

2021 Medicare Advantage Final Call Letter Summary

The Centers for Medicare and Medicaid Services (CMS) published the Medicare Advantage Final Call Letter for the calendar year 2022 on Jan. 15, 2021. The letter includes updates to Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies, as well as methodological changes for various CMS Hierarchical Condition Category (HCC) models and Star Ratings. Information in the call letter is used by Medicare Advantage Organizations (MAO), Part D sponsors and Medicare-Medicaid Plans (MMP) to prepare their bids for the following year. Following are highlights of the changes across HCC and Star Ratings.

CMS-HCC risk score calculation methodology: Medicare Advantage HCC

For the year 2022, 100 percent of the risk scores will be calculated using the 2020 CMS-HCC model, primarily considering the ICD-10 diagnosis. Only encounter data and Fee-For-Service (FFS) data will be used to calculate the risk scores. The projected impact on risk scores for CY 2022 is 0.25% (\$670 million) net cost increase to the Medicare Trust Funds in 2022. Also, CMS developed and implemented an MA encounter data integrity plan, which includes submission outreach, technical assistance, data analysis, and monitoring aimed at improving the completeness and validity of encounter data.

Finalized MA coding factor is 5.90 percent. The normalization factors for various models are listed below:

- 2020 CMS-HCC Model: 1.118
- 2017 CMS-HCC Model: 1.128
- CMS-HCC 2019 ESRD dialysis model and 2020 ESRD dialysis model: 1.077
- CMS-HCC 2019 ESRD functioning graft model and 2020 ESRD functioning graft model: 1.126

ESRD HCC: CMS clarified it will apply dialysis new enrollee relative factors only to members without 12 months of Part B enrollment, while the continuing enrollee dialysis segment will apply to members new to MA or to dialysis and have 12 months of Part B enrollment during the data collection period.

For PACE organizations, CMS will continue to use the 2017 CMS-HCC model for CY 2022.

Medicare 2022 Star Ratings

CMS will use the performance scores for all contracts for the 2020 performance and measurement period to establish cut points for non-CAHPS measures and determine thresholds for the Reward Factor for the 2022 Star Ratings. The re-specified Medicare Plan Finder (MPF) Price Accuracy measure will move into the 2022 Star Ratings as a new measure, after being on the display page for the last two years. The deadline for all contracts to make their requests for review of the 2022 Star Rating appeals and Care Transitions Measure data is June 30, 2021.

Non-substantive changes to HEDIS measures

- Controlling Blood Pressure – This measure considers out-of-office readings taken by a member using any digital device for the 2020 measurement year.
 1. Telehealth – For Measurement Year 2020 and 2021, telehealth codes were added to a number of measures.

Updates to Existing Star Ratings Measures

The following measures may be considered in the future:

- Statin Use in Persons with Diabetes (SUPD) (Part D) – PQA revised criteria to include beneficiaries in the SUPD measure calculation if the earliest date of service for a diabetes medication is at least 90 days prior to the end of the measurement year. Several exclusions were added. CMS will implement the updated measure specifications for the 2021 Measurement Year (2023 Star Ratings).
- Kidney Health Evaluation for Patients with Diabetes (Part C) – CMS will consider adding it to Star Ratings through future rulemaking.
- Controlling Blood Pressure (Part C) – Will return to the 2023 Star Ratings.
- Plan All-Cause Readmissions (Part C) – This measure will stay on the display page for the 2022 and 2023 Star Ratings and will return to the 2024 Star Ratings.

New measure concepts for future years:

- COVID-19 Vaccination (Part C) – CMS is exploring the feasibility of developing a measure for COVID-19 vaccination for potential inclusion on the display page for CYCY 2024.
 - Provider Directory Accuracy (Part C) – This measure could consider what percentage of plan information is inaccurate.
- Display Measures: The following Part D measures will be retired from the display page for CY 2022.
 1. Timely Effectuation of Appeals
 2. Drug-Drug Interactions
 3. Antipsychotic Use in Persons with Dementia. The overall Antipsychotic Use in Persons with Dementia (APD) and Antipsychotic Use in Persons with Dementia – for Long-term Nursing Home Residents (APD-LTNH) measures will remain on the display page.
 4. Use of Opioids at High Dosage and from Multiple Providers in Persons Without Cancer (OHDMP)

Drug Plan Provides Current Information on Costs and Coverage for Medicare's Website (Part D). The Medicare Call Letter has detailed information about the topics discussed in this document. Please refer to this link for the complete publication: <https://www.cms.gov/files/document/2022-announcement.pdf>

