

Medicare Advantage 5-Star Rating System for California Physician Organizations

Since 2008, the Centers for Medicare & Medicaid Services (CMS) has publicly reported the performance of Medicare Advantage (MA) health plans on a variety of clinical quality, member experience and customer service measures through a 5-star rating system. Medicare star ratings are intended to help beneficiaries select higher-quality health plans and focus health plan quality improvement efforts. Building on the MA star rating system for health plans, the Integrated Healthcare Association (IHA) uses a subset of 13 clinical quality measures to award star ratings at the physician organization (PO) level in California. Measuring performance at the PO level allows IHA to combine data from participating MA health plans to identify performance variations that can help plans and POs target quality improvement efforts. IHA also uses the PO star ratings to report publicly on quality of care for Medicare beneficiaries selecting Medicare Advantage plans and to recognize high-performing physician organizations.

Background

Since 2001, IHA has worked with California health plans and physician organizations on statewide pay-for-performance (P4P) initiatives to improve care for Californians enrolled in commercial health maintenance organization (HMO) and point of service (POS) products. Today, IHA's Value Based P4P program for commercial HMO/POS products is one of the largest alternative payment models in the country, combining clinical quality, patient experience, cost and resource use measures into a single P4P incentive program across multiple health plans.

A complement to IHA's Value Based P4P program, the star rating system for physician organizations caring for Medicare Advantage beneficiaries was motivated by the 2010 Affordable Care Act, which authorized CMS in 2012 to start paying bonuses of up to 5 percent to MA plans based on their star ratings. In California, 29 MA plans cover about 2.2 million Medicare beneficiaries, with the overwhelming majority enrolled in HMOs. As a result, physician organizations typically contract with many MA plans and care for relatively small numbers of beneficiaries enrolled in each plan. The six health plans and 186 physician organizations participating in measurement year (MY) 2015 account for

more than 80 percent of total MA enrollment in California. The six participating MA plans are Anthem Blue Cross, Blue Shield of California, Health Net, Kaiser Permanente, SCAN Health Plan and UnitedHealthcare.

Aggregation Strengthens Quality Improvement Signal

Because of the fragmented nature of the California Medicare Advantage market, many MA plans lack sufficient enrollment to accurately measure PO performance and target quality improvement efforts. The IHA star rating system aggregates PO performance data across multiple MA plans, improving measurement reliability and validity and reducing burden for physician organizations by eliminating competing and conflicting health plan reporting requirements. Participating health plans and POs receive targeted performance information to guide improvements in patient care. In turn, improved PO performance can impact health plan eligibility for bonus payments. PO-level performance data also allow MA plans to identify and reward high-performing physician organizations.

Clinical Measures

MA plans report on up to 44 unique measures related to clinical quality, member experience and customer service under the larger CMS star rating system for health plans. IHA uses a subset of 13 clinical measures, representing all of the measures that are applicable to PO performance that do not require member survey or other non-electronic data. The PO-level measures range from breast and colorectal cancer screenings to eye exams and blood sugar control for patients with diabetes to managing osteoporosis in women with a previous fracture to appropriate medication management. Audited data for the clinical measures are collected from participating MA health plans and from self-reporting physician organizations. IHA follows the CMS methodology to calculate star ratings, both on individual measures and for the overall star rating. For example, particularly important measures, such as the rate of all-cause hospital readmissions, are triple-weighted (see Exhibit 1).

Public Reporting

To increase awareness and access to the ratings, IHA partners with the California Office of the Patient Advocate (OPA)

Exhibit 1: Alignment of Clinical Quality Measures Across Performance Measurement Systems

MA PO Star Rating Measure	Triple Weighted Measures	IHA Commercial Value Based P4P	CMS Merit-based Incentive Payment System (MIPS)
1. Adult BMI Assessment			
2. All-Cause Readmissions	X	X	Hospital all-cause readmissions
3. Breast Cancer Screening		X	X
4. Colorectal Cancer Screening		X	X
5. Diabetes Care: HbA1c Poor Control >9%	X	X	X
6. Diabetes Care: Kidney Disease Monitoring		X	X
7. Diabetes Care: Eye exam			X
8. Rheumatoid Arthritis Management			
9. High Risk Medication	X		X
10. Osteoporosis Management in Women Who Had a Fracture			X
11. Medication Adherence for Hypertension (RAS Antagonists)	X	X	
12. Medication Adherence for Cholesterol (Statins)	X	X	
13. Medication Adherence: Diabetes Medications	X	X	

to produce a public report card using the MA star rating system for physician organizations. PO star ratings based on MY 2015 performance data are available on the OPA website at www.opa.ca.gov.

Medicare Advantage Stars Public Recognition

Each year, IHA recognizes physician organizations earning 4.5- and 5-star ratings for the quality of care provided to their Medicare Advantage beneficiaries and physician organizations showing the most improvement on a year-to-year basis. In MY 2015, six POs attained [5-star ratings](#), and an additional 52 POs earned an overall rating of [4.5 stars](#). Additionally, IHA recognized [21 physician organizations](#) that improved their overall star rating from 2014 to 2015. Cumulatively, more than half of participating California POs (59%) achieved overall ratings of 4 stars or higher, while no POs received a rating of lower than 2 stars.

About IHA

Based in Oakland, Calif., the nonprofit Integrated Healthcare Association (IHA) convenes diverse stakeholders—including physicians, hospitals and health systems, purchasers and health plans—committed to high-value, integrated care that improves quality and affordability for patients across California and the nation.



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