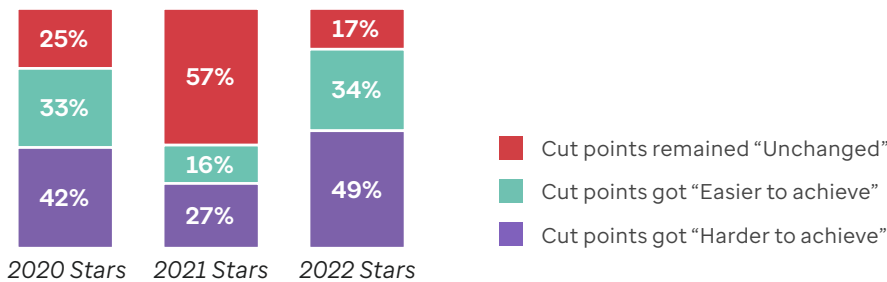


The path to 4+ Star performance: Quadruple down on member experience

Early read on 2022 Stars and implications for 2023 Stars

As Medicare Advantage (MA) plans recently received their 2022 Stars report card, many are taking a moment to celebrate their performance. Overall, plans benefitted from the “better off” rule, where the Centers for Medicare and Medicaid Services (CMS) allowed plans to use their better of performance between 2018 and 2020 performance years.¹ However, the cut points released during Second Plan Preview (Figure 1) along with the previously announced increase in the member experience measure weights (from 2X to 4X) are a stark reminder of what is to come for 2023 Stars.

Figure 1. Second Plan Preview



Cut points relative to prior year. The stacked bar chart demonstrates that the cut points’ difficulty has returned to the pre-pandemic levels and has even gotten harder to achieve (e.g., 42% of 2020 Stars cut points became “harder to achieve” compared to 49% of 2022 Stars cut points).²

1. The “better off” rule applied to all but two Call Centers: Foreign Language Interpreter and TTY Availability measures. Interim Final Rule titled “Medicare and Medicaid Programs, Clinical Laboratory Improvement Amendments (CLIA), and Patient Protection and Affordable Care Act; Additional Policy and Regulatory Revisions in Response to the COVID-19 Public Health Emergency” published in the *Federal Register* on August 8, 2020 (85 *Fed. Reg.* 19230, RIN 0938-AU33).

2. The cut points remained “Unchanged” category was skewed by the HEDIS and CAHPS measures for 2021 Stars due to Interim Final Rule titled “Medicare and Medicaid Programs; Policy and Regulatory Revisions in Response to the COVID-19 Public Health Emergency,” published in the *Federal Register* on April 6, 2020 (85 *Fed. Reg.* 19230, RIN 0938-AU51).

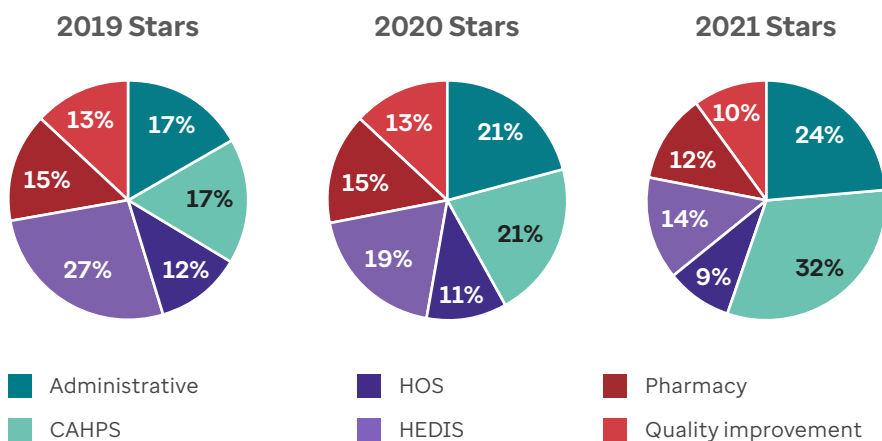
Compared to performance year 2021, 2023 Stars mark a paradigm shift in Medicare’s Star Ratings program. For the first time, “Member’s Voice” becomes the central theme of performance measurement. As depicted in Figure 2, over one-half (56%) of the Star Rating will be based on members’ perceptions, directly or indirectly, of their health plan. This change in program measurement impacts viable improvement strategies as well as the potential to earn the quality bonus payment (QBP).

What is the “path of least resistance” to achieve 4+ Stars performance?

In the past, the path to achieve 4+ Stars included maximizing performance on clinical quality (e.g., HEDIS³ and Part D) and operational measures. Moving forward, this will not be enough because for 2023 Star Ratings:

- Clinical quality (HEDIS and Part D) will account for only 26% of the total of the ratings
- Member experience (CAHPS) measures will contribute to 32% of the ratings
- Administrative measures will account for 24% of the ratings and these measures have a high level of cut-point volatility in year-over-year trending

Figure 2.



A five-year Stars programmatic transition demonstrates a significant shift from a clinical quality component, in 2019 Star Ratings, to a member experience component for 2023 Star Ratings.

3. HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).

Figure 3.

Measure sets: Performance (Stars)	Star Ratings	
HEDIS/HOS measures average performance	4.5 Stars	4.5 Stars
Administrative measures average performance	4.5 Stars	4.5 Stars
Part D/Pharmacy measures average performance	4.5 Stars (3.5)	4.5 Stars
Member experience measures average performance	2.4 Stars	3 Stars
QI Part C and D measures average performance	4 Stars	4 Stars
Overall Star Ratings – Raw score (Stars)	3.652 (3.5 Stars)	3.771 (4 Stars)

Member experience measure performance will be the determinant to achieve and/or retain 4+ Stars performance for 2023 Stars and beyond.

As demonstrated in the table above, a member-centric culture is going to be the key differentiator between an average and a high-performing MA plan:

- To achieve an overall rating of 4+ Stars, average performance on CAHPS measures cannot be below 3 Stars
- Achieving an overall rating of 5 Stars is only possible with an average of 4+ Stars on CAHPS measures

What can plans do right now?

Key questions to ask your leadership team:

- Where do we stand on performance for 2023 Stars?
- Will our current results on CAHPS get us to 4+ Stars in 2023? Where is the real value for your investment as it relates to performance maximization on 2023 Stars and beyond?

Plans need to get back to basics and adopt a 3-point strategy to impact 2023 Stars

1. Exceptional member experience: Focus on delivering exceptional member experience every time and with every touch point. The Annual Enrollment Period (AEP) is right around the corner. Make it a moment that matters to “wow” your members.
2. Close care gaps: Ensuring the delivery of evidence-based medicine is core to the health plan value proposition. While clinical quality is not sufficient to drive a 4+ Star Rating, it cannot be ignored.
3. Strong data foundation: Data integrity remains a top priority for CMS with stricter audit protocols anticipated over the next few years. Not only do you want to mitigate audit risks, but you also want to ensure you are optimizing available data to report the best possible rates. For clinical quality measures, check your numerators, denominators and exclusions. For administrative measures, verify the classification of appeals versus grievances and decision criteria for appeals. And for operational areas, monitor call center performance and benefit implementation.

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