

Latest News for PACE Programs

April 7, 2015

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Final Call Letter Risk Adjustment Highlights

On 4/6, CMS released the Final Notice of Methodological Changes for CY 2016 for Medicare Advantage Capitation Rates, Part C and Part D Payment Policies and 2016 Call Letter. Please note that risk adjustments are impacted. This document highlights the salient items affecting risk adjustments for PACE Plans.

Model Changes

NO CHANGE FROM ADVANCE NOTICE

Medical HCCs

There does not appear to be any medical HCC model changes including HCCs changes or their relative factors/co-efficients.

Rx HCCs

There are changes to the Rx HCC for both stand-alone PDPs and MA-PDs. Highlights include:

- ◇ Model changes to complement the 2016 benefit structure changes
- ◇ Update to the data years used to calibrate the model
- ◇ Clinical updates to the hierarchical conditions
- ◇ Inclusion of the MA-PD data in the model calibration
- ◇ An actuarial adjustment to Chronic Viral Hepatitis C RxHCC
- ◇ Renumbering of RxHCCs

Frailty Factor

NO CHANGE FROM ADVANCE NOTICE

There are no changes to the Frailty Factor.

Formula Factor Changes

NO CHANGE FROM ADVANCE NOTICE

Factor	Current	New	Impact
MA Coding Adjustment	-5.16%	-5.41%	Negative
Normalization	1.028	1.042	Negative
ESRD Dialysis	1.004	0.990	Positive
Functioning Graft	1.028	1.042	Negative

Cognisight will model the impacts for clients using 2014 data.

ICD-10

NO CHANGE FROM ADVANCE NOTICE

Will be implemented on October 1, 2015. ICD-9 codes (from dates of service 01/01/15-09/30/15) and ICD-10 codes (from dates of service 10/01/15-12/31-15) would be used in calculating 2016 risk scores.

Encounter Data as a Diagnoses Source for 2016

NO CHANGE FROM ADVANCE NOTICE

CMS will continue the same method of calculating risk scores as used for PY 2015.

For more information on the final regulations outlined here, please visit:

<http://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Announcement2016.pdf>

Cognisight, TMLLC is a leading health care solutions provider, specializing in risk adjustment services for Medicare Advantage, Medicaid Managed Care, PACE plans, and Issuers on and off the Health Insurance Exchange. Our mission is simple: capture the most accurate and complete information to help ensure our clients have the best information to care for their members.

As HCC risk adjustment experts, we enable our clients to improve the quality of health care they deliver while maximizing efficiency and assuring accurate revenue. Our continuum of comprehensive risk adjustment services include:

- Analytics
- Retrospective/Concurrent Chart Reviews
- Health Risk Assessments
- Risk Adjustment Data Validation (RADV/IVA)
- Risk Verification
- Provider & Coder Training

CONTACT US

We're pleased to bring you this important insight.

Should you have any questions about this information, please feel free to contact Lynsie Tzimas PACE Account Manager, at **585.662.4264** or ltzimas@cognisight.com.

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