
MEDICARE ADVANTAGE NEWS

2014 Star-Rating Changes Include Use of Individual-Measure Scores

In the draft 2014 “Call Letter” CMS issued Feb. 15, the agency backed away from several significant Medicare Advantage and Part D star-ratings changes it had been considering for 2014. But it is going ahead with two potentially very significant ones that would use actual individual-measure scores rather than star ratings for those measures in computing the key summary and overall star scores, and would boost the four-star cutoff points for measures related to the Million Hearts cardiovascular health initiative.

Moreover, while there are no new stars measures for 2014 as of now (that could change in the final call letter to be released April 1), CMS again is “considering” the retirement to the “display page” of several measures on which plans generally have done well. The net effect of these and other star-rating changes contemplated in the Call Letter furnishes another sign that CMS intends to keep “raising the bar” for MA and Part D plans, says Lucia Giudice, a senior manager at Deloitte Consulting LLP.

The most important change in the Call Letter, according to Kristian Marquez, vice president, clinical and quality outcomes for stars data analytics specialist Inovalon, Inc., is altering the methodology for calculating the summary and overall star ratings. The change CMS is proposing would start in 2014 and aims, the agency says, to get “more precise reflections of the performance data” than are supplied from the current method of using just the star ratings that MA and Part D plans get on individual measures. The agency cites an example of two MA contracts, one of which scores 47% and the other 63% on the breast cancer screening measure. Under the current method, both plans would get two stars on the measure, even though their scores differ by 16 percentage points, CMS notes. Marquez discussed that and the other proposed star-rating changes in a Feb. 20 AIS webinar.

“This is a really big deal,” Marquez tells *MAN* of the proposed change to instead use the actual individual-measure scores. While it won’t affect how plans seek to improve quality, he explains, it does boost the stakes for doing so. It is especially vital for plans “a couple of ticks close to the next highest star rating,” since “every percentage point now makes a difference,” Marquez asserts.

Four-Star Thresholds May Keep Rising

The other change he cites as particularly significant derives its importance not only from what it does but also from the rationale CMS is using. For the 2015 star ratings, the agency said in the Call Letter, it proposes raising the threshold levels plans must attain to earn four stars on four measures associated with the Million Hearts care improvement initiative by two percentage points each. The measures involved include two for MA (cardiovascular care-cholesterol screening and controlling blood pressure) and four for Part D (diabetes treatment, plus medication adherence related to diabetes drugs, hypertension and cholesterol).

CMS, according to Marquez, is articulating a thought process that Inovalon and some other stars specialists had expected: that the four-star cutoff points the agency furnishes each year are not designed to be “fixed forever” but instead would be raised over time. He contends that part of the reason for this is financial. “There’s a finite amount of funding” available for stars bonuses, and this amount would get exhausted quickly if the levels of performance needed to earn the bonuses that four-star plans would continue to get in 2015 and beyond are not raised periodically, he asserts. CMS has set cut points only for four-star plans, leaving the performance levels for other scores dependent on the precise results of the rated plans.

Along somewhat similar lines, CMS moved in the Call Letter to end a loophole in its rating rules that now applies its Low Performer Icon (LPI) only to contracts receiving less than three stars for either their MA or Part D summary ratings for the last three years. This has led “stakeholders,” according to the Call Letter, to raise concerns that sponsors can switch their focus from year to year and alternate having poor stars performance in MA and Part D without being assigned the LPI. To avoid that, CMS is proposing to assign the LPI to any MA prescription drug (MA-PD) contract getting 2.5 or fewer stars in any combination of MA and Part D summary ratings. Marquez terms this proposal “not surprising.”

A CMS proposal that on the surface may be more unexpected is to delay for one year two new star measures that it had mentioned last Nov. 30 as possibly starting for

2014 (*MAN 12/6/12, p. 1*). They are the medication therapy management (MTM) program completion rate for comprehensive medication reviews (CMRs) and the MA Special Needs Plan (SNP) care management measure. Both will be kept on the display page, where they will be scored but the scores won't be taken into account for 2014 star ratings.

Marquez says the delay on the MTM measure is logical in light of the lack of consensus on how to adjust for the "variance" that exists "across plans" in the use of MTM and CMRs. In addition, there is an issue, cited by CMS itself, of how plans have reported beneficiaries as long-term care (LTC) residents who could be excluded from CMR completion-rate calculations. CMS in the call letter proposes including LTC residents in the measure calculation — but the measure wouldn't start till 2015 and would use data from 2013, when LTC beneficiaries no longer are exempt from the CMR requirement.

The care management measure delay, according to Marquez, is "something of a nonevent." He suggests that CMS apparently just wants more time to evaluate a situation that is complicated by socioeconomic issues surrounding SNP members.

Most of the other proposed star changes for 2014 and 2015 are the same as the agency had disclosed Nov. 30. Among those changes are inclusion of low-enrollment

contracts in the ratings starting in 2015 and retirement to the display page for 2014 of measures for enrollment timeliness, getting information from drug plans and call center-pharmacy hold time.

These changes mark a continuation of CMS actions to remove from the star ratings administrative measures on which plans have done well, says Giudice.

But Marquez notes that some of the star measures CMS says it intends to add to the display page for 2014 and potentially use in 2015 ratings are ones on which MA-PD plans have some control and could fare well. These include pharmacotherapy management of COPD exacerbation, initiation of alcohol and other drug dependence treatment, and variation of Medicare Plan Finder price accuracy for Part D plans. Somewhat similarly, he says, plans could benefit from CMS's intended addition of two more drug classes in the Part D measure for medication adherence on diabetes since members on these additional drugs could be considered adherent.

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