

# Optum

**Shooting for the Stars?**  
Make it all about the  
members.



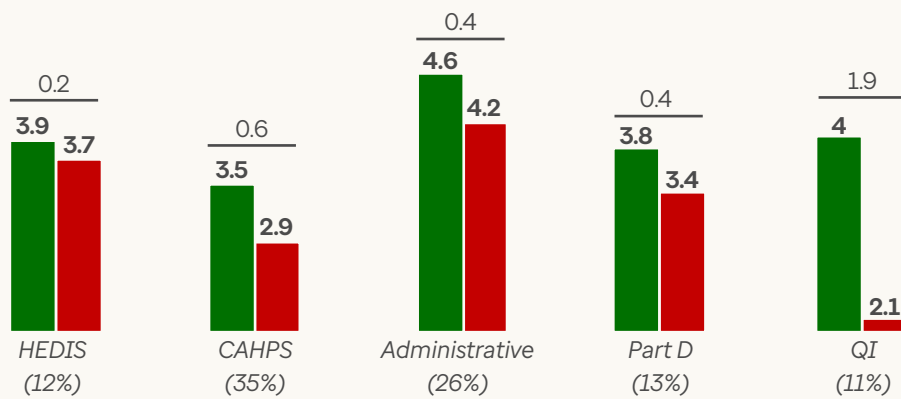
2023 Star Ratings were publicly released by the Centers for Medicare and Medicaid Services (CMS) on October 6, 2022. The results were a combination of the expected outcomes interspersed with some surprises.

For example, as anticipated the Consumer Assessment of Healthcare Providers and Systems (CAHPS®) cut points declined and “access to care” CAHPS measures had historic drops. In contrast, cut points for Part D medication adherence measures surprisingly continued to be “harder to achieve.” As the industry continues to analyze the results, one fact remains undeniable – member experience is the decisive factor to achieve 4+ Stars performance (Figure 1). Star Ratings performance has significant financial implications for health plans. In fact, a national Medicare Advantage (MA) payer announced that it expects to lose a billion dollars in Stars bonuses on a single contract in 2024. This is the result of a drop of one star for 2023 overall Star Ratings. Based on public data, average CAHPS performance for this contract dropped by a full star and was a primary driver for the decline.

**Figure 1.** 2023 Stars comparative analysis of performance across key categories (percent weight of the category towards overall Star Ratings) of Star measures for plans that dropped below 4 stars but achieved 4+ stars overall ratings on 2022 Stars.<sup>1</sup> Decline in quadruple-weighted measures (CAHPS and Administrative) further impacted QI measures. QI measures account for the weighted measure category year-over-year performance improvement.

**Comparative analysis of performance across key categories of Star measures: 2022 Stars vs. 2023 Stars**

● 2022 Stars ● 2023 Stars



Note:

The above analysis does not include three 1X weighted HOS measures that account for 3% of ratings for each Star year.

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**A paradigm shift: Transitioning from Stars 1.0 (2012 Stars) to Stars 13.0 (2024 Stars)**

Although health plans are aware and understand the importance of member engagement and experience in Star Ratings, their actions can paint a different story. There is still a heavy focus on closing gaps in care and Quarter 4 quality pushes to close care gaps rather than prioritizing health equity efforts and focusing on driving member engagement throughout the year. In general, health plans continue to focus on individual measure performance improvement rather than developing a holistic approach. There remains a sizable opportunity to align on member needs (e.g., a seamless and delightful experience) versus health plan focus (e.g., closing care gaps) while complying with a changing regulatory landscape (Figure 2).

**Figure 2.** Successful transition and consistent high performance on Stars requires a shift in mindset to stay aligned with evolving programmatic changes.

| Levers   | Stars 1.0  | Stars 13.0   |
|--|--|--|
|  Guiding principle:    | Population health foundation based on the Triple Aim |  Health equity becomes core component of population health management |
|  Strategy:             | Focus on measures/measure categories                 |  Focus on targeting meaningful member segments                        |
|  Maximize performance: | Close gaps in care                                   |  Address gaps in satisfaction   |

### 3 years: Timeline to achieve a more equitable and meaningful member experience

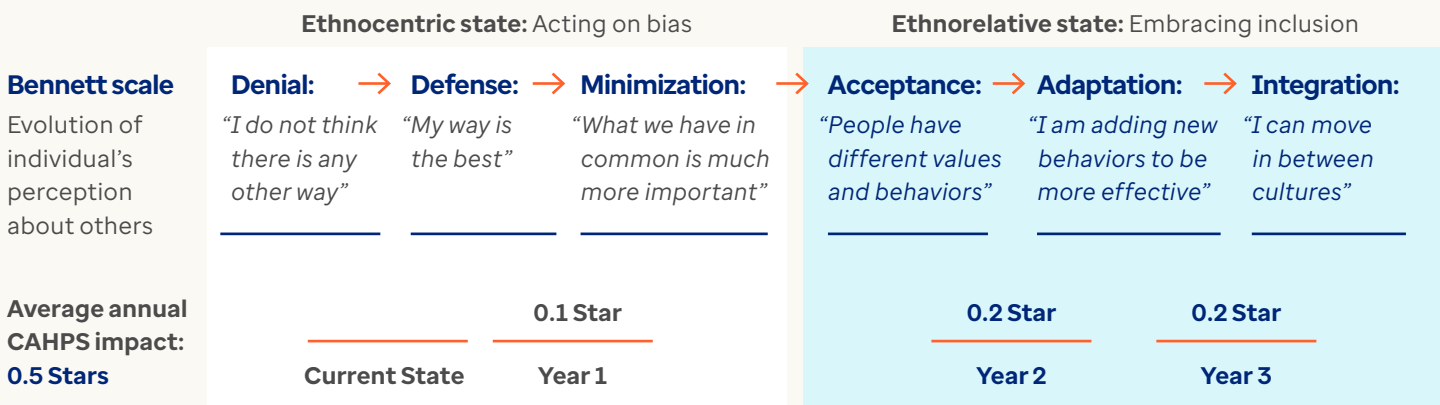
Experience is a complex concept – it’s highly personal and subjective. Cultural competency adds another layer of complexity. For example, a CMS-published analysis of CAHPS data for 2022 Stars demonstrated that Asian American, Native Hawaiian and other Pacific Islanders as a group trended significantly below the national average across all 4X CAHPS measures.<sup>2</sup> While this analysis suggests that these members view their experience less positively than others, health plans need to understand what drives that unfavorable view. MA continues to diversify, and achieving health equity is becoming a top priority. Delivering empathetic and culturally relevant experiences is critical to improving member perception. A consistent, disciplined and culturally competent member-centric approach typically takes a minimum of 3 years to yield a half-a-star improvement on CAHPS.

Currently, health plans primarily consider Maslow’s hierarchy of needs (i.e., social determinants of health or SDOH) when developing an experience strategy driven by health equity. Maslow’s model is a good starting point, but it often fails to fully account for intercultural sensitivities, a key driver of experience disparity. Lessons learned from Bennett’s Developmental Model of Intercultural Sensitivity (DMIS)<sup>3</sup> could be helpful in bridging this experience gap. The DMIS or Bennett scale is a widely acknowledged, industry-agnostic framework to engage people from cross-cultural backgrounds. In a nutshell, this model provides a roadmap to transition from a narrow ethnocentric view (i.e., actions based on inherent bias) to an all-inclusive ethnorelative orientation (i.e., actions designed from an inclusive perspective) to engage people with diverse backgrounds. The model outlines a 3+ year time frame to transition to an ethnorelative approach (or more simply, a personalized engagement approach) to measurably improved experience. As evidence, plans that heavily invested in a consistent, personalized multi-year member engagement strategy achieved high 2023 Stars performance despite major programmatic changes.

**Ethnocentric:** Judging another culture or beliefs solely by the values and standards of one’s own culture or belief system.

**Ethnorelative:** A shift in mindset that all groups, cultures or subcultures are inherently equal.

**Figure 3.** A sustainable roadmap for 0.5 Stars average CAHPS performance improvement. It is based on driving an ethnocentric approach to integrate health equity as a core component of member engagement strategic framework.



## How can health plans drive transformation centered on health equity to achieve sustainable success on Star Ratings?

As CMS accelerates MA toward its "Patient's Voice/Member First" vision, health plans will have to quickly pivot to their strategy. This is a true paradigm shift for health plans that have historically focused on clinical quality metrics with little or no deliberate effort to integrate a whole-person care model. Health plans can consistently achieve high Stars performance by following a 3-step approach as a blueprint to embark on this transformational journey.

- 1 Leverage a programmatic approach to deliver better member experience.** Generally, health plans drive a member experience improvement plan as a timebound intervention or initiative. Given that the member experience is here to stay as a significant component of Star Ratings, driving the improvement effort as a program is key for continual success. This means leveraging all the available data across the enterprise to draw meaningful insights and then quickly designing and deploying interventions through a rapid cycle approach. Program evaluation determines the next steps as it relates to refining/bundling, scaling up or retiring these tactics.
- 2 Deploy a Six Sigma approach for operational performance.** As Star Ratings evolve with anticipated high growth in MA, health plans need to deliver consistent, personalized and flawless experiences to members, providers and partners. To meet these expectations, health plans will need to frequently prioritize, test, deploy and monitor necessary operational capabilities while driving innovation opportunities.
- 3 Prioritize a value-based approach as an integral part of Stars strategy.** Experience is a culmination of multiple touch points and interactions across the health plan functional areas and its partners (e.g., providers and vendors). Implementing a cross-functional approach, inclusive of risk arrangements, is critical. CMS has already signaled its intention to introduce value-based measures into Star Ratings.<sup>4</sup> These metrics will measure provider-health plan collaboration to deliver better experiences and achieve high-quality outcomes for MA beneficiaries.

## Meet our experts



### Tejaswita Karve, PhD

Practice Lead, Star Ratings  
Optum Advisory Services

Tejaswita is an accomplished health care executive with an expertise in population health management and quality ratings programs, specifically, Medicare Star Ratings. In her role at Optum, she's accountable for relationship management and providing end-to-end support for MA clients to achieve 4+ Stars overall performance.

She previously held roles at several Fortune 500 companies, including health analytics consulting at Accenture LLC, PBM Innovation at CVS Health, and integrated delivery systems at Presbyterian Healthcare Services, UPMC Health Plan and Johns Hopkins Healthcare LLC.

Tejaswita's primary focus is on developing data-driven strategies, reporting and analytics capabilities and driving execution efforts to consistently deliver impactful results on quality ratings programs. She has a track record of successfully leveraging these approaches to deliver half-a-star performance improvement in a year.

Learn how Optum Advisory Services can help you determine and reach your organization's goals.



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#### Sources

1. 2023 Star Ratings Data Table.
2. CMS Office of Minority Health in collaboration with the RAND Corporation. Disparities in health care in Medicare Advantage by race, ethnicity, and sex. April 2022.
3. Bennett M.J. A developmental approach to training for intercultural sensitivity. *International Journal of Intercultural Relations*. 1986;10(2): 179-196.
4. 2023 announcement, published April 4, 2022.



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