Blog Series Part 7: CMS Proposed Rule on Policy and Technical Changes to the Medicare Advantage, Medicare Prescription Drug Benefit, Medicaid Fee-For-Service, and Medicaid Managed Care Programs for 2020 and 2021

Tuesday, November 20, 2018

Part C and Part D Quality Rating System

The November 1, 2018 proposed rule issued by the Centers for Medicare & Medicaid Services (“CMS”) includes enhancements and substantive changes to the Star Rating System in order to increase the stability and predictability of Medicare Advantage and Part D Star Ratings.

Measure Level Star Ratings.

CMS’ Star Ratings proposals are intended to eliminate some of the volatility and unpredictability of the calculation methodology, which is a welcome change for Medicare Advantage organizations (“MAOs”) and Part D plan sponsors. Based on stakeholder feedback and analyses of the data, CMS proposes two enhancements to the current hierarchical clustering methodology that is used to set cut points for non-Consumer Assessment of Healthcare Providers and Systems (“CAHPS”) measures:

- Implementing cut-point guardrails to prevent measure threshold specific cut points from increasing or decreasing excessively from one year to the next; and
- Enhancing the cut point calculation methodology for non-CAHPS measures to better eliminate the effect of outliers.

Updating Measures.

CMS also proposes measure changes to the Star Ratings program for future Star Rating calculations (performance periods beginning on or after January 1, 2020 and performance periods beginning on or after January 1, 2021). The proposed measure changes include:

- Controlling High Blood Pressure (Part C): Due to new hypertension treatment guidelines from the American College of Cardiology and American Heart Association, the National Committee for Quality Assurance (“NCQA”) has revised the blood pressure target to <140/90 mmHg for the new Healthcare Effectiveness Data and Information Set (“HEDIS”) 2019. NCQA has also made some structural changes to the measure, including:
  - Allowing two outpatient encounters to identify the denominator and removing the medical record confirmation for hypertension;
  - Allowing the use of telehealth for at least one of the denominator instances;
  - Adding an administrative approach to allow Current Procedural Terminology Category II code
collection; and

- Allowing remote monitoring device readings for the numerator.
- The blood pressure measure will be retired to the display page for the 2020 and 2021 Star Ratings. CMS plans to return the measure as a measure for the 2022 Star Ratings with a weight of 1 for the first year and a weight of 3 thereafter.

- **MPF Price Accuracy (Part D):** CMS proposes to make enhancements to the current Medicare Plan Finder (“MPF”) Price Accuracy measure to better measure the reliability of a contract’s MPF advertised prices. The proposed update would measure the magnitude of difference between a contract’s MPF advertised prices and the actual pricing at the point of sale, as well as the frequency of price differences. The updated measure would be a display measure for 2020 and 2021. CMS proposes to use it in the 2022 Star Ratings in place of the existing MPF Price Accuracy measure, which will remain in the Star Ratings until that replacement.

- **Plan All-Cause Readmissions (Part C):** This measure assesses the percentage of hospital discharges resulting in unplanned readmissions within 30 days of discharge. NCQA is modifying the measure for HEDIS 2020 to add observation stays as hospital discharges and readmissions in the denominator and the numerator; and remove individuals with high frequency hospitalizations. The measure would be moved to display for the 2021 and 2022 Star Ratings and would return as a measure with substantive updates for the 2023 Star Ratings using data from the 2021 measurement year with a weight of 1 for the first year and a weight of 3 thereafter.

- **Improvement Measures (Parts C and D):** CMS proposes to exclude from the improvement measure(s) any measure that receives a measure-level Star Rating reduction for data integrity concerns for either the current or prior year. The proposed new standard would ensure that the numeric scores for each of the 2 years are unbiased. If a measure’s measure-level Star Rating receives a reduction for data integrity concerns in either of the 2 years, the measure would not be eligible to be included in the improvement measure(s) for that contract.

- **Data Integrity:** CMS intends to assign a 1-star rating to the applicable appeals measure(s) if a contract fails to submit Timeliness Monitoring Project data for CMS’ review in order to ensure the completeness of the contract’s Independent Review Entity (“IRE”) data. CMS believes that it is appropriate to assume that there is a performance related issue when the MAO or Part D plan sponsor has refused to provide information for CMS’ oversight of the compliance with the appeals requirements. The proposed reduction is separate from any CMS compliance or enforcement actions related to a sponsor’s deficiencies. CMS indicated its belief that rating reductions are necessary to avoid falsely assigning a high star to a contract, especially when the MAO or Part D plan sponsor has refused to submit data for CMS to evaluate performance in this area and to ensure that the data submitted to the IRE are complete.

- **Review of Sponsors’ Data:** CMS proposes to codify a policy regarding the deadlines for an MAO or Part D plan sponsor to request CMS or the IRE to review a contract’s appeals, or CMS to review a contract’s Complaints Tracking Module (“CTM”) data. CMS also proposes that any requests for adjustments following CMS’ CTM Standard Operating Procedures for the complaints measures be made by June 30 of the following year in order for the changes to be reflected in a contract’s Star Ratings data.

- **Extreme and Uncontrollable Circumstances:** CMS proposes enhancing adjustments for extreme and uncontrollable circumstances, such as natural disasters. To ensure that the Star Ratings adjustments focus on the specific geographic areas that experienced the greatest adverse effects from the extreme and uncontrollable circumstance and are not applied to areas sustaining little or no adverse effects, CMS’ proposal is to target the adjustments to specific contracts and to further specify and limit the adjustments.

CMS seeks feedback and input regarding these proposals and will accept comments through December 31, 2018.

Other articles in this series:

- Blog Series Part 1: CMS Proposed Rule on Policy and Technical Changes to the Medicare Advantage, Medicare Prescription Drug Benefit, Program of All-inclusive Care for the Elderly (PACE), Medicaid Fee-For-Service, and Medicaid Managed Care Programs for Years 2020

- Blog Series Part 2: CMS Proposed Rule on Policy and Technical Changes to the Medicare Advantage, Medicare Prescription Drug Benefit, Medicaid Fee-For-Service, and Medicaid Managed Care Programs for Years 2020 and 2021

- Blog Series Part 3: Medicare Advantage and Part D Preclusion List