

Medicare Star Ratings *Update for 2016*

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PHARMACY QUALITY SOLUTIONS

Medicare Star Ratings

- Annual ratings of Medicare plans that are made available on Medicare Plan Finder and CMS website; began in 2008
- Ratings are displayed as 1 to 5 stars
- Stars are calculated for each measure, as well as each domain, summary, and overall (applies to MA-PDs) level
- Part C stars include 32 measures of quality, and Part D stars include 15 measures of quality
- Two-year lag between “year of service” and reporting year for PQA measures in Star Ratings (e.g., 2014 drug claims for 2016 Ratings)

Part D Stars

Medicare drug plans receive a summary rating on quality as well as four domain, and individual measure, scores (15 individual measures)

Five measures are from PQA (2016):

- 2 measures of medication safety or MTM
 - High risk medications in the elderly
 - CMR Completion Rate [new for 2016]
- 3 measures of medication adherence
 - Non-insulin diabetes medications
 - Cholesterol medication (statins)
 - Blood pressure (renin-angiotensin system antagonists)

Due to the higher weighting of clinically-relevant measures, the PQA measures account for 43% of Part D summary ratings for 2016

Part D Weights

Measure ID	Measure Name	Part D Summary	MA-PD Overall
D01	Call Center – Foreign Language Interpreter and TTY Availability	1.5	1.5
D02	Appeals Auto-Forward	1.5	1.5
D03	Appeals Upheld	1.5	1.5
D04	Complaints about the Drug Plan	1.5	1.5
D05	Members Choosing to Leave the Plan	1.5	1.5
D06	Beneficiary Access and Performance Problems	1	1
D07	Drug Plan Quality Improvement	5	5
D08	Rating of Drug Plan	1.5	1.5
D09	Getting Needed Prescription Drugs	1.5	1.5
D10	MPF Price Accuracy	1	1
D11	High Risk Medication	3	3
D12	Medication Adherence for Diabetes Medications	3	3
D13	Medication Adherence for Hypertension (RAS antagonists)	3	3
D14	Medication Adherence for Cholesterol (Statins)	3	3
D15	MTM Program Completion Rate for CMR	1	1

Part D Improvement Measure

Measure ID	Measure Name	Measure Usage	Correlation
D01	Call Center – Foreign Language Interpreter and TTY Availability	Not Included	-
D02	Appeals Auto-Forward	Included	0.462121
D03	Appeals Upheld	Not Included	-
D04	Complaints about the Drug Plan	Not Included	-
D05	Members Choosing to Leave the Plan	Included	0.648351
D06	Beneficiary Access and Performance Problems	Not Included	-
D07	Drug Plan Quality Improvement	Not Included	-
D08	Rating of Drug Plan	Included	0.790085
D09	Getting Needed Prescription Drugs	Included	0.625176
D10	MPF Price Accuracy	Not Included	-
D11	High Risk Medication	Included	0.654223
D12	Medication Adherence for Diabetes Medications	Included	0.868033
D13	Medication Adherence for Hypertension (RAS antagonists)	Included	0.907212
D14	Medication Adherence for Cholesterol (Statins)	Included	0.923061
D15	MTM Program Completion Rate for CMR	Not Included	-

New Star Ratings Measure for 2016

Medication Therapy Management Program Completion Rate for Comprehensive Medication Reviews (CMRs)

Highlights:

- PQA-endorsed measure
- Measures the percentage of beneficiaries who met eligibility criteria for the MTM program and who received a CMR with a written summary in the CMS standardized format.
- 2016 stars are based on 2014 measurement period
- This measure is assigned a weight of “1” for 2016
- For measure details, please see the PQA measure listing on the website <http://pqaalliance.org/measures/default.asp>

CMR Completion Rate

2016 Star Thresholds

Type	1 Star	2 Star	3 Star	4 Star	5 Star
MA-PD	< 13.6%	≥ 13.6% to < 36.2%	≥ 36.2% to < 48.6%	≥ 48.6% to < 76.0%	≥ 76.0%
PDP	< 8.5%	≥ 8.5% to < 16.6%	≥ 16.6% to < 27.2%	≥ 27.2% to < 36.7%	≥ 36.7%

2016 National Averages


MAPD: 30.9 % *2.3 stars*

PDP: 15.4 % *2.3 stars*


CMR Completion Rate

MAPD and PDP Combined

	Stars					Total
	1	2	3	4	5	
# contracts	85	215	99	42	16	458



65.7%



12.6%

For 4/5 star contracts, 10 of 58 were PDPs

Improvement in Adherence Rates

Part D Measure	MA-PD					PDP				
	2012	2013	2014	2015	2016	2012	2013	2014	2015	2016
PDC - Diabetes	73.0%	73.7%	75 %	77 %	77 %	74.4%	75.8%	77 %	79 %	80 %
PDC – RASA	72.2%	73.9%	76 %	78 %	79 %	74.3%	76.8%	78 %	81 %	82 %
PDC - Cholesterol	68.0%	69.0%	71 %	74 %	75 %	69.1%	71.0%	73 %	77 %	78 %

Average across all contracts for each year

Change in Thresholds for Diabetes PDC

	2015	2016
MAPD 5-star	81 %	82 %
MAPD 4-star	77 %	75 %
PDP 5-star	85 %	95 %
PDP 4-star	82 %	83 %

Only 1 PDP contract achieved 5 stars on this measure in 2016 (UPMC Health Plan)

From CMS 2016 Star Ratings Technical Notes

Change in Thresholds for Hypertension PDC

	2015	2016
MAPD 5-star	85 %	81 %
MAPD 4-star	81 %	77 %
PDP 5-star	84 %	85 %
PDP 4-star	81 %	82 %

From CMS 2016 Star Ratings Technical Notes

Change in Thresholds for Cholesterol PDC

	2015	2016
MAPD 5-star	83 %	79 %
MAPD 4-star	76 %	73 %
PDP 5-star	78 %	83 %
PDP 4-star	75 %	78 %

From CMS 2016 Star Ratings Technical Notes

Change in Thresholds for High Risk Medications

	2015	2016
MAPD 5-star	< 7 %	< 6 %
MAPD 4-star	< 9 %	< 8 %
PDP 5-star	< 6 %	< 6 %
PDP 4-star	< 11 %	< 10 %

National average improved substantially from 2015 to 2016

- MA-PD average moved from 11% to 7%
- PDP average moved from 14% to 11%

From CMS 2016 Star Ratings Technical Notes

PQA Measure Synopsis

- Performance continues to improve, on average, across PQA measures for MA-PD and PDP contracts, but the rate of improvement is slowing for adherence measures
- Medication adherence 4/5 star thresholds have been relaxed for MA-PDs but made more stringent for PDPs
- PDPs continue to have better performance than MA-PDs on medication adherence, but worse performance on HRM
- Stars for CMR completion rate are low this year (average: 2.3 stars) with nearly two-thirds of contracts receiving 1 or 2 stars

Distribution of Overall Star Ratings

MA-PD

Overall Rating	2015			2016		
	Number of Contracts	%	Weighted by Enrollment	Number of Contracts	%	Weighted By Enrollment
5 stars	11	2.78	9.88	12	3.25	10.23
4.5 stars	61	15.44	19.59	65	17.62	25.02
4 stars	86	21.77	30.32	102	27.64	35.71
3.5 stars	136	34.43	26.78	112	30.35	19.55
3 stars	73	18.48	10.98	66	17.89	8.60
2.5 stars	26	6.58	2.37	12	3.25	0.90
2 stars	2	0.51	0.08	0	0.00	0.00
Total Number of Contracts	395			369		
Average Star Rating*	3.92			4.03		

Key Points

- Number of contracts decreased by 26
- Average star rating increased

Distribution of Overall Star Ratings

PDP

Part D Rating	2015			2016		
	Number of Contracts	%	Weighted by Enrollment	Number of Contracts	%	Weighted by Enrollment
5 stars	3	4.92	1.50	2	3.39	0.13
4.5 stars	11	18.03	7.28	10	16.95	1.63
4 stars	17	27.87	43.94	12	20.34	29.95
3.5 stars	18	29.51	40.40	12	20.34	21.76
3 stars	7	11.48	0.61	14	23.73	38.88
2.5 stars	3	4.92	5.99	8	13.56	7.65
2 stars	1	1.64	0.01	1	1.69	0.01
1.5 stars	1	1.64	0.27	0	0.00	0
Total Number of Contracts	61			59		
Average Star Rating*	3.75			3.40		

Key Points

- Number of contracts decreased by 2
- Average star rating decreased

High Performer Icon - 2016

MA-PD

Contract	Contract Name	Enrolled 10/2015
H0354	CIGNA HEALTHCARE OF ARIZONA, INC.	43,881
H0524	KAISER FOUNDATION HP, INC.	1,037,349
H0630	KAISER FOUNDATION HP OF CO	98,584
H1230	KAISER FOUNDATION HP, INC.	31,396
H2150	KAISER FNDN HP OF THE MID-ATLANTIC STS	63,681
H2256	TUFTS ASSOCIATED HEALTH MAINTENANCE ORGANIZATION	104,812
H2462	GROUP HEALTH PLAN, INC. (MN)	49,484
H2610	ESSENCE HEALTHCARE, INC.	52,525
H5262	GUNDERSEN HEALTH PLAN	14,287
H5591	MARTIN'S POINT GENERATIONS, LLC	32,611
H5652	SIERRA HEALTH AND LIFE INSURANCE COMPANY, INC.	4,502
H9003	KAISER FOUNDATION HP OF THE N W	79,591

PDP

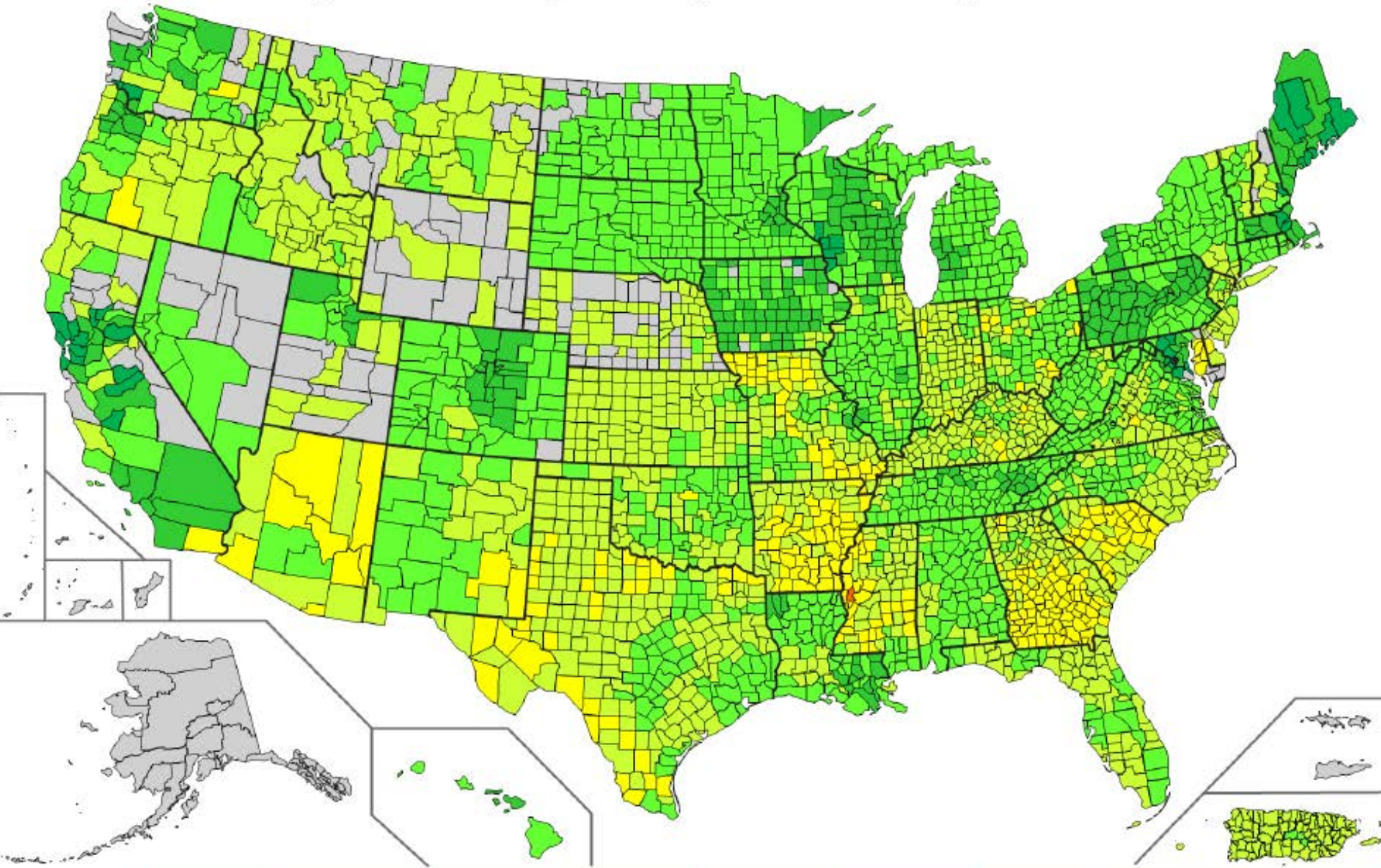
Contract	Contract Name	Enrolled 10/2015
S0655	TUFTS INSURANCE COMPANY	7,874
S5753	WISCONSIN PHYSICIANS SERVICE INSURANCE CORPORATION	22,999

From CMS 2016
Star Ratings
Fact Sheet

Low Performer Icon - 2016

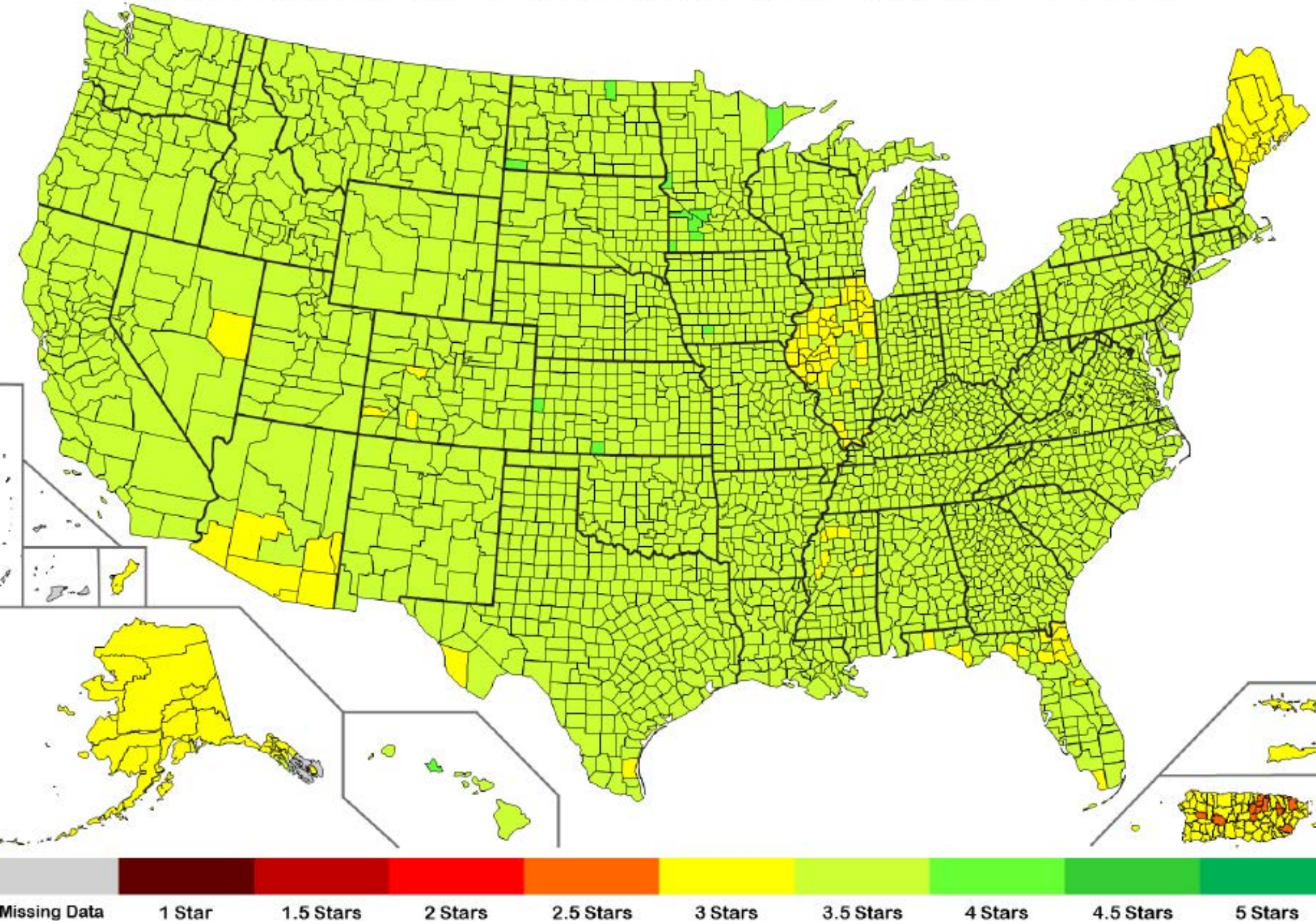
- Medicare contracts may receive a low-performer icon if the contract received less than 3 stars for 3 years in a row on either Part C or Part D summary ratings
- Six Medicare Advantage contracts received a low-performer icon for 2016 and 3 of these contracts are at risk for termination at end of 2016
 - Enrollment in these six plans is less than 75,000 lives which represents 0.4% of the 17.5 million Medicare Advantage enrollees
 - Enrollment for these low-performers is primarily in NYC and southern states

2016 Star Ratings - Enrollment Weighted Average MA-PD Overall Rating in Non-EGHP Counties



Missing Data 1 Star 1.5 Stars 2 Stars 2.5 Stars 3 Stars 3.5 Stars 4 Stars 4.5 Stars 5 Stars

2016 Star Ratings - Enrollment Weighted Average PDP Part D Rating in Non-EGHP Counties



Missing Data 1 Star 1.5 Stars 2 Stars 2.5 Stars 3 Stars 3.5 Stars 4 Stars 4.5 Stars 5 Stars

Plans with Low Income Subsidy Auto-Enrollees

Part D Rating	2015 Number of LIS Contracts	2015 % of LIS Contracts	2016 Number of LIS Contracts	2016 % of LIS Contracts
4.5 stars	1	6.25	0	0.00
4 stars	4	25.00	2	13.30
3.5 stars	8	50.00	4	26.70
3 stars	2	12.50	7	46.70
2.5 stars	1	6.25	2	13.30
2 stars	0	0.00	0	0.00
1.5 stars	0	0.00	0	0.00
Total Number of Contracts	16		15	

Key Points

- 13 of 15 contracts had 3 or more stars
- No contract had 5 stars

From CMS 2016
Star Ratings
Fact Sheet

CMS Study of Risk Adjustment

Available at: <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/PerformanceData.html>

HOS and PDE Measure (MA Contracts)	LIS/DE Adjustment Odds Ratio	Disability Adjustment Odds Ratio
Monitoring Physical Activity	0.98	1.34***
Reducing the Risk of Falling	1.67***	1.32***
Medication Adherence for Diabetes Medications [^]	0.94***	0.75***
Medication Adherence for Hypertension [^]	0.86***	0.72***
Medication Adherence for Cholesterol [^]	0.94***	0.79***

LIS = low-income subsidy ; DE = dual-eligible

NOTE: Separate analyses conducted for LIS/DE and Disability adjustment. Models control for between-contract differences.

* Significant at p<0.05 ** Significant at p<0.01 *** Significant at p<0.001

Blue Odds Ratio greater than 1.0 indicates a significant positive effect of being LIS/DE or Disabled.

Orange Odds Ratio less than 1.0 indicates a significant negative effect of being LIS/DE or Disabled.

Black Odds Ratio indicates no significant effect.

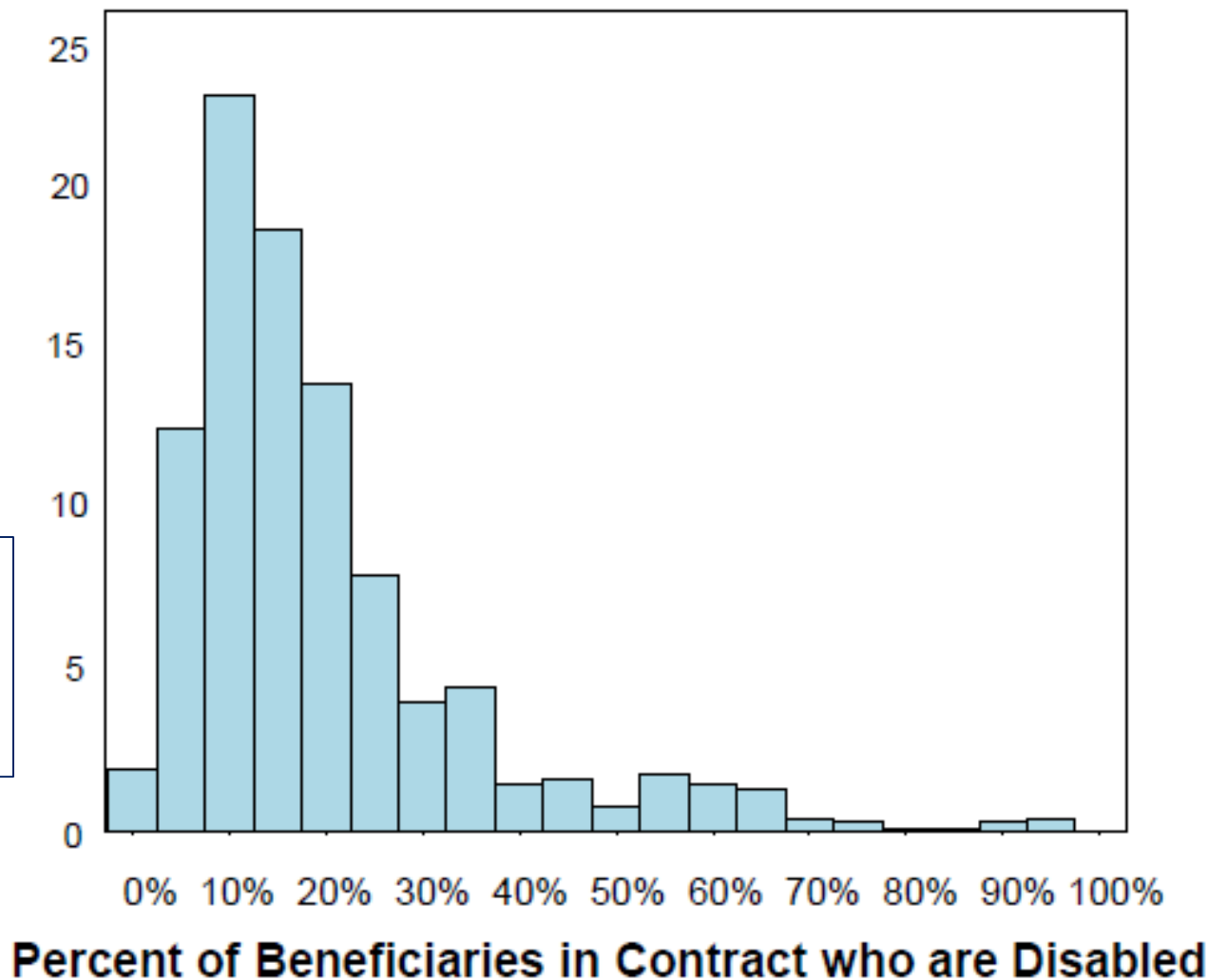
[^]The sample sizes for PDE were very large, so very small differences become statistically significant

CMS Study of Risk Adjustment

Available at: <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/PerformanceData.html>

**Percent
of MA
Contracts**

The majority of contracts have less than 25% disabled enrollment



Part D Star Synopsis

- MA-PD stars rose this year. Average is now 4 stars overall.
 - Combination of relaxed thresholds for 4/5 stars in Part D along with actual improvement on triple-weighted measures
- PDP mean stars decreased from 3.7 stars (2015) to 3.4 stars (2016)
 - PQA measures improved slightly but thresholds jumped substantially
- 71% of MA-PD enrollees are in contracts with 4 stars or better; 32% of PDP enrollees are in contracts with 4 stars or better
- LIS/DE status, by itself, has minimal effect on PDC rates; however, disability status may have a meaningful effect on PDC. This needs further exploration by CMS and PQA.

Part D Display Measures

- Display measures are not a part of the Star Ratings, but are used to provide benchmarks and feedback to plans
- CMS also monitors display measures to assess plan performance; poor performance can lead to compliance actions by CMS
- Part D Display measures (from PQA):
 - Drug-Drug Interactions
 - Excessive doses of oral diabetes medications
 - **Statin Use in Persons with Diabetes (New for 2016)**
 - HIV antiretroviral medication adherence (*only in safety reports*)
- Display measure (*NOT from PQA*)
 - Use of atypical antipsychotics in LTC residents

High Stakes for Part D Stars

- **Enrollment Implications**
- **Quality Bonus Payments (MA-PD)**
- **Poor and high performers identified by CMS**
 - Low-performer icon
 - High-performer icon
- **Removal from Medicare for continued poor overall performance (< 3 stars for 3 years in a row)**

How are Health Plans and PBMs responding?

- Formularies, clinical strategies, network contracts, marketing/promotions, aligning with star measures and QRS
- More telephonic outreach to members and more targeted MTM activities
- Contract strategies for pharmacy networks
 - Pay for Performance (P4P) – pharmacies may be eligible for bonus payment based on star performance
 - Preferred pharmacy network based partly on star performance of chain or stores

Pharmacy Pay-for-Performance Programs

- Inland Empire Health Plan (IEHP)
 - Launched in October 2013 based on Star measures plus asthma and GDR
 - Pharmacies will receive bonus depending on their performance on each measure:
 - 3-star attainment = small bonus
 - 5-star attainment = large bonus
- Caremark-SilverScript
 - Ongoing program based on PDC-adherence and ACE/ARB in Diabetes measures
 - Combination of payment for gap closures delivered through Mirixa and bonus on reaching performance goals as measured by EQUIPP
- Healthfirst of NY
 - Program launched October 2014 based on PDC-adherence measures
 - Combination of payment for program commitment and for reaching performance goals as measured by EQUIPP
- Many more programs on the way for 2016

Pharmacy Value-Based Networks

- Quality and Value have become key criteria for selection of preferred pharmacies
 - Minimum quality expectations spelled out in preferred contracts
 - May lead to adjustment of DIR rates
 - Quality scores could be used to identify pharmacies that can fill geographic gaps in existing networks
- Some PBMs are creating Quality-Based Networks or Value-Based Networks for 2016
 - May be a subset of preferred pharmacy network
 - May include requirements / incentives related to quality

Summary

- The number of Part D contracts being rated has decreased over past several years; more consolidation expected in future
- Quality continues to improve on PQA measures; especially HRM
- Nearly two-thirds of contracts are performing below 3 stars on CMR completion rate
- Thresholds for 4/5-star performance have become more stringent for PDPs but are relaxed for MA-PDs
- Adjustment for disability status needs further investigation
- A growing number of prescription drug plans are implementing performance-based incentives for network pharmacies

Discussion



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