

### White Paper

# Four Steps for Improving Star Ratings by Leveraging the "Force Multiplier" Effect

Improving and/or maintaining 4.0+ Medicare Advantage (MA) Star Ratings can be difficult, even for plans that accelerate their performance each year.

Rising cut points present continually harder challenges to MA plans that aim to reach or exceed 4.0 Stars, the point at which plans are able to maximize Quality Bonus Payment (QBP) distributions, enhance their member benefit plans and ultimately attract more enrollees<sup>1</sup>, resulting in greater revenues and a cycle of continual success.

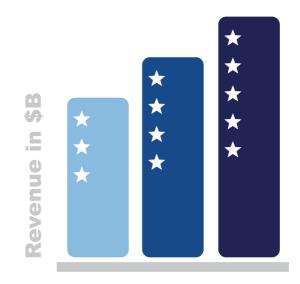
Among the 34% of measures with more ambitious cut points<sup>2</sup> in 2023 are some of the most critical medication adherence measures, including hypertension RAS (renin-angiotensin-system-acting agents) adherence, medication for cholesterol (statin) adherence, and medication for diabetes adherence.

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These critical measures have increasingly elevated cut points and are closely tied to success on many other measures that heavily influence overall Stars performance for plans, including CAHPS patient experience, drug plan quality improvement, and blood sugar and blood pressure control. What plans should be aware of is the "force multiplier" cascading effect these triple-weighted medication adherence measures have on related HEDIS and CAHPS measures.

As a result, improved medication adherence dramatically multiplies the chances of success for a Medicare Advantage (MA) health plan looking to secure the maximum number of Stars and unlock all the associated benefits.

In fact, medication adherence impacts approximately \$50 billion in revenue annually. To achieve their goals, forward-thinking plans must invest in proactive, comprehensive medication adherence intervention programs, particularly for the complex, high-risk members that typically struggle with managing their medications.



Star Ratings scores influence approximately **\$50 billion in revenue** for Medicare Advantage plans

### Solving the Equation of Success in the Star Ratings System

Access to QBP incentives is crucial for MA plans that hope to continually improve their benefits offerings and attract more members in their tightly competitive markets. Both QBP incentives and the ability to gain more members are tied directly to Star Ratings, making high performance a foundational imperative for success.

Plans with higher Stars earn higher QBPs and the ability to offer richer benefits. This, in turn, helps them attract more members to the plan, to improve overall plan profitability.

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Even just one Star makes a difference. Building off the findings of previous research published in JAMA<sup>3</sup>, a landmark Guidehouse study<sup>1</sup> found that plans earning just one additional Star can expect an enrollment bump between 8–12%. Further, plans that improve from a 3.0-Star to 4.0-Star Rating can increase plan revenues between 13.4–17.6 percent through increased QBP funds, improved benefits and increased enrollment revenue.

Consider an MA plan with 50,000 enrolled members. By moving from 3.0 to 4.0 stars, the plan would earn a combination of bonuses and rebates that would affect average annual revenue per member of an estimated \$12,000. Additionally, along with anticipated enrollment growth of 6,000 new members per year—a 12% increase based on the Guidehouse study assertions of increased enrollment—the plan could expect to see an estimated \$134 million in revenue growth, all stemming from higher performance on the all-important Star Ratings.

Diving deeper into recent performance data shows that plans performing poorly on medication adherence measures tend not to break into the upper ranks of the Stars system.

For example, 73.7% of plans averaging 3.0 Stars on medication adherence earn an aggregate Stars Rating of 3.5 or less. Meanwhile, 100% of plans earning 5 Stars on medication adherence earn an aggregate score of 4.5 or more.

100% of plans earning 5 Stars on Medication Adherence earn an aggregate score of 4.5 or more

### 2023 Medicare Advantage (MA) Star Ratings

Average Medication Adherence Stars\*

50% of these plans achieved an aggregate 2.5 Star Rating

86.6% of these plans achieved an aggregate 3.0 or less Star Rating

73.7% of these plans achieved an aggregate 3.5 or less Star Rating

88.8% of these plans achieved an aggregate 4.0 or more Star Rating

100% of these plans achieved an aggregate 4.5 or more Star Rating

Measures include: Medication Adherence (9 pts); CAHPS Patient Experience (32 pts): Drug Plan Quality Improvement (5 pts); Part C Intermediate Outcomes (4 pts).

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<sup>\*</sup>Adherence Stars are related to the average performance for the blend of the measures medication adherence impacts.

#### **Medication Adherence: The Force Multiplier Effect**

In and of itself, medication adherence has a direct impact on the 2023 Star Ratings, due to the three triple-weighted measures for hypertension (RAS antagonists), cholesterol (statins) and diabetes driving 9% of the overall Star Rating.

Adherence also has a transformative influence, permeating every Star Ratings framework layer. It therefore acts as a catalyst directly related to many other heavily weighted and influential components of the system, including:

- CAHPS Patient Experience (33% of overall Star Rating): Medication adherence improvement is a pathway to overall engagement improvement. Thus, the right tactics used in an adherence program, especially focused on the highest-risk cohort, inherently improve CAHPS patient experience measures.
- **Drug Plan Quality Improvement** (5.2% of overall Star Rating): The quality improvement factor comprises year-over-year measure momentum across Part D, heavily influenced by medication adherence and CAHPS measures.
- Part C Blood Sugar and Pressure Control Measures (4.2% of overall Star Rating):
   Diabetes blood sugar control and controlling blood pressure measure outcomes directly tie to medication adherence—after all, this control is the direct target of these prescriptions.
- Statin Use In Persons with Diabetes and Statin Use in Persons with Cardiovascular Disease (2.1% of Star Ratings): Statin compliance is the cornerstone of these conditionspecific measures. Getting overall statin utilization patterns on track directly influences these scores.

Reviewing the 2023 Star Ratings results (released in October 2022 for 2021 plan year results), medication adherence measure performance had a profound impact on the overall Star Rating. Per the summary below, the following perspectives clearly convey how impactful medication adherence measures are to the overall MA Star Rating.

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#### 2023 Medicare Advantage (MA) Star Ratings<sup>4</sup>

Aggregate Star Rating

Adherence Impact\*

	2.0	2.5	3.0	3.5	4.0	4.5	5.0	Total
5.0	0.0%	0.0%	0.0%	0.0%	0.0%	29.5%	70.5%	100%
4.0	0.0%	0.0%	1.1%	10.1%	48.6%	28.5%	11.7%	100%
3.0	0.0%	4.8%	22.8%	46.1%	25.7%	0.6%	0.0%	100%
2.0	3.0%	26.9%	59.7%	9.0%	0.0%	0.0%	1.5%	100%
1.0	0.0%	50.0%	0.0%	0.0%	25.0%	12.5%	12.5%	100%

<sup>\*</sup>Adherence Impact is the average performance for the blend of the measures medication adherence impacts.

Measures include: Medication Adherence (9 pts); CAHPS Patient Experience (32 pts); Drug Plan Quality Improvement (5 pts); Part C Intermediate Outcomes (4 pts)

Since medication adherence performance has such a significant impact on a plan's ability to earn Stars, it's more important than ever for plans to focus on demonstrating top performance on adherence-related measures and crack the code on helping members achieve and maintain their medication adherence goals.

### Four Steps for Improving Medication Adherence Among High-Risk Members



Medication adherence is a multifaceted problem that calls for a multifaceted solution. Plans that attempt a one-size-fits all approach with their members will find it challenging to drive meaningful adherence behavior in their chronically unengaged and nonadherent membership cohort. Consequently, specifically designed high-touch programs for this highest-risk cohort are essential.

Here are the top four components MA plans should consider when designing a comprehensive approach to Star Ratings to ensure a maximum number of members—including chronically nonadherent members—achieve adherence, thereby maximizing the force multiplier effect.



### Analytics technology to identify high-risk members

MA plans will need to start by building a foundation of digital insights about their members. Certain tell-tale characteristics—such as multiple chronic conditions, high service utilization, uneven prescription fill history and residence in a socioeconomically vulnerable ZIP code—can all help flag individuals likely to fall into the high-risk category.

These insights aren't always easy to develop, especially since they are drawn from disparate data sources that must be integrated, standardized, analyzed and returned to the workflow in a user-friendly manner.

Health plans that don't have the internal capabilities to bring data sources together and generate accurate, reliable, predictive information about the populations may wish to explore partnerships with companies that not only present meaningful insights, but also take action on the results.

Plans should be assessing higher-risk members year-round to deploy more customized adherence programs that support these unique SDOH needs. Further, at the end of each year, plans should assess all members most likely to finish the plan year with 84% PDC (proportion days covered) or less. These members should be prioritized for immediate outreach at the end of the plan year, for an effective 15-month engagement program to support the *next year's* adherence improvement.



### Intelligent clinical workflows for informed outreach and engagement

When conducting outreach to members at risk of nonadherence, staff members must have relevant and timely information at their fingertips to spark impactful conversations. Pairing robust analytics insights with intelligent, seamless clinical workflows helps ensure information generates action that supports health plan goals and member outcomes.

These workflows should include the member's available plan benefits, and community and social service programs, as well as a holistic set of all measures related to the member across CAHPS, PQA and HEDIS.

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Well-designed workflows should also be essential for completing critical tasks, such as conducting medication reconciliation, ensuring members are taking advantage of all health plan benefits, and synchronizing multiple medication refills to reduce access barriers.



### Motivational interviewing and personalized connections with members

Connecting with health plan members can be difficult, especially with high-risk, hard-to-reach individuals who may not wish to engage with the healthcare system. MA plans need to develop strategies to earn the trust of these people, get them to share their biggest challenges and provide personalized, real-world support to solve for their concerns.

Motivational interviewing that drives identification and collaborative resolution of SDOH (social determinants of health) barriers, and that is conducted by trained pharmacy and SDOH experts, is an extremely effective way to forge strong relationships with complex members experiencing clinical and socioeconomic stressors.

By focusing on a member's needs, personal goals and current self-care skillsets, motivational interviewers can offer tailored education, link members with local resources and empower members to overcome barriers to medication adherence. Once a member is comfortable with this new relationship, it becomes easier for clinical staff to build a structure of regular, predictable contact points and keep a member adherent with their medications throughout the year.

It is a good practice to leverage a vendor that specializes in personalized medication adherence engagement to complement the good work health plans and PBMs perform for lower-risk members. Further, with a good vendor management strategy, the plan can identify potential best practices to leverage for its own in-house engagement programs.



## A year-round focus on medication adherence with targeted surges

In order to remain competitive and perform well against ever-increasing Star Rating cut points, plans need to make medication adherence a year-round priority.

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Establishing a regular schedule of touch points with members is essential for continued engagement. Instead of working adherence only between April through December, implementing a 15-month rolling cycle of adherence programs can put you ahead of the curve to drive maximum adherence and Star Ratings performance.

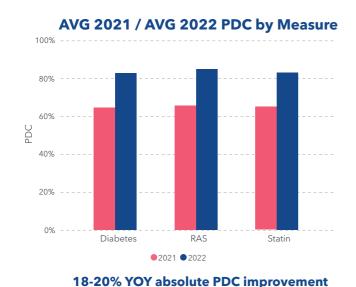
The cycle begins with a "Jumpstart" program in the final quarter of the year, focused on all members who will end the year guaranteed nonadherent (GNA). This jumpstart approach connects with historically nonadherent members to understand and resolve SDOH barriers and shift behaviors towards becoming adherent early in the following performance year.

From there, a preventive contact program runs from January through March of the performance year, focused on engaging high-risk members likely to fall into the nonadherent "denominator" later in the year. By proactively engaging your highest-risk members before April, you build adherence momentum, which can dramatically reduce nonadherent members as the second quarter begins and nonadherent denominators are established.

Leveraging the momentum created from October through March, a core adherence engagement (with a focus on understanding and resolving SDOH barriers) continues throughout the performance year to maximize adherence and Star Ratings.

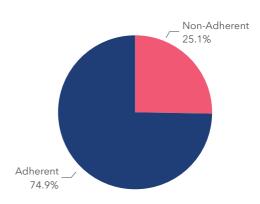
This holistic and proactive 15-month adherence approach, focused on the plan's highestrisk members, can be instrumental in becoming and remaining a high-performing MA plan.

The following case study highlights the positive impact a three-month Jumpstart program can have on an MA plan's annual adherence performance.



\*All patient measures in cohort ended the prior year at or below 84% PDC





75% adherent as of Q4 2022

Page 8 ©2023 AdhereHealth Between November of 2021 and February of 2022, AdhereHealth executed a plan to use analytics, outreach and personalized problem solving to sustain engagement in higher-risk patients and proactively remove common barriers to adherence.

As of Q4 2022, the Jumpstart program had markedly increased adherence rates compared to the previous year.

Absolute PDC improvement increased by between 14-15% compared to fourth quarter 2021, across three key medication adherence measures for hypertension and diabetes.

More than 75% of the targeted patient measures qualified as adherent as of the fourth quarter, driving a significant uptick in overall plan adherence.



#### In Conclusion

Achieving 4.0+ Star Ratings and creating a year-round medication adherence strategy is only going to get more important as competitors in the MA marketplace continue to innovate, and CMS keeps raising the bar on quality and member services.

With a coordinated year-round adherence strategic roadmap that includes robust technology, targeted outreach and methodical use of the calendar, MA plans can engage their highest-risk members and successfully reach their medication adherence benchmarks to reap the rewards of high performance on the Star Ratings scale.



**Learn How** 

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- 1. The Impact of Star Ratings on Rapidly Growing Medicare Advantage Market. (2018, February). Guidehouse. https://guidehouse.com/-/media/www/site/insights/healthcare/2018/medicare-advantage-analysis.pdf
- 2. Medicare 2023 Part C & D Star Ratings Technical Notes. (2015, December 15). Centers for Medicare & Medicaid Services. https://www.cms.gov/files/document/2023-star-ratings-technical-notes.pdf
- 3. Reid, R., Deb, Partha., Howell, B. (2013, January 16). Association Between Medicare Advantage Plan Star Ratings and Enrollment. Jama Network. https://jamanetwork.com/journals/jama/fullarticle/1557733
- 4. Measures include: Medication Adherence (9 pts); CAHPS Patient Experience (32 pts); Drug Plan Quality Improvement (5 pts); Part C Intermediate Outcomes (4 pts).]

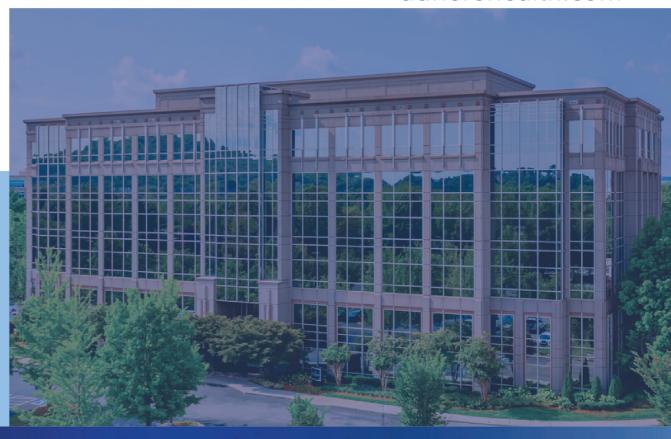
For each score of 1-5 on the vertical 'y' axis, the displayed percentages reflect the portion of plans who achieve a specific overall Star Rating of 1-5, which is reflected on the horizontal 'x' axis. For example, of the plans averaging 2 stars in the Adherence Impact measures, 59.7% achieved a 3-Star Rating overall. Conversely, plans that achieve fewer than 3 Stars on certain individual medication adherence measures are much less likely to crack the 4-Star threshold overall. Source: AdhereHealth 2022 data (MAPD contract distribution)

#### About AdhereHealth™

AdhereHealth is a technology solutions leader in medication adherence insights and healthcare outcomes. The Adhere Platform<sup>TM</sup> touches 30 million patients through its disruptive technologies, telepharmacy services and digital pharmacy. Our dedicated team is focused on our mission to address the challenge of half a trillion dollars of annual unnecessary medical costs due to medication adherence issues, representing 16% of U.S. healthcare spend.

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615-346-0880 | results@adherehealth.com

