



### **Star Ratings Timeline**

*Liz Goldstein, CM*

*Sarah Gaillot, CM*

*Elizabeth Flow-Delwiche, CM*

**Stacey Plizga:** Okay, our next session today consists of a panel of speakers who will provide an update on recent enhancements to the Star Ratings Program. From the Division of Consumer Assessment and Plan Performance, please welcome Liz Goldstein, Sarah Gaillot, and Elizabeth Flow-Delwiche.

**Liz Goldstein:** So, based on requests from the industry, most of you are probably aware that we have codified the basic Star Ratings methodology, starting with measurement year 2019, and that will be for the 2021 Star Ratings. We have laid out in the recent 2019 regulations the different aspects of the methodology that will go through rule making each year, and what aspects will be announced through the Call Letter process. We really want to let you know today that we appreciate all of the feedback we have received and are continuing to work to enhance the methodology. For example, we received a great deal of input regarding the methodology for setting the cut points for the various measures. As we announced in the final regulation, we're continuing to analyze that feedback and simulate different options so we can propose various enhancements through the regulatory process.

We're also very committed to continuing to obtain input from the industry as we consider enhancements to the current methodology. So, as part of these efforts, CMS's current Part C and D Star Ratings contractor, which

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currently is the RAND Corporation, established a small technical expert panel, and it's comprised of representatives across various stakeholder groups to obtain input on various aspects of the Star Ratings methodology, measures, and calculations. RAND will be analyzing any of the recommendations from the TEP and will make recommendations to CMS on potential future enhancements to the methodology.

CMS has been getting a lot of questions about the TEP, and in order to preserve the independence of the results of the TEP, CMS was not involved directly with RAND in selecting the organizations to participate. But we want to let everyone know that input from the TEP will be publicly shared. And this is really an enhancement to our current procedures, so we will continue to obtain input and feedback from all stakeholders, as we have in the past. We are very committed to continuing to get input from the industry, and we really appreciate the input, because it does help us shape future changes.

Today, we're going to be going over some of the key enhancements for the 2019 Star Ratings that were announced through the Call Letter, and some of the additions we made through the regulation, so I'm going to turn it over to Elizabeth Flow-Delwiche, who will begin talking about some of the key enhancements to the 2019 Star Ratings that were announced through the Call Letter, and some of the additions we made through regulations.

Elizabeth Flow-Delwiche: Thank you, Liz. There are two new measures for the 2019 Star Ratings, statin use in persons with diabetes and statin therapy for patients with cardiovascular disease. Based on feedback from our stakeholders and the importance for Medicare beneficiaries, the measure reducing the risk of falling will remain a 2019 Star Ratings measure. Currently, there are four Star Ratings measures related to appeals, two for Part C and two for Part D. The appeals measures rely on data submitted to the IRE. The completeness of the IRE data is critical to allow accurate measurement of the appeals measures.

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As detailed in the 2019 call letter, CMS has developed a methodology to determine reductions for IRE data completeness issues, referred to as "scaled reductions." The scaled reductions rely on the data from TMP. The methodology first employs criteria to determine if a contract is subject to a possible reduction for IRE data completeness issues and then, applies statistical criteria to identify the level of the reduction.

The methodology is not a one-size-fits-all approach. The reductions range from one to four stars and contracts with more significant IRE data quality issues would receive larger reductions. The reduction is applied to the associated appeals measure-level star ratings and the maximum reduction is four stars that would result in a one-star measure-level star for the associated appeals measures.

For the 2019 Star Rating, CMS will continue to employ the Categorical Adjustment Index, CAI. The 2019 CAI values were made available in the 2019 Call Letter. This year, there were a total of seven Part C measures and two Part D measures that were selected as adjusted measures for the determination of the CAI values.

As finalized in the Star Ratings regulation, the 2021 CAI values will be determined using an expanded adjusted measure set, all measures in the candidate measure set will become an adjusted measure. The adjusted measure set will include all Star Ratings measures that remain after applying the exclusion criteria, as listed on this slide.

CMS remains firmly committed to developing a long-term solution that addresses any sensitivity of the Star Ratings to the composition of the enrollees in a contract. We continue to collaborate with the Office of the Assistant Secretary for Planning and Evaluation. As required by the Improving Post-Acute Care Transformation Act of 2014, commonly

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referred to as the Impact Act, the second Report to Congress will be released in the fall of 2019.

In addition, CMS continues to engage the measure stewards to examine their measures that are used in the Star Ratings program. The National Committee for Quality Assurance, NCQA, will be revising the specification for four measures used in the MA Star Ratings program. The specifications will be released in the 2019 HEDIS Volume 2, and they will require stratified reporting. CMS is considering how to best incorporate the information provided by the stratified reporting in future years.

The Pharmacy Quality Alliance, PQA, has put forth recommendations related to three adherence measures used in the Part D Star Ratings program. The recommendations will be included in the 2018 PQA Measure Manual and will be finalized in 2019, once PQA completes the NQF measure endorsement maintenance of the measures. Next, Sarah Gaillot is going to review the disaster policy.

Sarah Gaillot: Thanks, Liz. This next set of slides describes our policy for adjusting the Star Ratings for disasters. Natural disasters, such as hurricanes and wild fires, can directly affect Medicare beneficiaries and their providers, as well as the Part C and D organizations that provide them with important medical care and prescription drug coverage. These may negatively affect the underlying operational and the clinical systems that CMS relies on for accurate performance measurement in the Star Ratings program. So we will adjust the 2019 and 2020 stars to take into account the effects of extreme and uncontrollable circumstances that occurred during the performance period. For the 2019 Star Ratings, the hurricanes Harvey, Irma, Maria, and the recent California wildfires triggered this extreme and uncontrollable circumstance policy.

I'll go through each of the different types of measures and the adjustments. For CAHPS, given substantial ongoing issues contacting

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enrollees in Puerto Rico, and the continuing loss of electricity and damage to infrastructure in several areas, for contracts that operate solely in Puerto Rico, contracts will receive the higher of the 2018 or '19 star, and corresponding measure score for each CAHPS survey measure, including the flu measure. Contracts that operate solely in Puerto Rico will be excluded from the 2019 Star Ratings cut point calculations for CAHPS.

For other affected contracts, the CAHPS scores will be adjusted to account for the impact of the disaster. Unlike the usual procedures for case mix adjustment, coefficients will be estimated using a difference-in-difference manner, controlling for the previous year's score in the same contract. We will only adjust if the effects are in a consistent adjustment and the adjustment is advantageous to contracts. In addition, affected contracts with at least 25% of beneficiaries residing in a FEMA-designated individual assistance area at the time of the disaster will receive the higher of the 2018 for adjusted 2019 star and corresponding measure score for each CAHPS measure. The adjustments for HOS are similar; we will follow similar procedures as CAHPS. But the adjustment will be to the 2020 stars instead of the 2019 stars. And this is because the HOS data collection is lagged. The 2019 stars are based on data collected from April through June of 2017 for HOS.

For HEDIS, reporting in June 2018 for the 2019 stars for contracts that operate solely in Puerto Rico, they will have the option to report N/A for all HEDIS measures. If a contract in Puerto Rico chooses to report any of these HEDIS measures, the contract will receive the higher of the 2018 or '19 star, and the corresponding measure score for each HEDIS measure reported. For affected contracts that have service areas outside of Puerto Rico with at least 25% of benes in a FEMA-designated individual assistance area at the time of the disaster, we will take the higher of the 2018 or 2019 star for each HEDIS measure.

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For all other measures for affected contracts with at least 25% of beneficiaries in a FEMA-designated individual assistance area, we will take the higher of the 2018 or '19 star, with one exception, and that's for the call center measures for contracts operating solely in Puerto Rico. We will exclude these from the 2019 stars for Puerto Rico contracts.

We will, in addition, be implementing a hold harmless provision for new Star Ratings measures -- so this year for the statin measures -- if the inclusion of both of these new measures brings the highest rating down; that is, for affected contracts with at least 25% of beneficiaries in FEMA-designated individual assistance areas, all the new measures will be excluded from the calculation of the highest rating if it brings their score down.

For improvement, we will follow our usual rule, where to receive a star in the improvement measures, a contract must have measure scores for both years in at least half of the required measures used to calculate the Part C improvement and Part D improvement scores. For contracts that revert back to data underlying the 2018 star for a particular measure, that measure will be excluded from the calculation for the 2019 improvement.

And finally, we will exclude from our Star Rating clustering algorithm the numeric values for affected contracts with 60% or more of their enrollees in a FEMA-designated area for disasters. These contracts will be excluded to ensure that any impact of the disaster on their measure-level scores will not have an impact on the cut points for other contracts. Similarly, affected contracts with 60% or more of their enrollees impacted will also be excluded from the determination of the thresholds for the reward factor; however, these contracts will still be eligible for the reward factor based on the mean and variance calculations of other contracts.

Now I'll turn it back to Liz Goldstein, who will discuss the new Part C and D regulation.

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Liz Goldstein: I'm going to be going through some of the key changes in the regulation. So, for adding measures, as in the past, we're going to continue to review measures to add to the Star Ratings program. We're going to, as measure developers are thinking about different concepts, we'll continue to let stakeholders know, as in the past, so even, for example, when NCQA is doing development work and doesn't even have a measure specification, we will let stakeholders know that these are the areas that they're working in and solicit input that we can feed to NCQA in the development process. I think that's been really helpful in the past to give you some early input on measures. So we will continue, through the Call Letter, announcing measure concepts or early information about measures through that process.

As measures are more developed and ready for implementation, we will announce the new measures through the Call Letter to obtain feedback. We're trying, as much as possible, to give advanced notice, and so now that we're putting new measures through the regulatory process, it's going to take a little bit longer to implement new measures in the program, so contracts will have plenty of time to get used to new measures, get used to collecting the data, as well as have some time to see their scores and start reacting to those scores.

I was just going to give you an example of a timeline that would exist today if a new measure is ready to go. So, if we heard today from NCQA that they have developed a new measure and we want to go ahead and implement that in our program, what we would do, in January 2019 through the draft 2020 call letter, we would solicit some initial feedback from stakeholders. And, you know, if it was ready to go today, most likely industry has been hearing about it for a year or two, because we do announce these measure concepts in advance. In April 2019, as part of the final Call Letter, we would summarize the feedback received and announce whether we are proceeding with this measure for the display



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page. In 2020 or 2021, depending on which regulation we use, we would propose adding this measure to the 2024 Star Ratings, and that would be based on the 2022 measurement year. For the 2020 and 2021 measure years, plans would be collecting the data, and they would be part of the display page.

So, just to summarize, any new measure would be on display for a minimum of two years. Before it gets into the Star Ratings program, it would have to be proposed through the regulatory process and announced prior to the measurement period to be a Star Ratings measure. Plans asked for more time for new measures, so this is what the timeline is going to look like in the future as we introduce new measures to the program.

For updating measures, and these are measures with non-substantive changes that may be announced by a measure developer, you know, prior to the measurement period, but sometimes during the measurement period, we would announce, as we have done in the past, through the Call Letter process. And non-substantive changes, for example, may be narrowing the denominator or the population covered by a measure. That shouldn't change procedures and how plans and providers are treating beneficiaries, changes that really do not meaningfully impact both the numerator or denominator. Often, clinical codes are updated, so that would not be a substantive change. Sometimes a measure steward may get questions from plans asking for additional clarification, so this would also be a non-substantive change, or if we add some additional data source that is plans can use if they wish, that would be non-substantive.

Substantive changes would go through rulemaking, and this would be a similar process to adding a new measure. So, if there is a substantive change, for example, the population is expanded for a particular measure, this would have to go back to the display page for at least two years and would have to be proposed again through the regulatory process.



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Removing measures from the Star Ratings program would be similar to today. Clinical guidelines could change. The measure may show low reliability. These changes for removal would be announced prior to the measurement period.

So, something that we've been getting lots of questions about are our new policy for consolidations. As part of the Bipartisan Budget Act, we now are implementing this policy for consolidations that are approved on or after January 1st, 2019. So, the first year, that's going to impact Star Ratings, as well as Quality Bonus Payment ratings is 2020. We have proposed already in the regulation to change this policy of how we calculate Star Ratings and Quality Bonus Payments for contracts that consolidate, and the intent of changing this policy is to make sure that the rating reflects the performance of both the surviving and consumed contracts. We want to provide accurate information to beneficiaries choosing a plan, as well, we want to make sure payments are accurate.

So, just to quickly summarize the updated policy, and this is for the Star Ratings piece of the policy, for the first and second years following the consolidation, we are basically using an enrollment-weighted mean for the measure scores for both the surviving and consumed contracts. So, for the first year following consolidation, the enrollment weighted measure scores would use enrollment of July during the measurement period. We do have some exceptions. Exceptions are for the call center measures, as well as our survey-based measures. For the survey-based measures, which would include the CAHPS survey and the HOS survey, the enrollment would be based at the time the sample was pulled. So, for example, the CAHPS sample is pulled in January of each year, so it would use enrollment, as of January, when the sample is pulled for the relevant year. The call center measures would use average enrollment during the study period.

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For the second year, following the consolidation, we would, again, use the enrollment weighted measure scores using July enrollment. The difference here, though, is for HEDIS and HOS, we already capture information from the surviving and existing contracts in our procedures today, so that would continue. And then the CAHPS survey would include enrollees from both the surviving and consumed contracts, and this is just because of when the CAHPS sample is pulled, we can combine data from all relevant contracts.

In terms of the Quality Bonus Payment (QBP) ratings for consolidated contracts, for the first year after the consolidation we're going to use the enrollment weighted means of what the QBP ratings would be for the surviving and consumed contracts. So, just to give you an example, for the 2020 Quality Bonus Payments -- and that's the first year this new policy could impact -- it would be based on the 2019 Star Ratings, and the QBPs that we show each November, so for this particular year, it would be the preliminary Quality Bonus Payments that are shown in each HPMS in November 2018, so it would be based on enrollment in their surviving and consumed contracts in November 2018. So, all of you, I think, probably are aware, every November we release the preliminary Quality Bonus Payment ratings to start the appeals process, so it would be based on those enrollment numbers. If one of the relevant contracts to a consolidation submits an appeal and its scores change, we would adjust those ratings in the final Quality Bonus Payments that are used for this. So, in subsequent years, the Quality Bonus Payments will be based off of the Star Ratings on Plan Finder since we've already combined the data on Plan Finder. There's no need to do an adjustment for the Quality Bonus Payments. It's just for that first year following the consolidation.

Another change that we announced in the regulation is, as part of our efforts to put patients first, we think it's critically important to listen to our beneficiaries and make sure our Star Ratings reflect the voice of the beneficiary, as well as to put more emphasis on access measures. And

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access and patient experience are critical from the consumer perspective in picking a plan. So, starting with the 2021 Star Ratings, the weight of patient experience and access measures will increase to two.

For questions, for general Star Ratings questions, you can send them to the Part C and D Star Ratings mailbox. For any data integrity issues for the appeals measure, we have a separate mailbox, which is Part CDQA.

Stacey Plizga: All right, thank you, Liz, Sarah, and Elizabeth for providing an understanding of the enhancements to the Star Ratings program. We are out of time for this session, so if you have questions for these speakers, please go ahead and write them down, and you can ask them at the end of the day when we do the open Q&A, or if our virtual audience, you can go to the Survey Monkey link that is on the CTEO website and enter your question there to be addressed later on today.

If you would like to evaluate this session, please take out your phones. To text your response or go to the poll EV link on your iPad, tablet, or computer, and enter "A" to the response, "I would like to evaluate this session." When you get the link, go ahead and click on it and then follow the instructions.