

CMS softens Medicare Advantage funding changes

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Medicare Advantage customers may not see the drastic 2014 benefit cuts or premium hikes that insurers have been warning about after all.

Experts say the popular, privately run versions of the government's [Medicare](#) programs likely won't have to make big changes to their plans to adjust to [government funding](#) next year.

Health insurers had warned about those changes after the Centers for Medicare and Medicaid Services said in February that it expected the cost it pays per person to fall more than 2 percent next year. CMS said Monday after markets closed that it now expects that rate to climb more than 3 percent.

Dan Mendelson, president of the market analysis firm Avalere Health, says the revised rate will help give Medicare Advantage plans more stability.

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