Background on Star metrics. Initial real-world test of claims-based LCS metric

Payer Quality Metrics For Lung Cancer Screening

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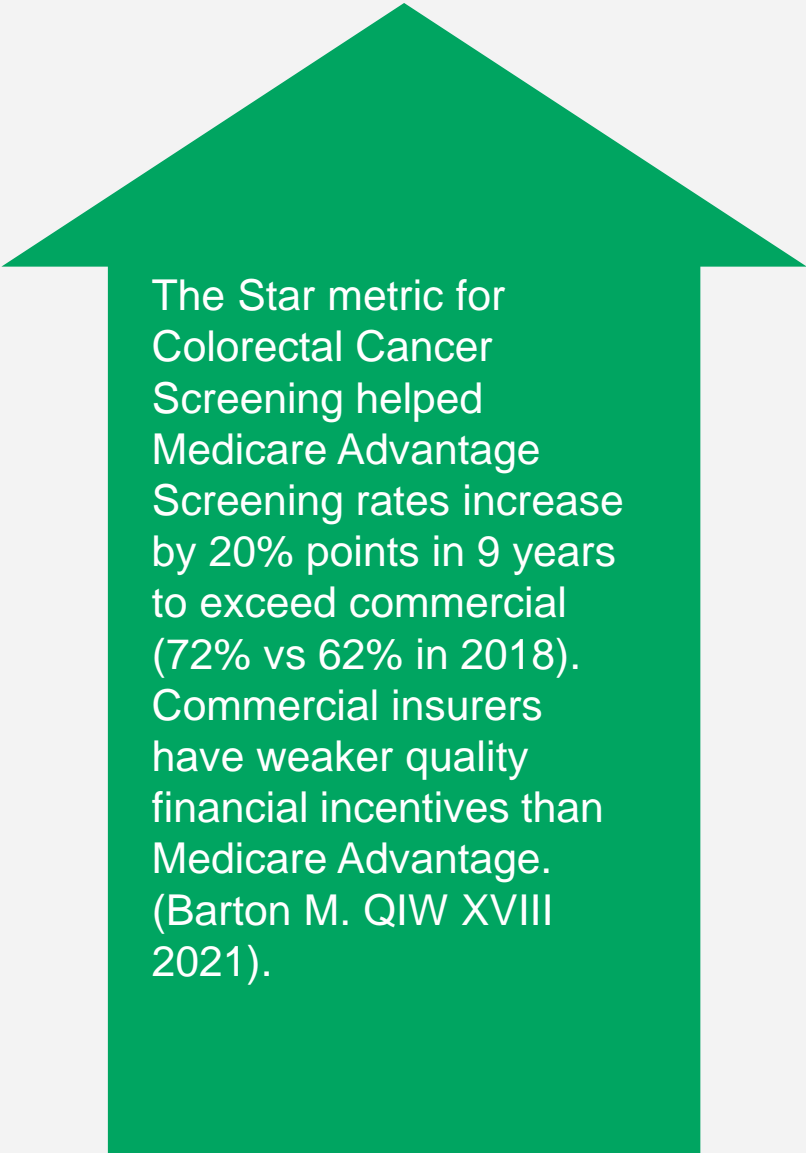
NOVEMBER 2023

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Conflicts

Pyenson is employed by Milliman, Inc., which consults to hundreds of healthcare and insurance organization. Pyenson consults to several MCED and bio-science companies. He has no ownership conflicts.

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Why Star metrics are so important

- Medicare Advantage has >50% of Medicare enrollees and growing (MedPAC, Rpt to Congress, Mar 2023)
  - Most new lung cancers occur in people who have Medicare coverage.
  - MA treatment patterns spill-over through providers
- Star metrics generate a lot of revenue for Medicare Advantage (MA)
  - CMS will pay an estimated **$12.8 billion** in 2023 (Biniek JF. KFF.org Aug 2023.)
- High star ratings are key to generating the revenue that lets MA plans offer extra benefits to attract members
- Star metrics are population-based
- Similar metrics are used for Accountable Care Plans (ACOs), commercial plans, Marketplace (eg, Exchange) plans, and Medicaid plans

The Star metric for Colorectal Cancer Screening helped Medicare Advantage Screening rates increase by 20% points in 9 years to exceed commercial (72% vs 62% in 2018). Commercial insurers have weaker quality financial incentives than Medicare Advantage. (Barton M. QIW XVIII 2021).

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Part C quality and performance measures (28)

Staying Healthy: Screening, Tests, and Vaccines

- Breast cancer screening
- Colorectal cancer screening
- Annual flu vaccine
- Monitoring physical activity

Member Complaints and Changes in the Health Plan's Performance

- Complaints about the health plan
- Members choosing to leave the plan
- Health plan quality improvement

Member Experience with Health Plan

- Getting needed care
- Getting appointments and care quickly
- Customer service
- Rating of health care quality
- Rating of health plan
- Care coordination

Health Plan Customer Service

- Plan makes timely decisions about appeals
- Reviewing appeals decisions
- Call center – foreign language interpreter and TTY availability

Managing Chronic (Long Term) Conditions

- Special Needs Plan (SNP) care management
- Care for older adults – medication review
- Care for older adults – pain assessment
- Osteoporosis management in women who had a fracture
- Diabetes care – eye exam
- Diabetes care – kidney disease monitoring
- Diabetes care – blood sugar controlled
- Controlling blood pressure
- Reducing the risk of falling
- Improving bladder control
- Medication reconciliation post-discharge
- Statin therapy for patients with cardiovascular disease

Source: 2023 Medicare Advantage and Part D Star Rating Technical Notes, available at: https://www.cms.gov/files/document/2023-star-ratings-technical-notes.pdf

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Star rating: MA plans care because there are huge dollars at stake

High Star ratings generate extra plan revenue and help plans grow enrollment

		Description	Star Rating					
			3.0 Star	New Plan	3.5 Star	4.0 Star	4.5 Star	5.0 Star
Revenue	Rebates	Earn enhanced Part C rebate	50%	65%	65%	65%	70%	70%
	Bonuses	Earn benchmark bonus	✗	3.5%	✗	5%	5%	5%
Operations	Enrollment	Ability to enroll members all year round under special enrollment periods	✗	✗	✗	✗	✗	✓
	Marketing	High performing icon on Medicare Plan Finder	✗	✗	✗	✗	✗	✓

Sources:
Medicare Plan Finder (MPF), https://www.medicare.gov/health-drug-plans/health-plans
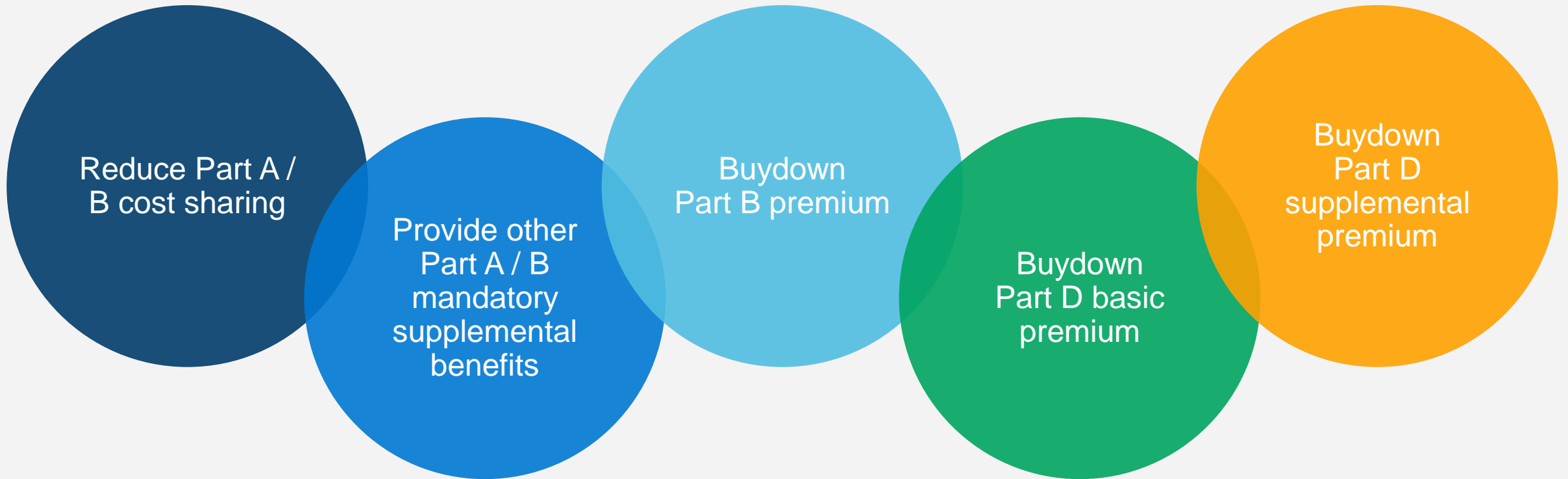https://www.milliman.com/-/media/milliman/importedfiles/uploadedfiles/insight/2017/medicare-advantage-star-ratings-best-practices.ashx#:~:text=When%20a%20plan%E2%80%99s%20bid%20amount%20is%20higher%20than,benchmark%20amounts%2C%20also%20known%20as%20an%20MA%20Rebate
https://www.medicare.gov/sign-upchange-plans/when-can-i-join-a-health-or-drug-plan/5-star-special-enrollment-period

Industry perspective: star ratings are key to economics of Part C revenue

How plans spend Part C rebate varies—and changes from year to year

The plan's Part C rebate comes from its bid < benchmark. The star rating determines the benchmark level and the portion of the bid < benchmark difference retained by the plan. The rebate can be used by the plan to enhance benefits to attract members

Reduce Part A / B cost sharing

Provide other Part A / B mandatory supplemental benefits

Buydown Part B premium

Buydown Part D basic premium

Buydown Part D supplemental premium

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Proposal: Claims-based yield metric for Lung Cancer Screening. A Population-based Metric that is immediately available.

Yield concept subject to testing for feasibility, stability, meaningfulness, etc.

$$\text{Yield (higher is better)} = \frac{\textit{Number of New Lung Cancers Detected thru Screening}}{\textit{Number of New Lung Cancers}}$$

The results that follow use,

- New lung cancers in 7/20-6/21 (incidence)
- Screening that happened within 6 month before incidence
- Screening eligible ages; exclude hospice / institutionalized; exclude people with other cancers
- Medicare enrollees

Note: More sophisticated exclusions/inclusions could be tested (eg, exclude people with frailty, dementia, etc.)

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Initial Yield Results for Medicare Advantage Plans (~30 million lives)

Data: 100% Research Identifiable File, Encounter Data, 2020-2021 (~25 million lives in sample)

Yield by Age			
Age	Incident LCs	Preceded by Screen	Yield
52-54	110	0	0.0%
55-59	1110	60	5.4%
60-64	2500	140	5.6%
65-69	8110	480	5.9%
70-74	11460	590	5.1%
75-77	7010	260	3.7%
Total	30300	1530	5.0%

5 of the top 20 Medicare Advantage Plans			
MA Plan	Incident LCs	Preceded by Screen	Yield
A	7460	410	5.5%
B	5790	270	4.7%
C	2860	150	5.2%
D	1490	80	5.4%
E	750	50	6.7%
Total above	18350	960	5.2%

Yield by Reason for Eligibility			
Eligibility	Incident LCs	Preceded by Screen	Yield
Dual	7990	370	4.6%
Aged/ non-dual	22150	1160	5.2%
ESRD	160	0	0.0%
Total	30300	1530	5.0%

Results are initial and subject to change.

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Initial Yield Results for Medicare Fee-for-Service (~30 million lives)

Data: 5% Sample, Claims Data, 2020-2021 (~1.3 million lives in sample)

Yield by Age			
Age	**Incident LCs**	**Preceded by Screen**	**Yield**
52-54	26	0	0.0%
55-59	103	8	7.8%
60-64	197	13	6.6%
65-69	804	72	9.0%
70-74	1171	66	5.6%
75-77	704	35	5.0%
Total	3005	194	6.5%

Yield by Reason for Eligibility			
Eligibility	**Incident LCs**	**Preceded by Screen**	**Yield**
Dual	547	45	8.2%
Aged/ non-dual	2425	149	6.1%
ESRD	33	0	0.0%
Total	3005	194	6.5%

Results are initial and subject to change.

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Advantages of claims-based YIELD metric for lung cancer

- Uses data and systems that are available now—fast testing and development!

- No need for interaction with EMR systems

- Closer to clinical outcomes (eg, lung cancer diagnosis) than process measures (eg, screening eligibility)

- Awards can use % year-to-year improvement and/or benchmark and/or tournament approaches

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Caveats and limitations

- Metric results reported are not yet finalized and are being distributed for discussion purposes at QIW XX.

- The content presented here is based on recently available information; Medicare revises and reforms its programs on a regular basis.

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Thank you

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