounted for the program to account for 14 percent, whereas Humana expected 42 percent. Analysts in the report said that the insurers will most likely counteract this with premium increases.

Other insurers, such as Healthspring and Coventry, reacted favorably to the freeze, as they planned for cuts in 2011. Some investors feared as much as a 4 percent wage cut, according to the report.

Read the *BusinessWeek* report on [Medicare Advantage programs](#).

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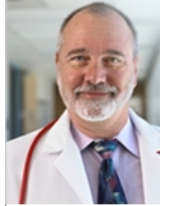


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- Departing Froedtert CFO O'Connell Discusses Healthcare Finance Trends (Part 2 of 2)
- Challenges Facing 10 Hospital Service Lines
- Hospital and Health System CEO and CFO Compensation From 2005-2009
- Hospital Income From Employed Physicians Represents 5-10 Times Their Salaries
- To Sell or Not to Sell: a Guide for Orthopedic Practices Eyeing Deals With Hospitals
- Physician-Generated Revenue and Average Salaries by Specialty
- David Fox: 5 Approaches to Improve Advocate Good Samaritan's Outpatient Satisfaction
- What Health Reform Will Mean for Physicians and Hospitals
- 5 Critical Factors Affecting Hospital CEO and CFO Compensation
- Hospital and Health System Executive Moves (Jan.-Feb. 2010)
- Investing in Healthcare — Compliance and Diligence Observations — Buyers, Sellers and False Claims
- Hospital and Health System Transactions (Jan.-

Feb. 2010)

16. CEO Mark Laret Discusses UCSF Medical Center's Rise From Near Financial Ruin to Recent Success, New Mission Bay Hospital

17. Marc Halley Offers 15 Best Practices for Hospitals on Acquiring Physician Practices

18. 10 Best Practices for Increasing Hospital Profitability

19. 9 Ways Hospitals Can Still Make Money

20. Current Trends in Hospital and Health System CEO Compensation

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Symbol	^IXIC
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Change	↓ -5.65 (-0.23%)
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Ask	N/A

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