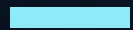


# **CMS Medicare Advantage 2021 Star Ratings: An Analysis**



*Holistic analysis of CMS MA 2021 Star Ratings, to uncover key market insights and future trends that are likely to shape Stars strategy going forward*



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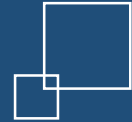
# 2021 Star Rating Analysis: Background & Objectives

CMS released the 2021 Star Ratings for Medicare Advantage program in October 2020.

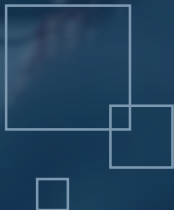
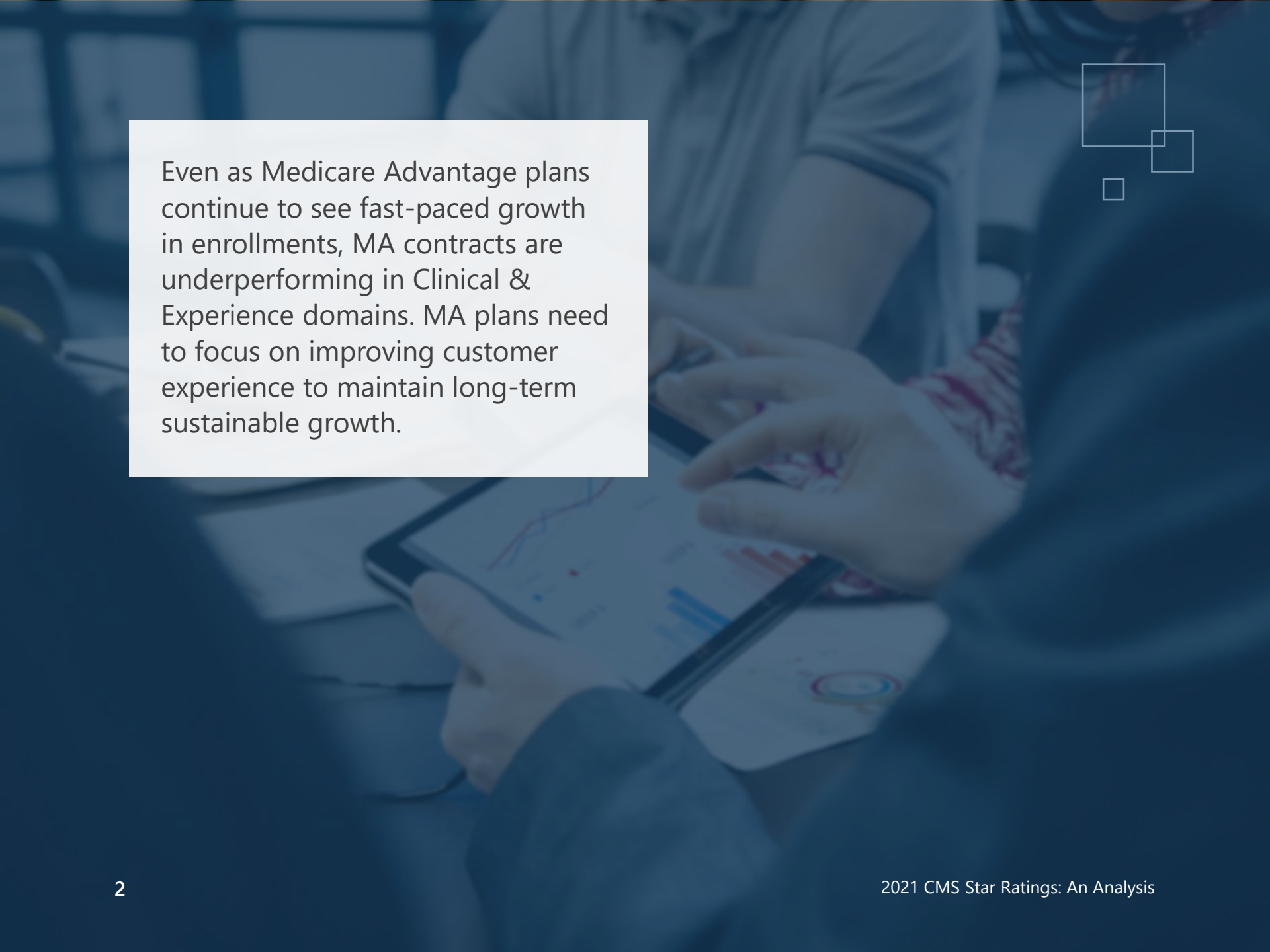
CitiusTech's latest report presents key observations and findings from the report, by analyzing the Star ratings released for the year 2021 in retrospect vs. the previous year's Star ratings.

This report is intended for business, consulting, and technology audience who are actively engaged, or impacted, with the functioning of Medicare Advantage Star ratings, to help them align their star improvement initiatives to the market trends.

## Report Objectives



- Identify **key takeaways across all performance dimensions** of 2021 Star Ratings in a quick snapshot view – including high, low & neutral performance areas
- Present **key recommendations** for 2022 Star programs, based on variation causal analysis
- Uncover insights and **focus areas for future** Star rating improvement initiatives



Even as Medicare Advantage plans continue to see fast-paced growth in enrollments, MA contracts are underperforming in Clinical & Experience domains. MA plans need to focus on improving customer experience to maintain long-term sustainable growth.

# 2021 Star Rating Analysis: Summary

## Key Takeaways – Membership

- Medicare Advantage growth **continues to outpace** overall Medicare FFS membership growth
- Growth in **MA contracts rose disproportionately** as compared to absolute MA membership growth
- About 1/10<sup>th</sup> of the **membership was redistributed** from 4.5+ Star rated contracts to lower rated ones

## Key Takeaways – Performance

- With usage of 2018 data, Y-o-Y growth curve for **clinical domains returned** to historical levels
- Half of the MA contracts underperformed in the Clinical & Experience domains, while a large majority **performed at high levels** for the Operational domain
- 2/3<sup>rds</sup> of MA contracts **missed a 4 Star measure** rating by less than 2%, in terms of absolute compliance rate

## Key Takeaways – Approach

- Customized period adoptions have severely impacted **5 weighted improvement** measures
- Due to this change, **benchmarking performance** against industry will be a significant challenge for setting improvement goals in the future

# 1

## MA membership growth continues to outpace Medicare FFS growth

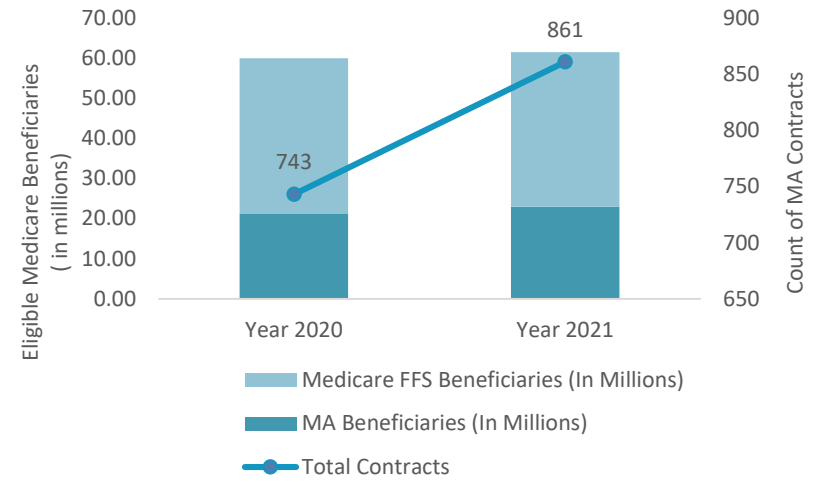
### Key statistics

- ↑ **1.6 million** MA population between 2020-21
- ↑ **73 net new** contracts in 2021
- ↑ **8%** MA Growth vs. 3% Medicare Growth
- **~37%** of Eligible Medicare Beneficiaries are attributed for MA and expected to grow further

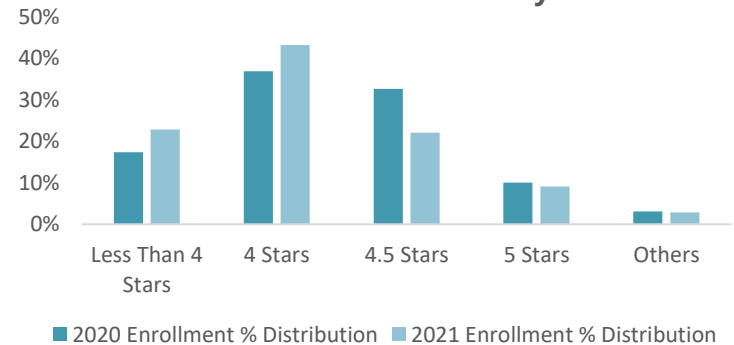
### Our perspective

- New contracts driven by expansion of large health plan market coverage
- Performance will struggle, with a less motivated population and uncondusive market environment
- Members likely to be more sensitive to premiums due to pandemic driven economics, as demonstrated by the membership shift to ≤4 Star plans

2021 vs 2020 : MA Growth (# Contracts, Enrollment)



Enrollment Distribution by Stars



# 2

## MA contracts increase disproportionately vs. membership; 4 Star rated contracts an outlier

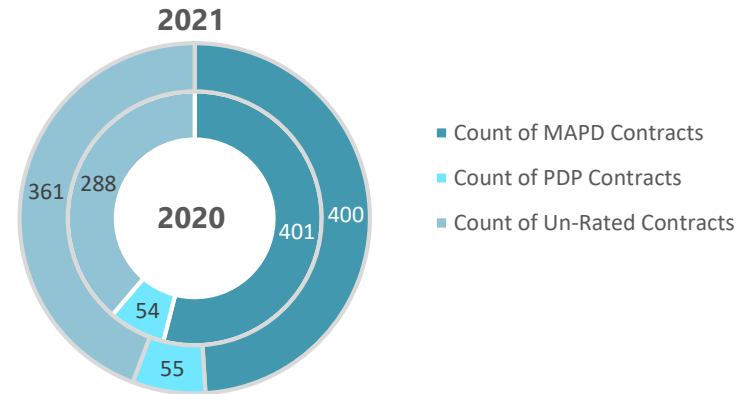
### Key statistics

- ↑ **9.8%** overall contracts in 2021
- ↑ **73 unrated** contracts in 2021
- **7% drop in MA contracts** despite positive membership shift to these contracts
- **No change** in rated MAPD & PDP contract base

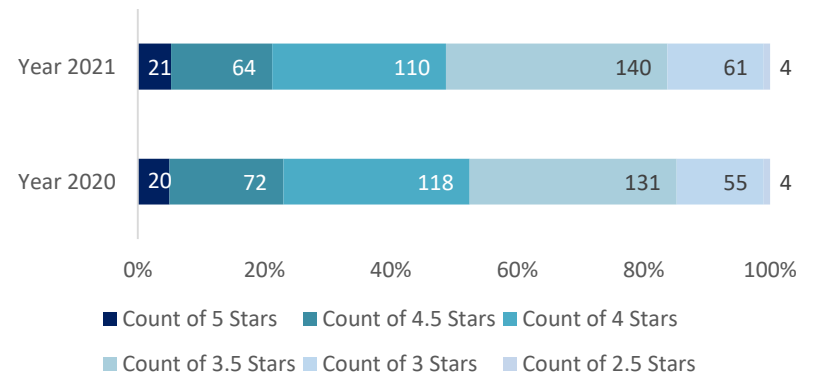
### Our perspective

- New contracts have no Clinical and Experience performance history for year 2018 and 2019
- Current pandemic and socio-economic crisis will continue to impact data collection for Year 2022
- Focus for next 2-3 years is expected to be on maintaining scores at current levels rather than on score improvements

Contract Type Spread (2020 Vs 2021)



Distribution for Rated MAPD Contracts  
(Year 2021, 400 contracts | Year 2020, 401 contracts)



# 3

## Health Plans demonstrate stable progress for Part C domains & continue to struggle with Part D domains

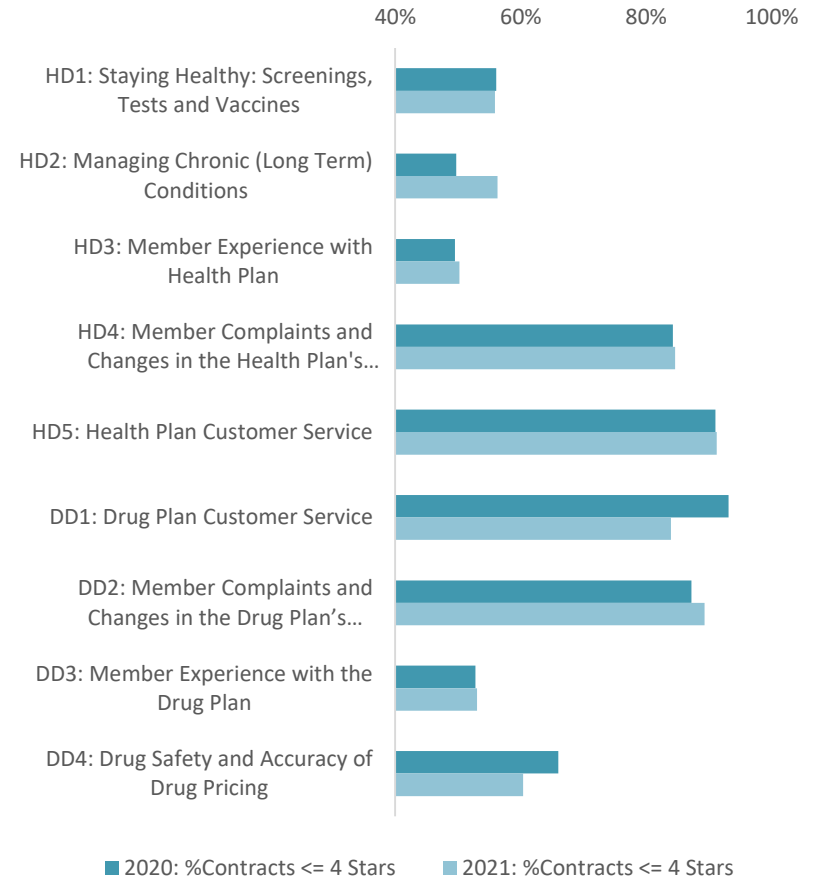
### Key statistics

- **↑ 8-10% reported data points** for operational and part D clinical domain
- **↑ 7% ≥ 4 Star** rated contracts for clinical domain HD2
- **↓ 9% ≥ 4 Star** rated contracts for operational domain DD1
- **~54% contracts underperforming** in clinical and experience domains

### Our perspective

- 2x to 4x shift in Experience weightage for 2023 calls for focus on experience domains - HD3 and DD3
- With 2018 performance data, YoY growth curve for Clinical domains were reset to historical levels
- 2-3 years of accelerated progress will be required to regain the Clinical performance loss

Domain Distribution of ≥ 4 Stars Contracts





# 4

## Experience and Improvement measures remain a weak area for a large majority of contracts

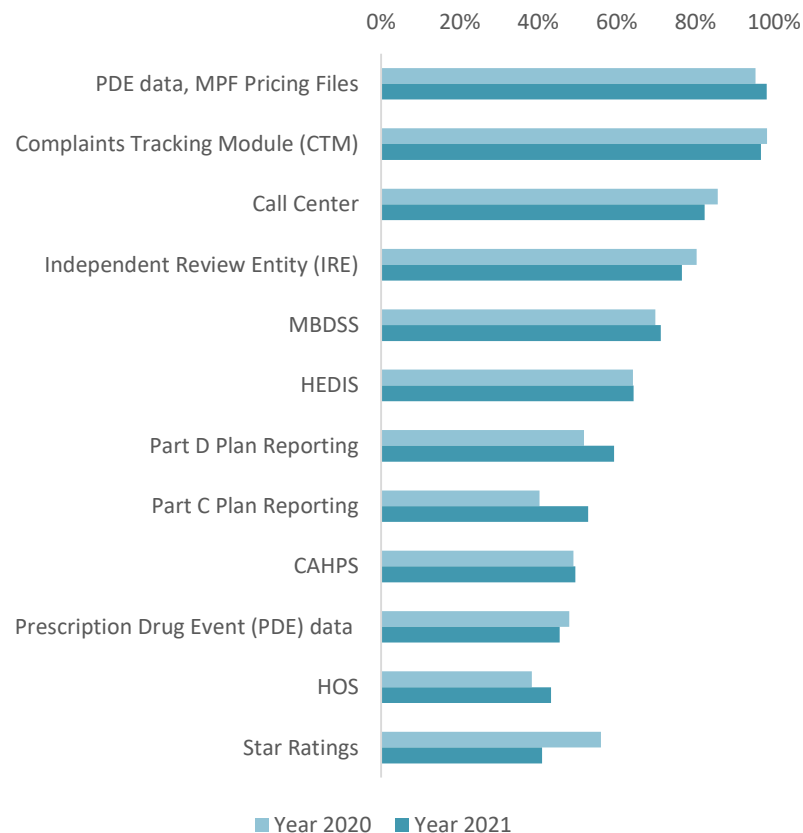
### Key statistics

- **77% contracts** scored  $\geq 4$  Stars for Operational measures
- **↓ 15% decrease** in  $\geq 4$  Star ratings for Star rating data source for Improvement measures (5x)
- **↑ 10% gain** in  $\geq 4$  Star ratings for Part C & D Reporting
- **↔ YoY Growth** of  $\geq 4$  Star Ratings for CAHPS and HOS data sources with 54% contracts needing improvement

### Our perspective

- Customized measurement year adoptions have severely impacted 5 weighted improvement measures
- Lowering of CMS cut-points and increased focus on MTM boosted the ratings for Part C & D reporting
- Customized measurement year adoptions are likely to continue to mitigate the pandemic effect
- Benchmarking performance against industry will be a significant challenge moving forward

**% Contracts (by data source)  $\geq 4$  Stars**



# 5

## Large proportion of contracts missed the 4 Star threshold for HEDIS, HOS, CAHPS and PDE measures by as low as 1-2%

### Key statistics

- **↓ 4 - 13-point decrease** in 4 Star cut-point for Operational measures such as Appeals Auto Forward, SNP Care Management and Reviewing Appeals Decision
- **↑ 7-point increase** in 4 Star cut-point for Call Center measure D01
- **~66% contracts** have missed scoring 4 Stars for HEDIS, HOS, CAHPS, and PDE measures owing to less than 2% shift in 4 Star threshold value

### Our perspective

- Deep forecasting solution with high precision is required to arrest fluctuations which are less than 2%
- CMS proposed guardrail with  $\pm 5\%$  sensitivity seems to be wide, considering less than 2% fluctuations amidst the ongoing pandemic challenges

Measure Name	Data Source	# of Contracts missing 4 Star threshold by 1-2%
Annual Flu Vaccine	CAHPS	43
Osteoporosis Management in Women who had a Fracture	HEDIS	13
Medication Reconciliation Post-Discharge	HEDIS	44
Statin Therapy for Patients with Cardiovascular Disease	HEDIS	70
Improving or Maintaining Mental Health	HOS	51
Improving or Maintaining Physical Health	HOS	36
Reducing the Risk of Falling	HOS	33
Medication Adherence for Cholesterol (Statins)	PDE	136
Medication Adherence for Hypertension (RAS antagonists)	PDE	75
Statin Use in Persons with Diabetes	PDE	66

# 2021 Star Rating Analysis: Key Predictions for 2022



The pandemic has reset CMS MA Stars progress by 2-3 years and will continue to impact 2022 Stars ratings over lower clinical and experience performance rates

1

**Cut-points are unlikely to change:** Cut-points are likely to move much slower than expected, and are likely to be complemented with new discount factors for accounting pandemic adjustments

2

**Historic performance likely to be carried forward:** It is expected CMS will take similar steps for the 2022 reporting year, along with additional discount factors for balancing the overall pandemic impact

3

**Low Reporting Data:** New contracts added in year 2021 and 2022 will continue their struggle for reporting clinical and survey data due to lack of data history prior to pandemic situation

4

**Lower Performance:** Lower measure performance rates are expected due to decreased preventive care, outpatient access, and data collection challenges



CitiusTech's **Stars Decision Engine** combines healthcare expertise, data science proficiency, and embedded intelligence framework to deliver quantifiable improvements across the clinical value chain, enabling holistic star rating improvement.

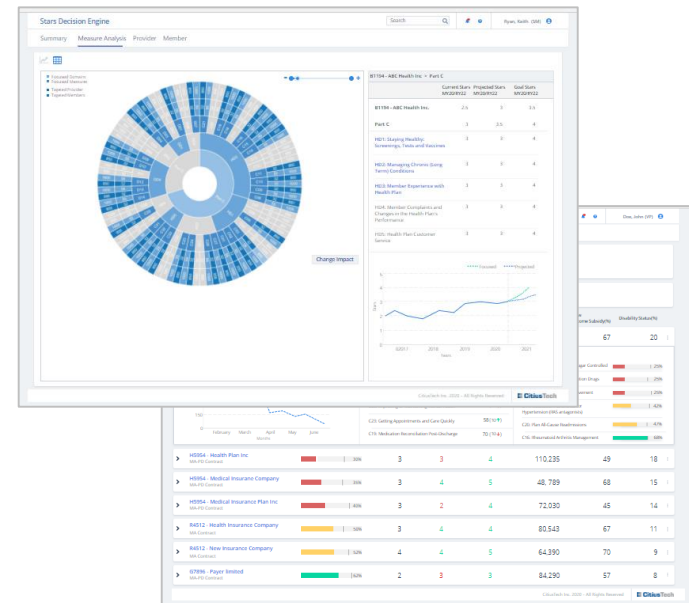
[\*Learn more\*](#)

# CitiusTech Stars Decision Engine: Solution Overview

**CitiusTech Stars Decision Engine is a unique AI/ML driven solution for Medicare Advantage Plans to execute their annual CMS Stars improvement program**

Single view to track performance across all contracts along with performance trend & benchmarks to provide actionable insights & enable decision support

- End-of-Year Performance Projection to help identify focus measures and align goals
- Recommended Goals for Star Score considering business intuition for optimal resource & budget planning
- Recommended Goals for Measures based on 'what-if' analysis of influencing factors, and suggestions on optimal path to reach the Stars goal
- Prioritized Provider & Member list attuned to Stars goal, having high potential for performance improvement



## About CitiusTech

CitiusTech enables payer organizations to drive value through next-generation technology solutions, across interoperability (FHIR, clinical integration), data management (EDW, Big Data), quality performance management (HEDIS, Stars), Data Science (predictive analytics, NLP) and digital innovation for engagement.

CitiusTech has successfully deployed solutions for leading national plans, large Blue plans and payer technology vendors.

### CitiusTech Data Science Proficiency

The Data Science & Consulting Proficiency is a multi-disciplinary team of data scientists, AI professionals, business analysts, statisticians, data architects, business process consultants, and clinical informatics professionals.

CitiusTech's Embedded Intelligence Framework is an outcome-focused approach to drive operational excellence. It makes current processes smarter through continuous, incremental innovations and ensures minimal disruption to the organization's core business processes.

**\$205+ Mn**  
in revenue



**4,000+**  
healthcare IT professionals

**40 Mn+**  
lives touched

**69**  
NPS - highest in the industry!

**110+**  
healthcare customers

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