Summary of 2022 Medicare Advantage and Part D Star Ratings

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On October 8, 2021, CMS published the 2022 Medicare Advantage (MA) and Part D Star Ratings. In addition, CMS published a Fact Sheet highlighting changes to contract performance and general observations in the new Star Ratings[1]. This article summarizes Wakely's observations of changes in the published 2022 Star Ratings data as well as the considerations that COVID-19 had on the 2020 performance year. These topics will be further addressed in an upcoming whitepaper to be released by Wakely on the impact that COVID-19 had on Medicare quality performance for 2020, as well as the impact of the protections put in place by CMS.

Emerging Trends in 2022 Star Ratings Impacting Payment Year 2023

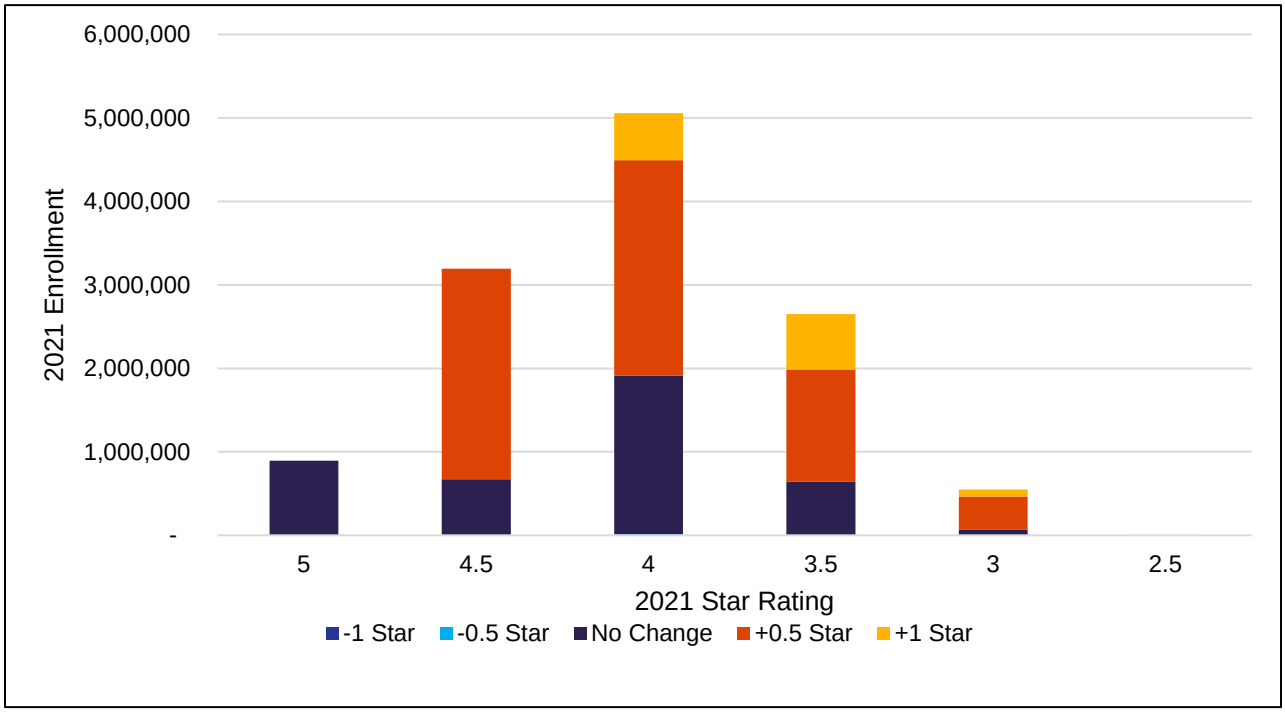
Wakely has identified several emerging trends in the 2022 Star Ratings. In addition, we continue to observe ongoing changes to the Star Ratings program. These observations are as follows:

- Overall Star Ratings have dramatically improved from 2021 to 2022, from an average of 4.05 in 2021 to 4.38 in 20222. The figure below shows 2021 enrollment under each 2021 Star Ratings, as well as the movement from 2021 to 2022 Star Ratings (either staying constant, increasing 0.5 Stars, etc.). Around two-thirds of MA enrollment was on contracts that increased either half or a full Star Rating from 2021 to 2022. Because of the protections in place by CMS for the 2022 Star Ratings—described in detail later within this brief—almost no contracts actually decreased in Star Ratings in 2022. We anticipate that this improvement in 2022 Star Ratings will yield significant additional revenue for plans in 2023.

[1] https://www.cms.gov/files/document/2022-star-ratings-fact-sheet1082021.pdf

[2] Weighted average Star Ratings use enrollment as of September 2021.

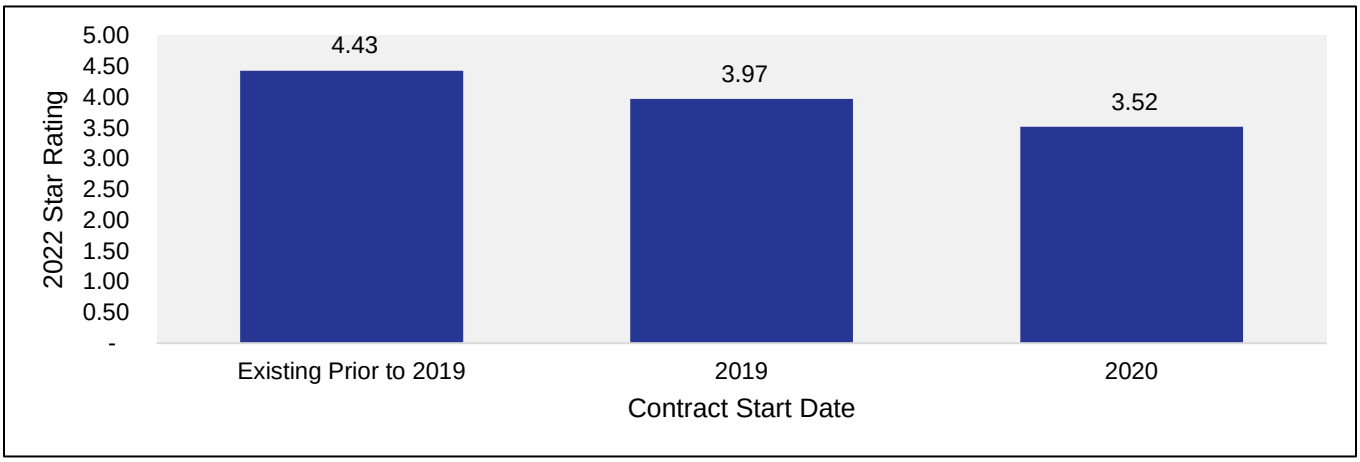
Figure 1: Contract Star Rating Changes, 2021 to 2022



- Due to the "better of" treatment CMS is temporarily applying to contracts with experience prior to 2020, contracts that were new in 2019 or 2020 have a disadvantage relative to established contracts with experience. For each measure, CMS assigns the better Star Rating of the current year or prior year. For HEDIS and CAHPS measures, this is the better of 2020 or 2018 performance because the 2019 performance data was not collected due to COVID-19 (for more information on this change, see the IFR released March 20203). For all other measures, CMS assigns the better of 2020 or 2019. Contracts that started in 2019 will not have 2018 experience to rely on, and contracts that started in 2020 will not have prior year experience from 2018 or 2019. These contracts did not benefit from the "better of" logic and were forced to rely on their 2020 performance for some or all of the Stars measures. Figure 2 below shows a summary of the average 2022 Star Rating for contracts with an effective date of 1/1/2020, 1/1/2019, and contracts established prior to these dates. The lower average Star Rating for new in 2019 and new in 2020 contracts shows the clear disadvantage of the CMS policy. We do note that newer contracts often receive lower Star Ratings than established contracts, but this relationship has been exacerbated by the favorable treatment that established contracts received in their 2022 Star Ratings.

[3] https://www.cms.gov/files/document/covid-final-ifc.pdf

Figure 2: Average 2022 Star Ratings by Contract Effective Date



- As expected, COVID-19 impacted plan performance in Stars quality measures; however, the impact was not homogenous across all measures. Plan performance declined for all of the Part C HEDIS measures on average but improved in the CAHPS survey and Medication Adherence measures. Appendix 1 illustrates the change in average measure values between the 2021 and 2022 Star Ratings, based on 2018/2019 and 2020 measurement year performance respectively.

- The change in measure-level performance led to large changes in Star Rating cutpoints. Table 1 highlights some of the measures with the largest cutpoint changes. This table also highlights that the increase or decrease in contract performance did not always positively correlate with the change in measure-level Star Ratings, as in some cases, the cutpoints moved more than average contract performance. Note that the average Star Rating changes reported in this table do not take into account the "better of" Star Rating treatment, again highlighting that contracts without prior year performance were at a disadvantage relative to contracts with prior year performance to fall back on.

Table 1: Changes in Measure-Level Cutpoints and Star Ratings

2022 Stars Measure	Star Rating Cutpoints				Change in Average Measure Value	Change in Average Star Rating*
	2	3	4	5		
C01: Breast Cancer Screening	-8%	-5%	-7%	-7%	-0.031	0.454
C14: Improving Bladder Control	3%	2%	3%	2%	0.005	-0.493
D08: Medication Adherence for Diabetes Medications	4%	5%	3%	3%	0.016	-0.450
D09: Medication Adherence for Hypertension (RAS antagonists)	-6%	-2%	0%	1%	0.019	0.643
D10: Medication Adherence for Cholesterol (Statins)	3%	0%	1%	3%	0.023	0.248

*** 2022 Star Ratings apply the 2022 cutpoints to 2022 Measure Values. The "better of" measure-level Star Rating logic is not applied in this comparison.**

Summary of COVID-19 Regulations Impacting 2022 Star Ratings

Much of the increase in Overall Star Ratings in 2022 can be attributed to changes in regulation CMS has put in place to address the impact of COVID-19 on the 2020 performance period.

These key changes include:

- All MA and PD contracts will qualify for the Extreme and Uncontrollable Circumstances (EUC) adjustments finalized in the CY 2020 final rule (published on April 16, 2019). These plans will receive the higher of their measure-level rating from 2021 (either 2018 or 2019 performance) and 2022 (2020 performance).
- The implementation of 5% cutpoint guardrails, intended to limit the movement of cutpoints from one year to the next, will be delayed one year. CMS recognized that COVID-19 had the potential to drive drastic changes in measure-level scores in 2020 so the delay in implementing these guardrails will allow cutpoints to change by more than 5% in order to keep pace with changes in national performance that result from COVID-19.
- Potential decreases in 2020 measure-level performance means that the 2020 improvement measure performance may be lower than historical years, or even unfavorable. To minimize the negative effect of COVID-19 on improvement measures, CMS has implemented a “hold harmless” arrangement for all contracts. Overall Star Ratings are calculated with and without the improvement measures, and the contract receives whichever Star Rating is higher.

Overall, we expect that the 0.35 higher average Star Ratings for 2022 will result in greater Medicare Advantage Payments in 2023 for many contracts, especially for those contracts increasing to 4.0 Stars.

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Appendix: 2021 and 2022 Stars Measure Values

Table A1 below shows the average contract performance in each measure for the 2021 and 2022 Star Ratings, based on 2018/2019 and 2020 measurement years respectively. Note that this is a simple average of contract performance that is not weighted by contract enrollment. This aligns with the treatment of contracts within the CMS Stars cutpoint methodology, which assigns an equal weighting to each contract regardless of enrollment.

Table A1: Average Stars Measure Values

2022 Stars Measure	Data Source	2022 Measure Value	2021 Measure Value	Change
C01: Breast Cancer Screening	HEDIS	0.715	0.746	-0.031
C02: Colorectal Cancer Screening	HEDIS	0.739	0.741	-0.002
C03: Annual Flu Vaccine	CAHPS	0.741	0.731	0.010
C04: Improving or Maintaining Physical Health	HOS	NA	0.688	
C05: Improving or Maintaining Mental Health	HOS	NA	0.820	
C06: Monitoring Physical Activity	HEDIS/HOS	0.495	0.520	-0.024
C07: Adult BMI Assessment	HEDIS	NA	0.973	
C08: Special Needs Plan (SNP) Care Management	Part C Plan Reporting	0.743	0.712	0.031
C09: Care for Older Adults – Medication Review	HEDIS	0.918	0.925	-0.007
C10: Care for Older Adults – Functional Status Assessment	HEDIS	NA	0.870	
C11: Care for Older Adults – Pain Assessment	HEDIS	0.924	0.929	-0.005
C12: Osteoporosis Management in Women who had a Fracture	HEDIS	0.467	0.479	-0.011
C13: Diabetes Care – Eye Exam	HEDIS	0.730	0.753	-0.023
C14: Diabetes Care – Kidney Disease Monitoring	HEDIS	0.955	0.957	-0.003
C15: Diabetes Care – Blood Sugar Controlled	HEDIS	0.781	0.804	-0.024
C16: Rheumatoid Arthritis Management	HEDIS	0.795	0.789	0.006
C17: Reducing the Risk of Falling	HEDIS/HOS	0.554	0.577	-0.023
C18: Improving Bladder Control	HEDIS/HOS	0.455	0.450	0.005
C19: Medication Reconciliation Post-Discharge	HEDIS	0.679	0.646	0.032

2022 Stars Measure	Data Source	2022 Measure Value	2021 Measure Value	Change
C20: Statin Therapy for Patients with Cardiovascular Disease	HEDIS	0.838	0.809	0.029
C21: Getting Needed Care	CAHPS	83.409	83.200	0.209
C22: Getting Appointments and Care Quickly	CAHPS	79.257	78.204	1.053
C23: Customer Service	CAHPS	91.197	90.578	0.619
C24: Rating of Health Care Quality	CAHPS	87.290	86.222	1.068
C25: Rating of Health Plan	CAHPS	87.554	86.329	1.225
C26: Care Coordination	CAHPS	86.636	86.020	0.616
C27: Complaints about the Health Plan	CTM	0.208	0.229	-0.021
C28: Members Choosing to Leave the Plan	MBDSS	0.134	0.131	0.003
C30: Plan Makes Timely Decisions about Appeals	IRE	0.963	0.947	0.016
C31: Reviewing Appeals Decisions	IRE	0.950	0.932	0.018
C32: Call Center – Foreign Language Interpreter and TTY Availability	Call Center	0.920	0.938	-0.018
D01: Call Center – Foreign Language Interpreter and TTY Availability	Call Center	0.909	0.937	-0.028
D02: Appeals Auto–Forward	IRE	NA	3.810	
D03: Appeals Upheld	IRE	NA	0.899	
D04: Complaints about the Drug Plan	CTM	0.193	0.209	-0.015
D05: Members Choosing to Leave the Plan	MBDSS	0.132	0.129	0.003
D07: Rating of Drug Plan	CAHPS	86.403	84.891	1.512
D08: Getting Needed Prescription Drugs	CAHPS	91.187	90.066	1.121
D09: MPF Price Accuracy	PDE data	92.017	98.944	-6.928
D10: Medication Adherence for Diabetes Medications	PDE data	0.860	0.844	0.016
D11: Medication Adherence for Hypertension (RAS antagonists)	PDE data	0.873	0.854	0.019
D12: Medication Adherence for Cholesterol (Statins)	PDE data	0.863	0.840	0.023
D13: MTM Program Completion Rate for CMR	Part D Plan Reporting	0.816	0.778	0.038
D14: Statin Use in Persons with Diabetes (SUPD)	PDE data	0.828	0.817	0.011