



KIRSHA

[LIVE ●]

PRACTICAL INSIGHTS ON RISK ADJUSTMENT

WEBINAR



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Speaker



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Host



Kirk Shanks
Speaker

FRIDAY
15TH NOV 2024
11:30 AM EST

Navigating audits, new models, and financial expectations for providers and payers

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Practical Insights on Risk Adjustment

WHAT ARE WE COVERING TODAY AND NOT COVERING?



Agenda

- **Introduction & Context of the macro environment**
 - Medicare Advantage, ACA, and Medicaid Markets
- **Risk Adjustment: Recent changes across markets**
- **Practical strategies for payor and providers**
 - HHS/OIG Audit Findings
 - Practical Insights: Operational, Financial & Population Health
 - Frequently Asked Questions
 - Integration of STAR, Cost-of-Care & VBC Efforts
- **Q&A**

What are we NOT covering today?

- New Government's potential changes
- Deep-dive into STAR Ratings
- Vendor Recommendations

FREE BONUS Materials after webinar

- Important References & White Papers
- Checklist of Best Practices & KPIs
- Future Free Webinars & Where You Can Meet Us

INTRODUCTION



Dawn Carter
Advisor & Director
of Product Strategy
at Centauri Health
Solutions



Subbu Ramalingam
CEO, ViVega
Business Services



Kirk Shanks
President, Kirsha LLC

MARKET ENVIRONMENT ACA AND MEDICAID



1. 21.4M Americans in ACA in 2024 (doubled the ~11 million enrolled in 2020)
2. Affordable Care Act Marketplaces have Grown Faster in Medicaid Non-Expansion States
3. Following years of significant growth, Medicaid enrollment declined by -7.5% in FY 2024 and state Medicaid officials expect enrollment to continue to decline by -4.4% in FY 2025.
4. Heading into Fiscal Year 2025, states are expected to wrap up unwinding-related eligibility redeterminations; however, uncertainty remains regarding post-unwinding Medicaid spending and enrollment trends and what the new “normal” will look like.
5. New government and ACA & Medicaid implications

Source:: Kaiser Family Foundation (KFF):



MARKET ENVIRONMENT : MEDICARE ADVANTAGE

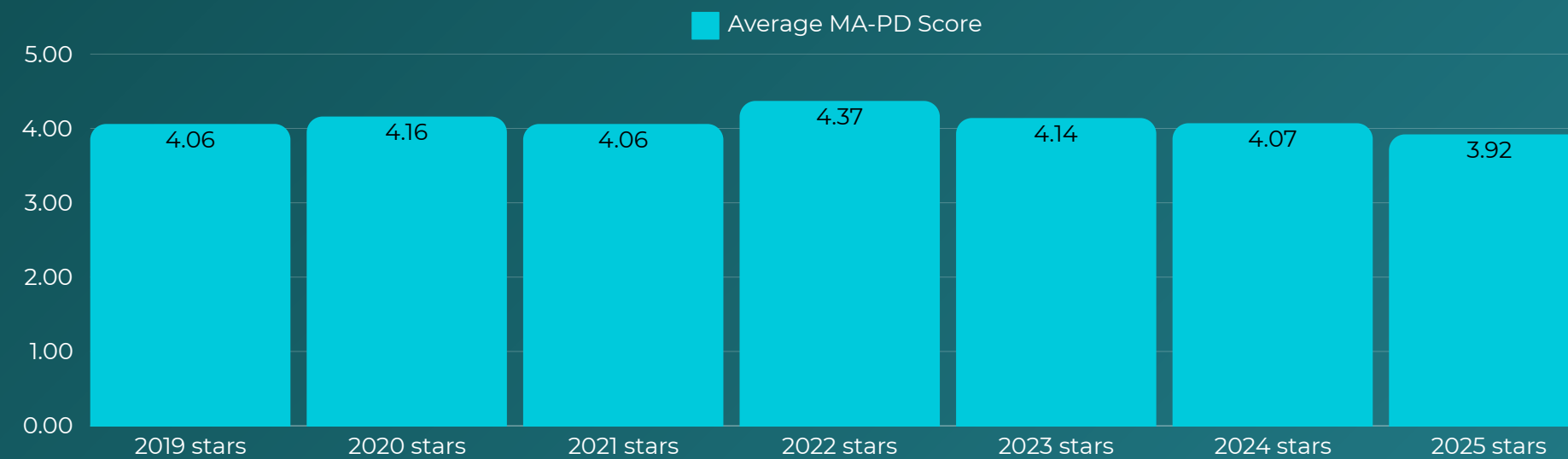
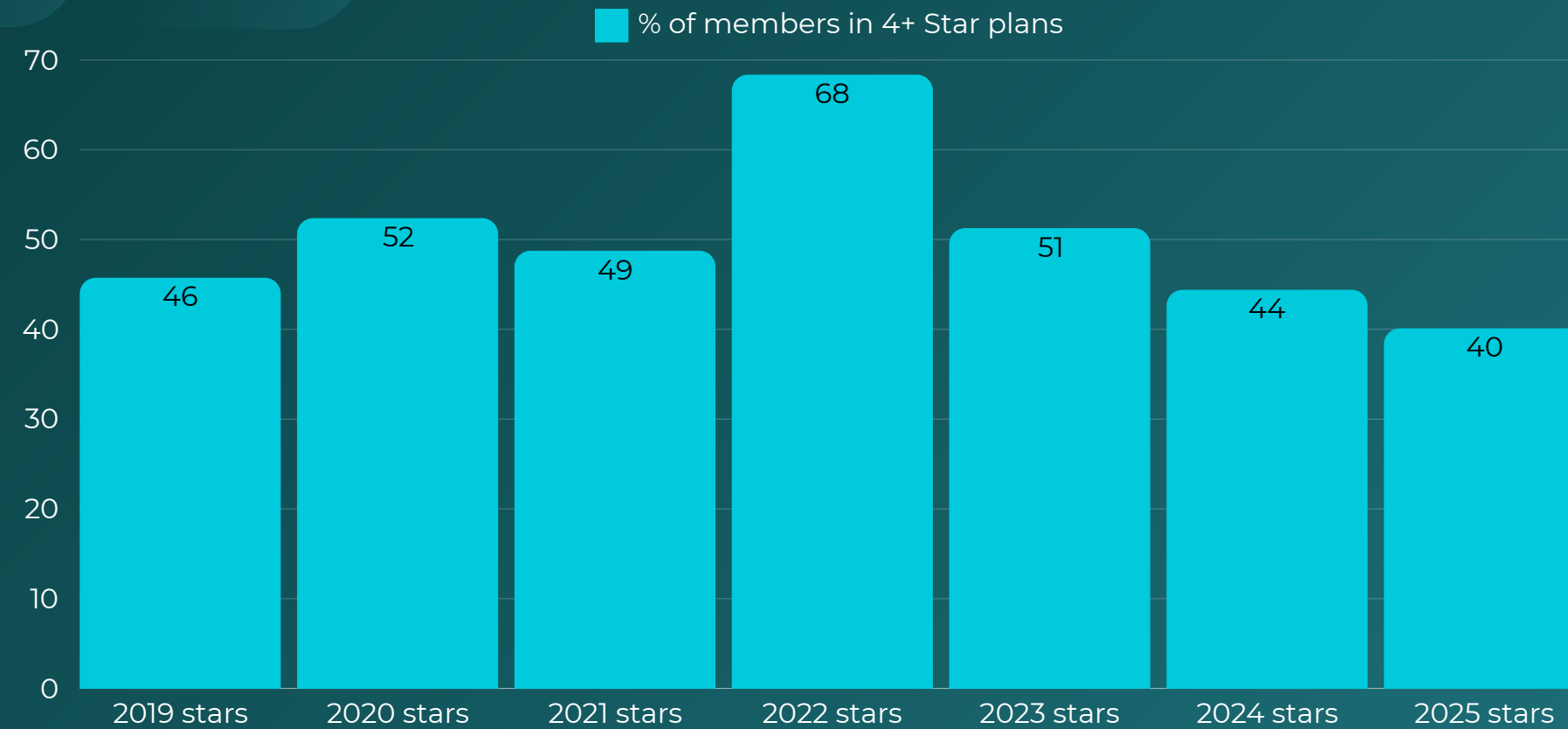


- 1.As the number of plan offerings decrease, the average Medicare Advantage plan premium will remain consistent as compared to 2024. Meanwhile, the median maximum out-of-pocket (MOOP) limit will increase from \$5,000 to \$5,400.
- 2.National trend indicates a clear retrenchment among plans and benefits in response to the challenging environment with increased healthcare utilization and policy changes
- 3.The Medicare Advantage population is increasingly diverse and more complex. 52% of Medicare Advantage live below 200% of the poverty level compared to 33% of members in Fee For Service Medicare.
- 4.STAR Rating Declines, Increased volatility & ~14.7 Billion lost in revenue between 2024 Star and 2025 Star.
- 5.Risk Adjustment Model Changes to V28 & associated challenges including projected revenue decrease of ~2,45%

Source::

Better Medicare Alliance : <https://bettermedicarealliance.org/publication/analysis-of-the-2025-medicare-advantage-plan-landscape/>
Center for Medicaid & Medicare Services (CMS) 2025 Star Rating & CMS Memos

MARKET ENVIRONMENT : MEDICARE STARS 2025



MOVING FORWARD

- CAHPS back to 2X weighting
- Call Center Measures & Outstanding Lawsuits
- Introduction of the Electronic Clinical Data Systems (ECDS) HEDIS measures in Stars. More ECDS measures are expected to roll out over time.
- The Health Equity Index (HEI) is expected to award just 0.1 of the 0.4 points in the first year or two for plans, a reduction from the retiring Reward Factor's average of 0.3 of 0.4 annually. The HEI will begin in Star Year 2027.
- Two new drug measures coming in Star Year 2027.

RISK ADJUSTMENT: HIGHLIGHTS OF RECENT CHANGES



1. Medicare Advantage V24 to V28 Model
 - a. Phased-out plan with V28 100% effective 2026.
2. HHS OIG Audit Findings
3. Keep in mind that there are various models within MA based on the population (Community Models).
4. Recalibrating the 2026 Benefit Year HHS Risk Adjustment Models for ACA & changes to HHS Risk Adjustment Data Validation (HHS-RADV) Sampling
5. The Chronic Illness and Disability Payment System (CDPS) + RX model updates to v7.1 and its impacts on
 - a. Used by some states for Medicaid

Suggested Readings:

Wakely: <https://www.wakely.com/blog/cdpsrx-v7-1-update-review/>
CMS HPMS Memos & HHS RegTap

HHS/OIG AUDIT FINDINGS & RECOMMENDATIONS

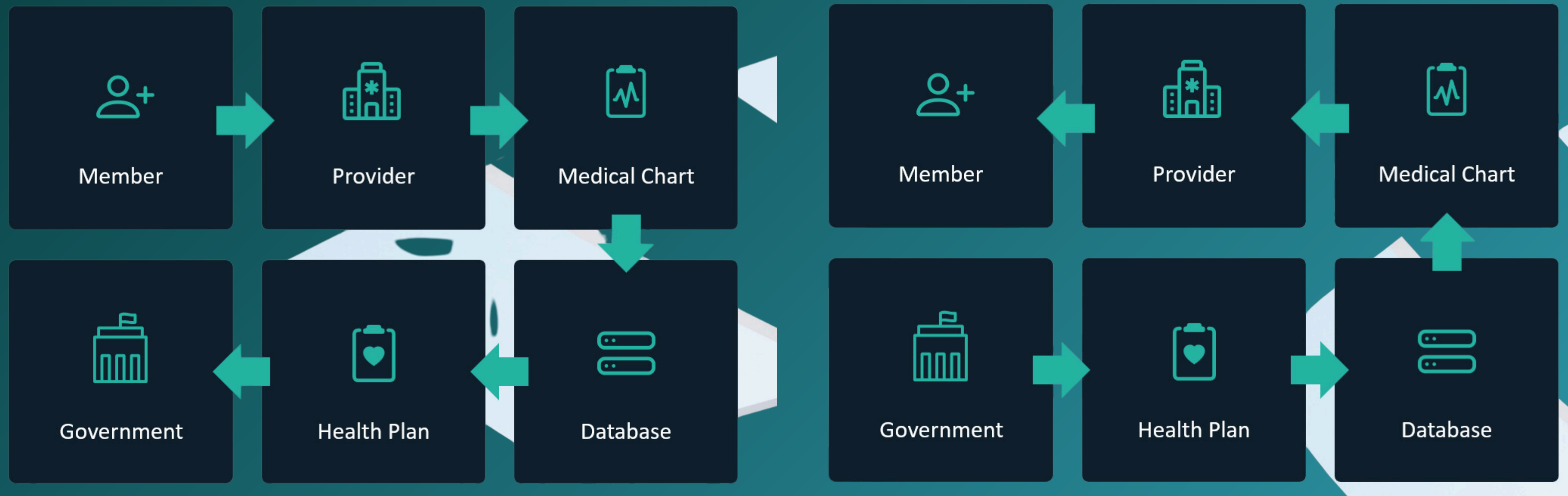


1. Targeted Audits on High-Risk Diagnoses
2. Alleged ~\$4.2 billion in extra federal payments in 2023 for diagnoses from home visits the companies initiated, even though they led to no treatment
3. Implement targeted audits of MAOs that heavily rely on chart reviews and HRAs.
4. Restrict or eliminate payments based solely on diagnoses from HRAs without further medical evidence.
5. Enhance monitoring to ensure that diagnoses submitted for risk adjustment are accurate and supported by medical records

Suggested Readings:

Publicly Available OIG Audit Reports & Recommendations: <https://oig.hhs.gov/reports/all/>

DATA ACROSS THE ECO-SYSTEM



THE “LEAKY HOSES” IN DATA & HOW TO FIX THEM & PREVENT THEM ?



INSIGHTS ON FREQUENTLY ASKED QUESTIONS



1. Why are claims costs high but RAF low?
2. When can I see the risk & quality revenue?
3. Why are health plans burdening us with PriorAuth, HEDIS & Risk Adjustment medical records all the time?
4. How can we do more prospective and less retrospective?

Q & A



Dawn Carter



Subbu Ramalingam



Kirk Shanks

**EMAIL US OR LINKEDIN MESSAGE US FOR DETAILED
ANSWERS & FURTHER QUESTIONS**