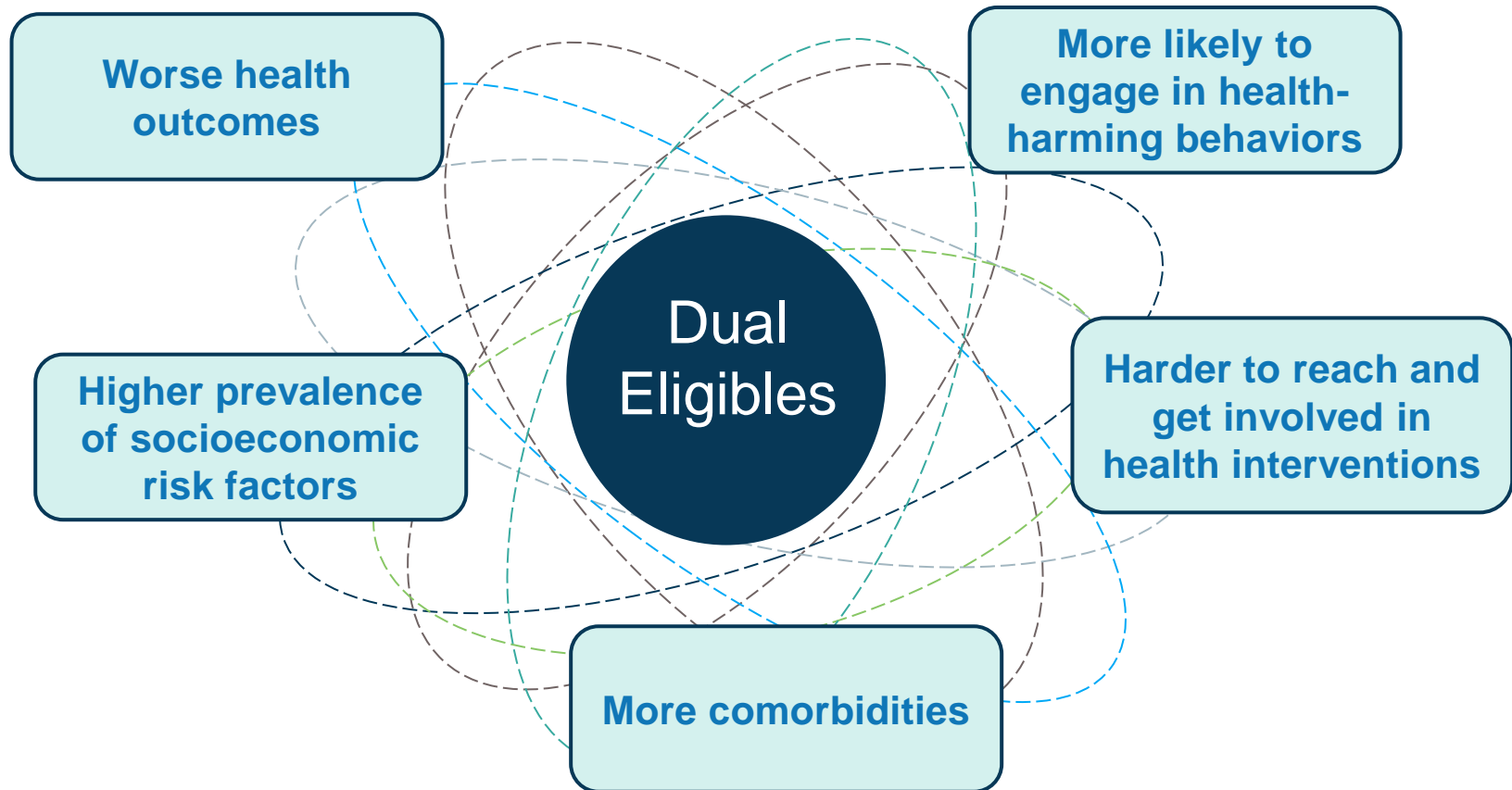




Risk Adjustment and Risk Assumption in Managing Duals in Medicare Advantage / Medicaid Provider Track: Mini Summit 13

Christie Teigland, PhD, Vice President Advanced Analytics
National Medicare Advantage Summit, Arlington, VA, April 5-7, 2017

Disadvantages Faced by Plans Serving a High Proportion of Duals and Low Income Beneficiaries



Source: Centers for Medicare & Medicaid Services. "Advance Notice of Methodological Changes for Calendar Year (CY) 2016 for Medicare Advantage (MA) Capitation Rates, Part C and Part D Payment Policies and 2016 Call Letter." February 20, 2015.

Available at: <http://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Advance2016.pdf>.



Dual-Eligible Beneficiaries Have Significantly Different Profiles

Sample MA Member Characteristics, 2014

Characteristic	Dual Eligible Members	Non-Dual Members
Disability as original reason for entitlement	46.3%	16.7%
Alcohol/drug/substance abuse	7.0%	2.3%
Anxiety	12.9%	9.7%
Bipolar/major depression	22.1%	11.8%
Dementia	19.4%	13.1%
7+ different medications prescribed during year	62.9%	41.2%
Live in poverty-stricken area (near neighborhood with median household income <\$20,000)	29.3%	8.5%

Summary of Characteristics Contributing to Observed Disparities in Star Outcomes

MA Member Characteristic	Star Measure						
	Rheumatoid Arthritis Mgmt.	Breast Cancer Screening	High Risk Meds	Medication Adherence			All Cause Readmission
				Hypertension	Diabetes	Cholesterol	
Alcohol/Drug/Substance Abuse	+	+	+	+	+	+	
Home Ownership	+	+		+	+	+	
Disability as Original Reason for Entitlement		+	+	+	+	+	
Living in Primary Care Shortage Area		+	—	+	+	+	+
Living Below Poverty Level				+	+	+	+
Male Gender	—		+	+		—	—
Age	—	—	—	+	+	+	
Race/Ethnicity		—	—	+	+	+	
Marital Status				+	+	+	

+ Increases disparity in rates
— Reduces disparity in rates



Distribution of MA Part C and Part D Contracts by Percent Dual Eligible Enrollment

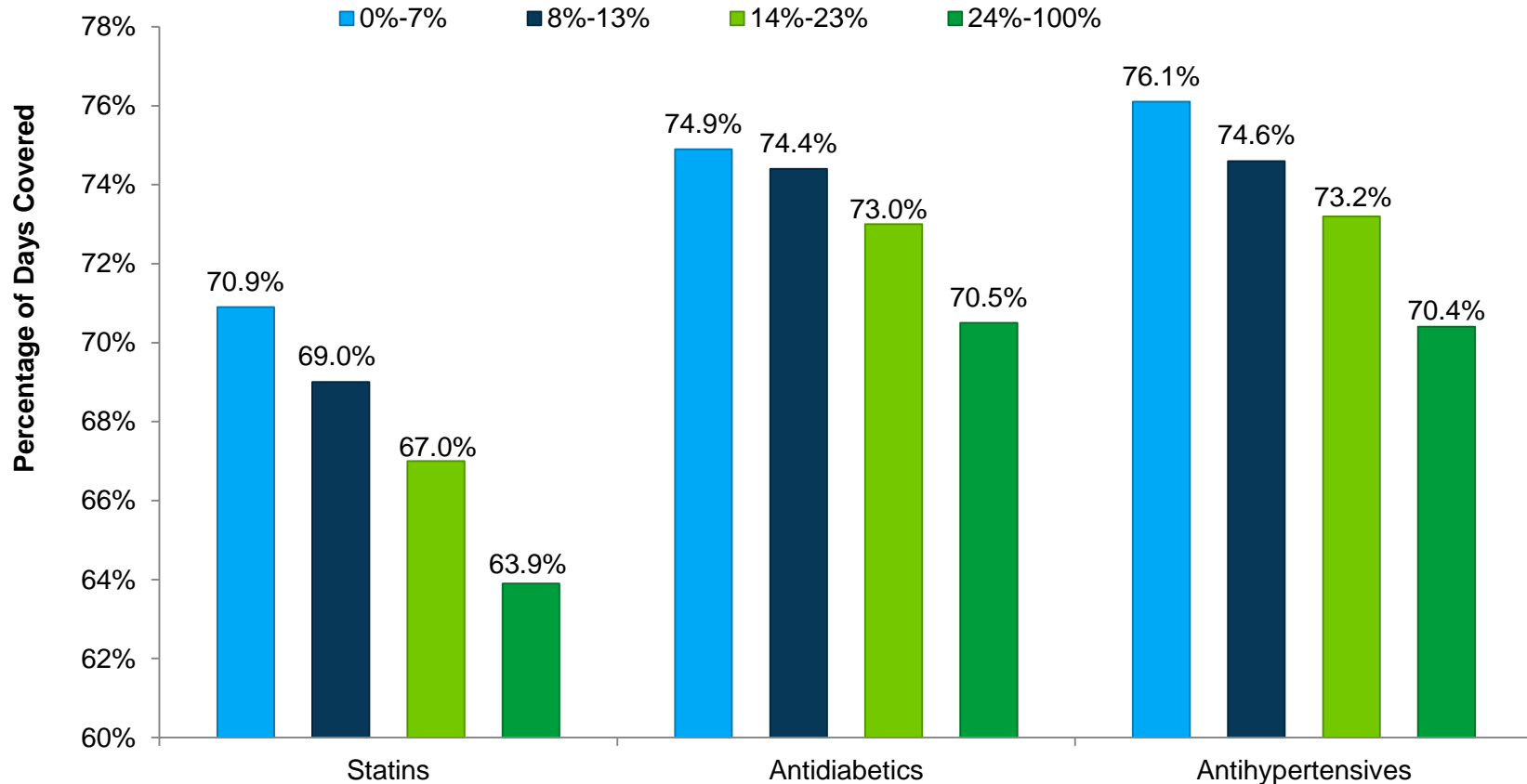
Contracts by Percent LIS/Dual* Enrollment: Distribution, Size, and Average Risk Scores (2014)							
Contract Percent Dual		0%	1-19%	20-49%	50-79%	80-99%	100%
Part C	# of Contracts (432)	6	251	78	40	47	10
	Average Enrollment	17,516	37,206	29,596	17,300	6,031	4,458
	Median Enrollment	6,102	15,834	12,885	8,735	3,469	2,574
	Average Risk Score	0.72	0.95	1.02	1.15	1.42	1.37

- Dual enrollment in contracts is highly skewed:
 - Nearly three-fourths of all contracts have fewer than 20% duals or non-duals.
 - Contract mean risk scores are directly associated with percent dual
(higher percent dual = higher risk scores of members)

*Only LIS status is publicly available and the CMS/RAND study used LIS/Dual interchangeably. About 93% of LIS are dual eligible; about 7% are LIS only, but considered similar to duals.

Do All “Between Plan” Differences Represent “True Differences” in Quality?

Example: Medication Adherence Rates by Percent of Members in Plan Living Below Poverty Level





Christie Teigland, PhD
Vice President,
Advanced Analytics
cteigland@inovalon.com