



Latest News for Medicare Advantage Plans

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Advance Call Letter Risk Adjustment Highlights

On 12/27, CMS released Part 1 of the Advance Notice of Methodological Changes for CY2019 for Medicare Advantage Organizations, Prescription Drug Plan Sponsors, and other interested parties. This document highlights the proposed changes to the CMS-HCC Risk Adjustment Model resulting from 21st Century Cures Act.

HCC Code Changes

- ◆ Three new Mental Health and Substance Use Disorder HCCs:
 - ◇ Drug Abuse, Uncomplicated, Except Cannabis HCC 56
 - ◇ Reactive and Unspecified Psychosis HCC 58
(current HCC 58 will change to HCC 59)
 - ◇ Personality Disorders HCC 60
- ◆ Add selected drug and alcohol poisoning (overdose) codes to existing Drug/Alcohol Dependence HCC 55
- ◆ Add Chronic Kidney Disease Stage III HCC 135
- ◆ Account for the total number of diseases or conditions a member has by making an additional adjustment as the number of diseases or conditions increases

Model Changes

CMS is proposing one of the two models below:

- ◆ Payment Condition Count Model-takes into account the number of conditions a member has within the payment model (projected to increase MA risk scores by 1.1%)
- ◆ All Condition Count Model-takes into account all conditions a member has including those within the payment model and those that are not (projected to decrease MA risk scores by -0.28%)

CMS recommends using the Payment Condition Count Model beginning in 2019. This model would be phased in over the next three years with a blended risk score calculation.

Payment Year	New Model	Current Model
PY2019	25%	75%
PY2020	50%	50%
PY2021	75%	25%
PY2022	100%	0%

CMS is still required by the 21st Century Cures Act to evaluate the ESRD model. The initial evaluation is not due until December 31, 2018.

EDPS

For PY2019, CMS will calculate 75% of risk scores from RAPS and 25% from EDPS.

- ◆ RAPS Risk Scores would be calculated using the 2017 CMS HCC Model
- ◆ EDPS Risk Scores would be calculated using the proposed 2019 Payment Condition Count Model

PACE

There will be no changes to the PACE model in CY2019.

Comment Period

Part 1 of the CMS 2019 Advance Notice has a 60 day comment period. All comments must be received by 6:00 PM Eastern Standard Time on Friday, March 2, 2018. The Final Call Letter will be released on Monday, April 2, 2018.

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

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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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