SNP Alliance Position Statement

Accounting for Social Determinants of Health in Medicare Advantage

September 24, 2014

Background

The primary vehicle the Centers for Medicare and Medicaid uses to provide Medicare beneficiaries with information about the quality of care provided by Medicare Advantage (MA) plans is to rate plans on a scale of 1 to 5 stars, with one star representing poor performance and 5 stars representing excellent performance. The scores are based on 53 performance measures that are derived from HEDIS, CAHPS, and HOS instruments, and from administrative data. In 2012, CMS began to provide bonus payments based on quality ratings. In September 2014, CMS announced that it would not terminate MA and PDP contracts for 2015 that do not achieve at least 3 stars on Part C or Part D for three consecutive years' performance. In addition, CMS issued a Request for information from MA organizations and other stakeholders asking for analyses that demonstrate that dual status or low-income subsidy status causes lower MA and Part D quality measure scores. The SNP Alliance is contributing to research that will be submitted to CMS.

Inovalon Study

In 2013, Inovalon undertook a large-scale analysis of member-level quality outcomes to evaluate performance gaps between dual and non-dual MA enrollees on CMS Star Quality Measures. After controlling for confounding factors such as age, sex, region, plan type, original reason for entitlement, condition severity scores, and CMS HCC risk scores, Inovalon found that dual eligible members performed worse on nine out of ten quality measures. They also found, in conducting an analysis of scores for individuals across plan types, that quality scores for duals were about ½ Star lower, and that plan performance was directly related to the percent of a plan's dual enrollment.

Bishop Study

In 2013, SB Health Policy conducted an extensive review of the literature on social determinants of health to determine the degree to which social factors affect health outcomes (such as quality and cost), and the degree to which these factors are accounted for in SNP payment and oversight, including Stars. A significant body of research exists showing that socioeconomic status (SES) factors, including income, education, and occupational status, are major determinants of health, as are a host of related factors, such as health literacy, and that these factors can dramatically affect health outcomes, costs and health status. It also found that key factors linked to SES affect how individuals use health care, independent of the effects of benefits and services provided. With reference to payment, it found that Medicare payment methods do not adequately account for social determinants known to independently affect health and costs, particularly as it relates to plans serving a high percentage of poor, high-risk/high-need enrollees.

National Quality Forum

While Stars has NO accounting for SES factors, NQF's preliminary report on SES notes "nearly all Expert Panel members conclude the current absence of adjustment for sociodemographic factors in certain performance measures can actually harm patients, and exacerbate disparities in care."

No Focus on Specialty Care

SNPs were not designed to be super MA plans but to provide superior care for certain subgroups. Unfortunately, the Star metrics exclude key factors in serving frail elders, adults with disabilities, and other special needs individuals; and there are NO Star metrics of primary importance in serving some SNP subgroups, such as HIV-AIDS. This precludes the ability of SNPs to be properly evaluated and rewarded for their specialty care mandate.

Recommendations

To account for the impact of low SES on Star ratings:

1. Provide financial relief to "SES-vulnerable" plans that specialize in care of populations with low-SES factors.
2. Risk-adjust and/or stratify MA Star measures consistent with NQF recommendations.
3. Develop new MA Star measures that specifically address factors related to low-SES that affect outcomes and plan ratings such as health literacy.
4. Establish cut points and benchmarks weighted in relation to a plan's target population.

To eliminate biases against specialty care, CMS should:

1. Modify STAR metrics for ratings and bonus payments to align with the characteristics of a SNP's enrollees.
2. For benchmarking SNPs and MMPs, more heavily weight measures that are of primary importance to their target groups.
3. Evaluate the validity and reliability of self-reported HOS and CAHPS-related measures by persons with intellectual, mental, and behavioral health conditions that compromise their self-report abilities.

750 9th Street, NW, Suite 600, Washington, DC 20001-4524 ▪ 202-624-1508 ▪ info@nhpg.org ▪ www.nhpg.org