

Understanding Star Ratings

One of the ACO's top goals for 2021 is achieving a 4-star quality rating on select clinical measures for its Medicare Advantage population. This is a new way for the ACO to assess quality improvement. So, what's the significance of star ratings?

Simply put, star ratings are the system that the Center for Medicare and Medicaid Services (CMS) uses to determine the relative quality of Medicare Advantage plans and incentivize quality improvement. Star ratings are released to the public and CMS encourages people who are shopping for Medicare Advantage (MA) plans to use them as selection criteria. In addition, CMS pins payment rates to star ratings - the more stars a plan has, the better it will be compensated. So, a high star rating leads to more people signing up for a plan and a greater per-beneficiary payment from CMS. Naturally, MA plans are motivated to increase their star ratings. Since those ratings are based, in part, on performance on clinical quality measures, a MA plans structures its contract with an ACO to reward high quality performance among the ACO's providers. That reward comes in the form of shared savings and pay-for-performance payments to practices.

CMS aggregates a dizzying array of information to determine star ratings. Research suggests, however, that quality performance driven by providers is the most influential factor. Provider-driven clinical quality data comes from well-known sources including HEDIS and CAHPS, along with information from the MA plans themselves. The measures that appear most commonly in the ACO's contracts with MA plans are similar to those that the ACO publishes in its monthly Quality Heat Map, emphasizing control of chronic conditions and clinical screenings. CMS weights individual quality measures by significance, with outcome measures weighted more heavily than process measures.

Practices and providers, you are well positioned to influence star ratings. Some suggestions:

- Keep doing what you're doing. MaineHealth ACO providers consistently perform well on many quality measures.
- If you're looking for areas to focus on, consider HbA1c and medication adherence measures for diabetes and hypertension. These are heavily weighted.
- Consider patient satisfaction. Performance on the CAHPS survey is influential.

For details about MA star ratings, download the [CMS star rating fact sheet](#). And to review research on star ratings' impact on patient outcomes, read [this recent study published in Health Affairs](#).