



**Medicare Star Ratings, HEDIS, Quality Assurance & Risk Adjustment**

**HMA**

**wakely**  
An HMA Company

# **Staying Ahead of the Star Rating Curve – A Case Study**

PRESENTED BY:

**Linda Lee, Managing Principal**

**Christina Byrne, ASA, Consulting Actuary**

**Ann Pogrebitskiy, ASA, Associate Actuary**

# Agenda

Focusing on identifying opportunities and gaps within health plan quality performance.

Overview of major upcoming changes in the Medicare Stars program including removal of COVID EUC protections and new Tukey Outlier methodology



Discuss tactics and opportunities for HEDIS and Medication Adherence reporting and ways to best identify member chase lists



Case study for leveraging industry best practices to identify CAHPS opportunities and strategies for improvement

# Introductions

Christina Byrne, ASA, MAAA



Joined Wakely  
Consulting Group, and  
HMA Company, in  
2015

Consulting Actuary

## Expertise

- Medicare Advantage
- Financial statement filings for managed care entities
- Managing Wakely's suite of HEDIS products

7 Years of Health  
Experience

# Introductions

Linda Lee



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# HMA

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Joined Health  
Management  
Associates in 2017

Managing Principal

## Expertise

- Medicare Advantage
- Quality and Health Plan Accreditation
- Managed care clinical operations

20 years of  
experience in the  
managed care  
industry



# Introductions

Ann Pogrebitskiy, ASA, MAAA



Joined Wakely Consulting Group, and HMA Company, in 2020

Associate Actuary

## Expertise

- Managing Wakely's Medication Adherence Reporting Tool
- Medicare Stars Reporting and Analytics
- ACA Individual and Small Group Pricing

3 Years of Health Experience

# Overview of major upcoming changes in the Medicare Stars program

# 2022 Star Ratings – COVID-19 EUC Protections

- Many Medicare Advantage Organizations (MAOs) will receive significantly higher revenue in 2023
- Wakely estimates that the impact of this EUC policy will increase total 2023 Medicare Advantage spending by \$3.15 billion, or \$9.64 PMPM, relative to expected 2023 MA spending without the EUC policy
- This equates to a 0.8% increase in MA spending in 2023 overall <sup>[1]</sup>

*[1] Impact to each MA contract will vary*

## Highest ever published Star Ratings for the Medicare Advantage (MA) program

- Not necessarily due to better quality performance
- Rather due to temporary changes that CMS implemented in attempt to offset the detrimental impacts of COVID-19 on health plan quality performance
- Contracts designated as “affected” were assigned the better of current (2020) or prior year (2018 or 2019) performance in virtually every measure
- Nearly all MA contracts met the definition of “affected” in the 2020 measurement year

# 2022 Star Ratings – 5.0 Star Contracts

The 2022 Star Ratings reflect a historic prevalence of top performing contracts

More contracts achieved a 5.0 Star Rating than in any previous year

⑩ The number of Medicare Advantage contracts that received a 5.0 Star Rating grew 252% from 2021 to 2022 Star Rating

Unique advantage of achieving a 5.0 Star Rating

- ⑩ Eligible to market their plan offerings year-round via a Special Enrollment Period (SEP)
- ⑩ Unprecedented opportunity for mid-year growth for 5.0 Star Rated Contracts in 2022



# Potential Disruption and Opportunity

## Removal of COVID-19 EUC Protections

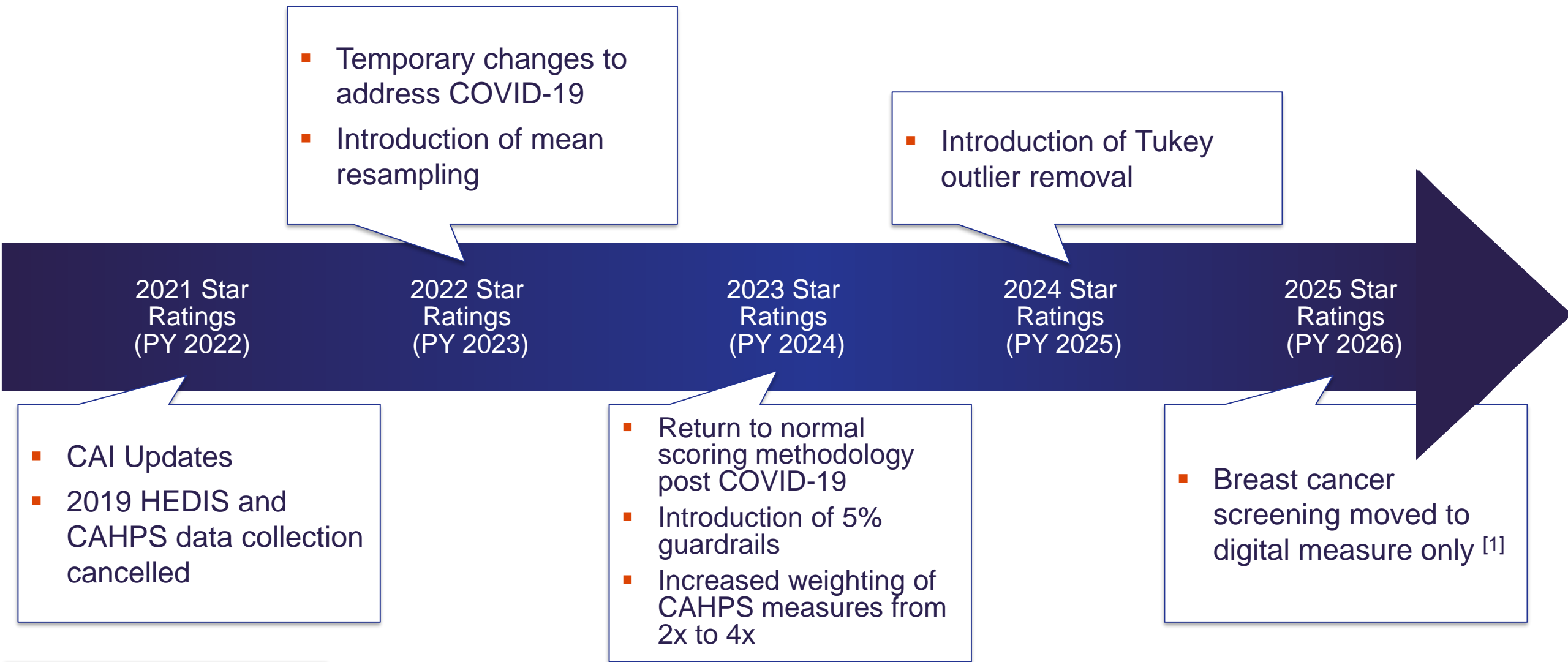
- CMS is ending the COVID-19 EUC protection for 2023 star ratings
- MAOs should be cautious on any benefit enhancements they make based on their additional 2023 revenue
- Increased star rating from the EUC protections are temporary; contracts should be cautious if they saw a star rating increase due to the COVID-19 provisions

## 5.0 Star Contracts

- Weakly observed change in intra-year enrollment growth for contracts at each star rating
  - Mid-year enrollment growth in 5.0 Star contracts ranges from 3.8% to 5.1%.
  - 5.0 Star growth exceeds the mid-year enrollment growth for all other star ratings and shows a clear pattern of successful special enrollment periods
- We anticipate that there could be significant market disruption coming this year
- If your contract shares service area with a newly minted 5.0 Star plan, be aware of this potential enrollment challenge and its uncertain financial impact

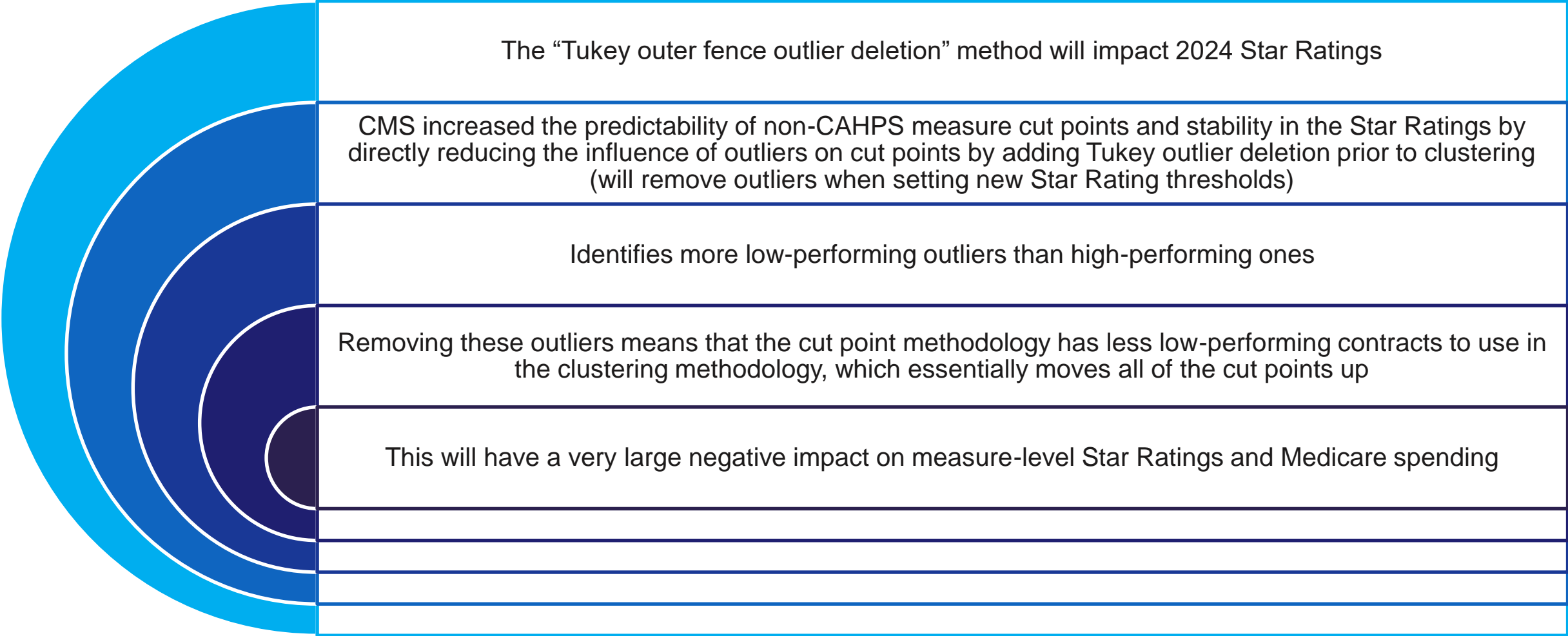


# Upcoming Stars Program Changes



<sup>[1]</sup> Based on NCQA schedule of moving to digital measures

# Tukey Outlier Methodology



# Major Changes to the Stars Program



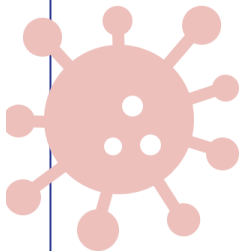
**Tukey Outlier Distribution** = More aggressive cut points on HEDIS and Pharmacy Measures as outlier plans are removed

- **\$1.0B decrease** in MAO revenue



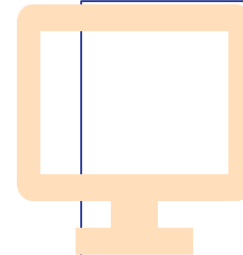
**CAHPS Weights** = Increased weighting of CAHPS measures from 2x to 4x

- **\$100K increase** in MAO revenue – *CAHPS performance varies significantly for MAOs*



**Return to normal scoring methodology post COVID-19**

- **\$3.15B decrease** in MAO revenue – *based on the current impact of EUC protections*



**Replacement of measures from traditional reporting to digital**

- **\$0.25M decrease** in MAO revenue – *based on HMA internal estimates*

# Upcoming Stars Measure Changes

	2021 Star Ratings (PY 2022)	2022 Star Ratings (PY 2023)	2023 Star Ratings (PY 2024)	2024 Star Ratings (PY 2025)	2025 Star Ratings (PY 2026)
Plan All-Cause Readmission	Temporarily removed			Returns with weight of 1.0	Weight increases to 3.0
Patient Experience and Access measures	Weights increase to 2.0		Weights increase to 4.0		
Adult BMI Assessment, Appeals Autoforward, and Appeals Upheld		Retired			
Care for Older Adults – Functional Status Assessment		Temporarily removed		Returns with weight of 1.0	
Improving or Maintaining Physical / Mental Health		Temporarily removed			
Statin Use in Persons with Diabetes			Reduced to a weight of 1.0		
Rheumatoid Arthritis Management			Retired		
Controlling Blood Pressure			Returns with weight of 1.0	Weight increases to 3.0	
Transitions of Care				Returns with weight of 1.0	
Follow-up after Emergency Department Visit				Returns with weight of 1.0	

# Discuss tactics and opportunities for HEDIS and Medication Adherence reporting



# What is Member Intervention?

- “Closing the gaps”
  - HEDIS – going in to see a provider or get a service
  - Adherence – getting a prescription filled
- Extremely targeted interactions with members to satisfy a broad range of goals
- Avoiding interaction fatigue



# Importance of Efficient Data Streams and Timely Reporting

## Sources of member frustration:



Already picked up their prescription



Already went to their doctor



Has been contacted yesterday or last week

## Potential consequences:



Members no longer engaging with your plan



Not picking up the phone for other concerns



Decreased participation in their own care



Lower health plan satisfaction scores

# Importance of Efficient Data Streams and Timely Reporting



- Decreasing lag between data collection and report creation
- Considering data source
  - CMS PDE vs PBM data
  - Availability of lab data and supplemental files
- Efficient reporting processes
  - Automated data transmission
  - Minimal manual adjustments to reporting

# Case Study

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Goal: Improve a health plan's Medication Adherence for Statin, Diabetes, and RAS antagonist (RASA) drugs as well as for other clinical drug categories

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First iteration: Utilize CMS PDEs to create Medication Adherence reporting on a biweekly basis. 4-5 day turnaround between data collection and report delivery

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Pitfall: Member contact resulted in frustration since some had already gotten medication refills. PDEs had a 2-3 week lag to the delivery date

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Second iteration: The health plan worked with their PBM to receive automated prescription data daily to supplement PDEs. 2-3 day turnaround between data collection and report delivery

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Outcome: Significantly fewer member complaints and a measureable increase in adherence rates. Lag was reduced to 3 days



# Prioritizing Members

Chase list reporting should prioritize members based on several factors:

Urgency of interaction

Potential for successful intervention

Certainty of gap (data credibility and relevance)

Potential to group multiple interventions into one

Engaging with Physicians and Pharmacies

Tracking adherence by provider group or pharmacy

Some providers have member intervention programs

Steering members towards providers with better HEDIS or Adherence results



# Interaction Best Practices



Recognizing that interaction can occur with members, but also with physicians and pharmacies



Mixed media approach – mail, phone, text, automated voice message



Spacing interactions and grouping interactions together



Combining HEDIS/Adherence intervention with general health education



Recognizing when interaction is doing more harm than good (interaction fatigue)



# Case study for leveraging industry best practices to identify CAHPS opportunities

# CAHPS Improvement Strategies

- HMA takes a strategic and data driven approach to CAHPS improvement initiatives to create incremental year over year changes in the performance of these measures
- Our comprehensive model can assist with any of the areas above depending on the needs of our clients and the support requested



# CAHPS Strategic Analysis

High performing plans conduct detailed analysis of CAHPS opportunities and understand the reason for selection and impact of targeted measures. Best practices to support these processes:

Identifying trends, historical performance, and outliers in plan scores at the individual measure and composite level

Reviewing changes in cut-points to determine future state goals and market level performance

Understanding the impact of weight changes and scoring system impacts to maximize performance

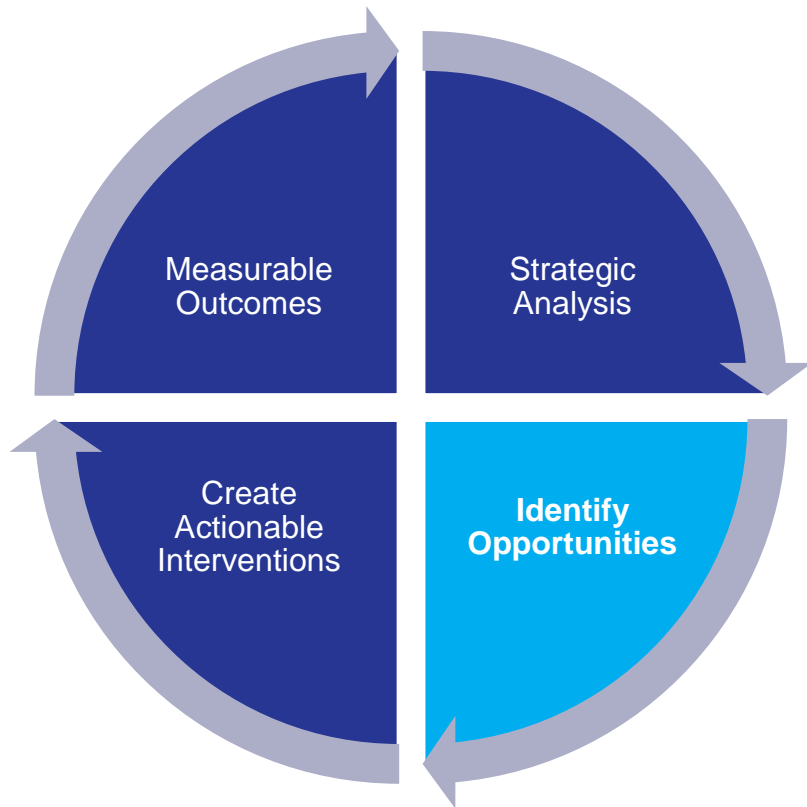
Assisting in the creation of data feedback loops to monitor on-going performance through off-cycle reviews and year-round data collection

Assessing plan performance by market segment and target strategies for addressing accordingly

Determining where resources should be allocated to have the biggest impact on scoring



# Identification of Opportunities



**Plans that perform well on CAHPS analyze their performance on specific measures and overall to build interventions based on plan results. Best practices to support these processes:**

- Identifying industry best practices on specific measures and CAHPS composites
- Identifying areas within the health plan that may serve as a catalyst for member or provider dissatisfaction
- Strategically align measures and interventions against individual any State and Federal Quality reporting requirements for Medicare and Medicaid

# Create Actionable Interventions

CAHPS is collected once per year. To impact these measures, plans need to define interim reports and engage in specific interventions that have measurable outcomes. This includes:

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Interventions that are specific to the individual measures and a composite of tactical actions that are likely to have the biggest impact to the plan performance

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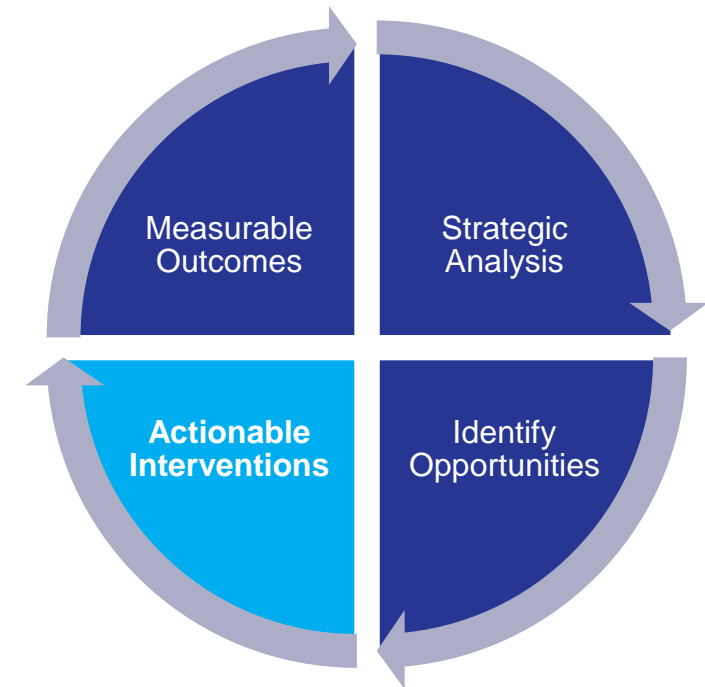
Creating and implementing tools such as a “CAHPS Improvement Calendar” and intervention plan that can be leveraged as a playbook for success

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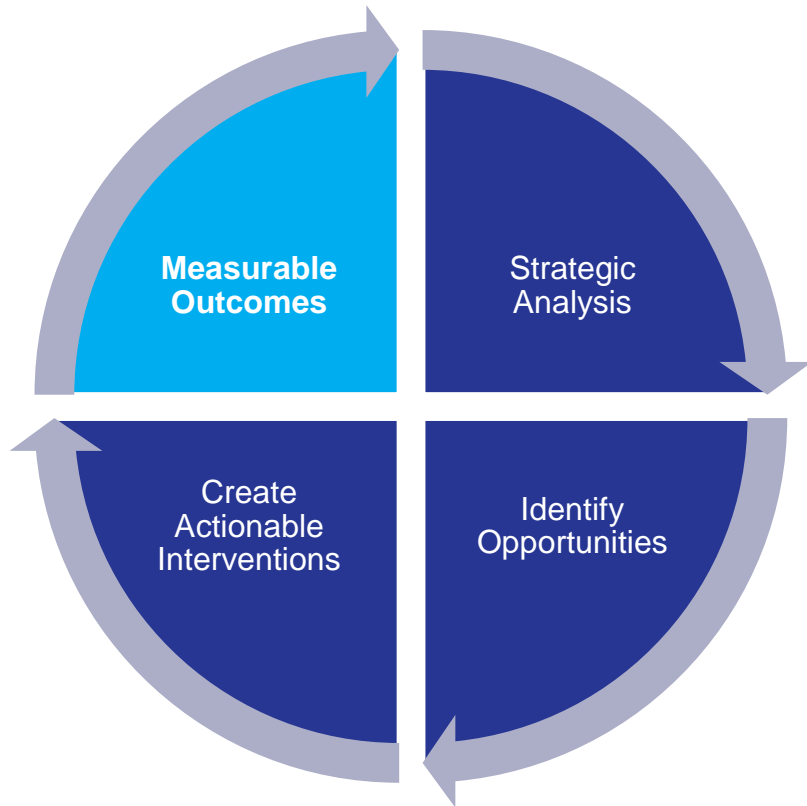
Continued identification of areas within the health plan that may serve as catalysts for member and/or provider dissatisfaction and set strategies to provide transparency and performance improvement

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Implementing best practice strategies to improve member experience, access, and communication



# Measurable Outcomes



**As CAHPS becomes more important in Medicare Advantage Star Ratings and in the way many State Medicaid programs will be re-procured, plans are becoming creative in how they measure the success of their member experience-based programs. Best practices to support these processes:**

- Evaluating and developing strategy to continuously measure and use data to track member experience performance year-round (complaints, grievances, member services, etc.)
- Evaluating sufficiency of current reporting and creating new tactics which may include new data sets and tracking systems through off-cycle reviews and new member feedback collection mechanisms
- Presenting data that is clear, concise, easy to understand in terms of impact and actionable



# C03 Annual Flu Vaccine

Measure Weight 2022	Measure Weight 2023
1	1

Top strategy to increase this measure is messaging members on the importance of the flu shot and doing this often throughout the flu season.

## Best Practice Tactics:

On-hold reminders for members when they call-in for plan services (care management, member services, pharmacy, etc.)

Send thank you notes to members during the flu season and before the CAHPS survey timeframe, including small items like magnets and cards

Outreach to "at-risk" members that have multiple comorbidities or chronic conditions, educate them and speak with them about importance of the annual flu vaccine

Tell members where they can receive their flu shot or look it up for them (find a local pharmacy they can walk or drive easily). Provide reminders during member service calls, care management outreach, and other member contacts

Work with high volume providers to embed posters and reminder cards for members. Ask providers how they intend to market annual flu vaccines this year and offer intervention assistance

# C23 Customer Service

Measure Weight 2022	Measure Weight 2023
2	4

Top strategies to increase this measure are identifying the most challenging members and outreach to them whenever possible; ensure excellence in member service timing and accuracy in all communications (call-center, website, mailings)

## Best Practice Tactics:

Test member services on benefits and plan standards for appointment scheduling wait times. Minimize need to transfer calls internally with staff training to provide one-call resolution; provide seamless methods to answer questions and solve service requests, without excess hold time; include performance guarantees with any outsourced services and bonus incentives with internal staff

Perform oversight of member service including frequent and random call monitoring and after call survey of the member, automated within the phone system

Implement concierge services for high risk, high touch members

Outreach to members who have lodged a complaint, "just checking in" call

Implement listening posts to receive information from members on preferences, needs, concerns, etc. Share this information throughout all areas of the organization that have member interactions. Add a "tell us how we're doing" area on the website and member portal for members to offer feedback

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# Questions?

The logo for HMA, consisting of the letters "HMA" in a bold, blue, serif font, with a horizontal line above and below the text.

[www.healthmanagement.com](http://www.healthmanagement.com)

The logo for wakely, featuring a stylized blue "w" followed by "akely" in a blue sans-serif font. Below the text is the tagline "An HMA Company" in a smaller, lighter blue font.

[www.wakely.com](http://www.wakely.com)