



Latest News for PACE Programs

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Final Call Letter Risk Adjustment Highlights

Yesterday, CMS released the Final Notice of Methodological Changes for Calendar Year 2018 for Medicare Advantage Capitation Rates, Part C and Part D Payment Policies, and Advanced 2018 Call Letter. This document highlights the salient items affecting risk adjustments.

Formula Factor Changes



Factor	Current	New	Impact
MA Coding Adjustment	-5.66%	-5.91%	Negative
Normalization	1.051	1.082	Negative
ESRD Dialysis	0.994	1.015	Negative
Functioning Graft	1.051	1.082	Negative

Proposed Model Changes

Medical HCCs

There are no medical HCC model changes, including HCC changes or their relative factors/coefficients.

Rx HCCs

The 2018 model will encompass the following changes:

- ◆ Update to reflect the 2018 benefit structure
- ◆ Updates to the data years used to calibrate the model
- ◆ Recalibration of the model for Payment Year 2018 using diagnoses from 2014 FFS and MA-PD beneficiaries enrolled in a Part D plan to predict 2015 expenditures
- ◆ Normalization factor change to 1.005 and other factor changes

Frailty Factor

There was no information regarding changes.

Encounter Data as a Diagnosis Source for 2018

The same method of calculating risk scores as used for Payment Year 2017 will continue.

HICN Phase Out

This is a reminder that beginning in 2018 the current Social Security based HICN will be replaced with a Medicare Beneficiary Identification number (MBI). MBIs will be assigned to all Medicare recipients and cards will be mailed to beneficiaries beginning no earlier than April 2018.

Request for Information

CMS is soliciting ideas for regulation, policy, practice, and procedural changes to better maintain benefit flexibility, transparency, and program stabilization. Feedback will be accepted via email—with the subject line “2017 Transformation Ideas”—to PartCDcomments@cms.hhs.gov now through April 24, 2017.

For more information on the final regulations outlined here, please visit the URL below and select “2018 Announcement.”

<https://www.cms.gov/Medicare/Health-Plans/MedicareAdvgtgSpecRateStats/Announcements-and-Documents.html>

Cognisight, TMLLC is a leading health care solutions provider, specializing in risk adjustment services for Medicare Advantage plans, Issuers on and off the Health Insurance Exchange, PACE programs, and Medicaid Managed Care plans. 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 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
- Health Assessments
- IVAs
- Provider & Coder Training
- Chart Reviews
- RADV Support
- Risk Verification

CONTACT US

We're pleased to bring you this important insight. Should you have any questions about this information, please do not hesitate to contact your Cognisight Account Manager or:

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