

Latest News for Health Insurance Exchange

Proposed Improvements for 2017 Marketplace

November 23, 2015

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On 11/20, CMS published *Proposed Improvements for the 2017 Marketplace*. Below is a summary of the provisions affecting risk adjustments.

Risk Adjustment Model Updates

CMS will continue to use the same risk adjustment model with the following updates:

- ◆ 2012/2013/2014 Truven Health Analytics
- ◆ Preventative services to be incorporated into plan liability
 - ◇ Recalibrated HCC weights and demographic factors using most recent Truven Market Scan data as soon as it is available (*changes will be published in the final rule*)
- ◆ Updated R-squared statistics
- ◆ Increased risk adjustment user fees (from \$1.75 in 2016 to \$1.89 in 2017)

How prescription data could be used and the effects of partial year enrollment are also being explored.

The 2016 fiscal year began October 1, 2015. Risk adjustments (and transitional reinsurance) are subject to 2016 sequestration. The sequestration rate is 7% and will be repaid in 2017.

No Change

At this time, the following items are not impacted by the proposed changes:

- ◆ No new or deleted HCCs
- ◆ Payment Transfer methodology

Miscellaneous

- ◆ Effective 2016, the interim discrepancy reports from the Distributed Data Collection (a.k.a. EDGE server) will be eliminated
- ◆ No new information regarding RADV/IVAs was presented

The Comment Period closes at 5:00 pm (eastern time) on December 21, 2015.

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:

- Analytics
- Chart Reviews
- Health Assessments
- RADV/IVA
- Risk Verification
- Provider & Coder Training

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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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