

Latest News for Medicare Advantage Plans

February 22, 2016

Page 1 of 1

Advance Call Letter Risk Adjustment Highlights

On 2/19, CMS released the Advance Notice of Methodological Changes for CY 2017 for Medicare Advantage Capitation Rates, Part C and Part D Payment Policies. Please note that risk adjustments are impacted. This document highlights the proposed salient items affecting risk adjustments.

Proposed Model Changes

The current model, V.22, will not change with the exception of the following:

- ◆ Changes to community states for Duals and partial Duals
- ◆ Originally shared on 11/03/15, CMS is proposing:

	2014 Model	Revised Model
Segments	2 full risk segments: - Institutional - Community	7 full risk segments: - Institutional - Community: ⇒ Full benefit dual aged ⇒ Full benefit dual disabled ⇒ Partial benefit dual aged ⇒ Partial benefit dual disabled ⇒ Non dual aged ⇒ Non dual disabled
Dual status for full risk beneficiaries	Base year	Payment year
HCCs	79 HCCs in Model V.22	Same 79 HCCs as 2014 Model V.22

- ◆ Separate coefficients for each segment
⇒ Note: CMS is in the process of developing technical specs regarding implementation of changes made to the Duals (MMR and other reports); details will be released *after* the Final Call Letter
- ◆ The institutional segment will now be measured concurrently (based on payment year status); this change is to be consistent with the changes noted above
- ◆ RX HCC model and member categories will remain the same, however, the weights (coefficients) will change

Proposed Formula Factor Changes

Factor	Current	New	Impact
MA Coding Adjustment	-5.41%	-5.66%	Negative
Normalization: 2014 Model 22	0.992	0.993	Negative
ESRD Dialysis	0.990	1.017	Negative
Functioning Graft	1.042	1.067	Negative

Cognisight will model the impacts for you using 2015 data after the Final Call Letter has been issued.

Disease-Disease Interactions (DDIs)

All of the community model segments will have six DDIs with one additional DDI for the three disabled segments.

- ◆ *Substance Abuse x Psychiatric*
- ◆ *In addition, Sepsis x Cardiorespiratory Failure will be replaced with CHF x Specific Heart Arrhythmias*

Risk Adjustments from In-Home Assessments

There was no information regarding changes.

Encounter Data as a Diagnoses Source for 2017

CMS proposes to calculate the 2017 risk score by blending and weighting:

- ◆ 2016 dates of service from RAPS and FFS (50%)
- ◆ 2015 dates of service from EDS and FFS (50%)

County Update

The proposed change is to use the county provided by the Social Security Administration rather than the current method of using the beneficiaries mailing address zip code.

Comment Period

The comment period closes March 6, 2016 at 6:00 PM EST. ■

Cognisight,™ LLC 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:

- Cognisight DX™ 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 do not hesitate to call your Cognisight Account Manager or contact us at **877.271.1657** or **info@cognisight.com**.

Follow us on:

