Wakely

V28 Risk Model Update

PRESENTED BY:

Brad Heywood, ASA, MAAA
Brad.Heywood@wakely.com

Stephen Gates, ASA, MAAA, MBA
Stephen.Gates@wakely.com

Model Calibration

	Current (v24) Model	Current (v28) Model
Number of HCCs	86	115
ICD Model Version used in Regression	ICD-9	ICD-10
Dx to HCC Mapping	v24	v28
Number of diagnosis codes that are eligible for risk adjustment	9,797	7,770
Data year for regression (diagnosis period/expenditure period)	2014/2015	2018/2019
Denominator Year	2015	2020

- **Model Calibration Data** – the current CMS-HCC model (v24) was calibrated using diagnoses from 2014 to predict 2015 expenditures. The updated model (v28) was calibrated using 2018 diagnoses to predict 2019 expenditures. Additionally, the updated risk score model was calibrated using ICD-10 diagnosis codes, whereas the current model used the ICD-9 diagnoses available at the time. The denominator year for the proposed model will be updated to 2020 (2019 diagnoses for a 2020 cohort of beneficiaries).
- **HCC Reclassification** – CMS made a number of alterations to the HCCs included in the updated risk score model. As part of this update, CMS modified the list of diagnosis codes that map to HCCs under the new model, including removal of a significant number of diagnosis codes that used to map to HCCs under the current model. The specific ICD-10 codes that were removed from being risk adjustable were, in part, based on CMS observing patterns of discretionary coding that resulted in differences between the MA and Medicare FFS population

Source: https://www.wakely.com/sites/default/files/files/content/proposed-ma-risk-adjustment-model-good-news-some-detrimental-others.pdf

Impact by Stratification

The following studies were done on Wakely clients

Risk Score Level	v28/v24
0.60 - 0.70	6.5%
0.70 - 0.80	3.4%
0.80 - 0.90	1.7%
0.90 – 1.00	0.4%
1.00 - 1.10	-2.0%
1.10 - 1.20	-4.1%
1.20 - 1.30	-9.4%
1.30 - 1.40	-6.8%
1.40 - 1.60	-13.0%
> 1.60	-9.9%

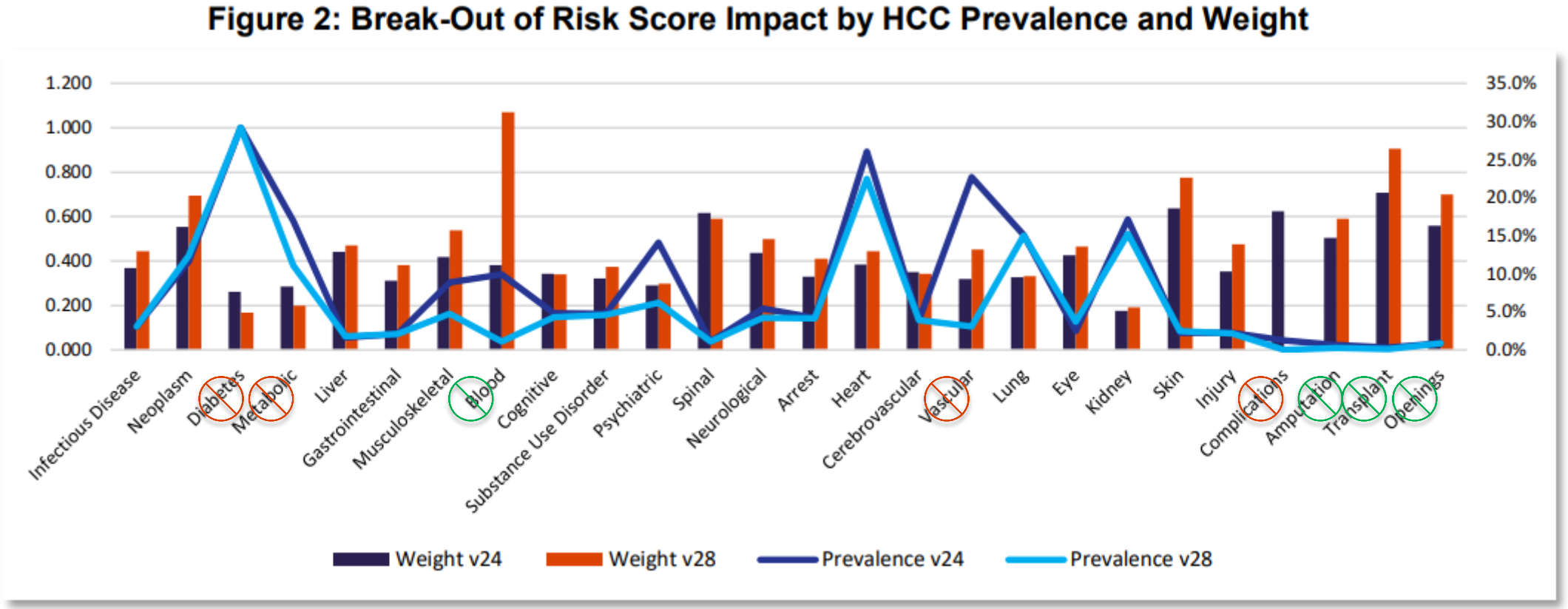
Statistic	v28/v24
25th Percentile	-2.0%
50th Percentile	-0.3%
75th Percentile	2.1%
Average	-3.7%

Model Segment	v28/v24
Full Dual Benefit Aged	-6.7%
Full Dual Benefit Disabled	-3.6%
Institutional	3.2%
C-SNP New Enrollee	4.3%
New Enrollee	16.0%
Non-Dual Benefit Aged	-4.0%
Non-Dual Benefit Disabled	-4.4%
Partial Dual Benefit Aged	-8.9%
Partial Dual Benefit Disabled	-5.8%
Overall Dual	-6.4%
Overall Non-Dual	-3.9%
Overall New Enrollee	15.9%
All	**-3.7%**

Source: https://www.wakely.com/sites/default/files/files/content/proposed-ma-risk-adjustment-model-good-news-some-detrimental-others.pdf

Prevalence and Weight

The following studies were done on Wakely clients



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ACO Considerations

MSSP:

- Starting in PY2024, model v28 is blended in 1/3 every year until PY2026 when fully included
- 2024 Physician Fee Schedule changed regulation to allow benchmark years to include same blending
  - Important to note that this only applies to renewals or new ACOs in PY2024
  - *This difference could have significant differences to your benchmark depending on how v28 impacts your ACO*

ACO REACH:

- Starting in PY2024, model v28 is blended in 1/3 every year until PY2026 when fully included
- Historical years (2017 – 2019) also going to incorporate blend
  - *Potential for benchmark reduction depending on v28 impact by year*

Transforming Healthcare
A Clarkson Company

02
25

Transforming Healthcare

Deep Dive Into Appropriate Diagnosis Coding Impact on Your Contracts
(Identify v24-v28 Impact)

- *Morgan Power- mpower@clarksonregional.com*

Who are Transforming Healthcare?

A Clarkson Regional Health Services Company

We

- *Provide insight and analytics to Think ACO*
- *Focus on Insight and actionable data*
- *Have Data and Analytic functions*
- *Have helped other ACOs in our Region*

Agenda

Deep Dive Into Appropriate Diagnosis Coding

Impact on Your Contracts

(Identify v24-v28 Impact)

- 3.12% reduction of Risk forecast
- Validate claims are intact and unchanged throughout process
- Be selective &succinct when presenting diagnoses
- Identify largest areas of impact

Change is Hard

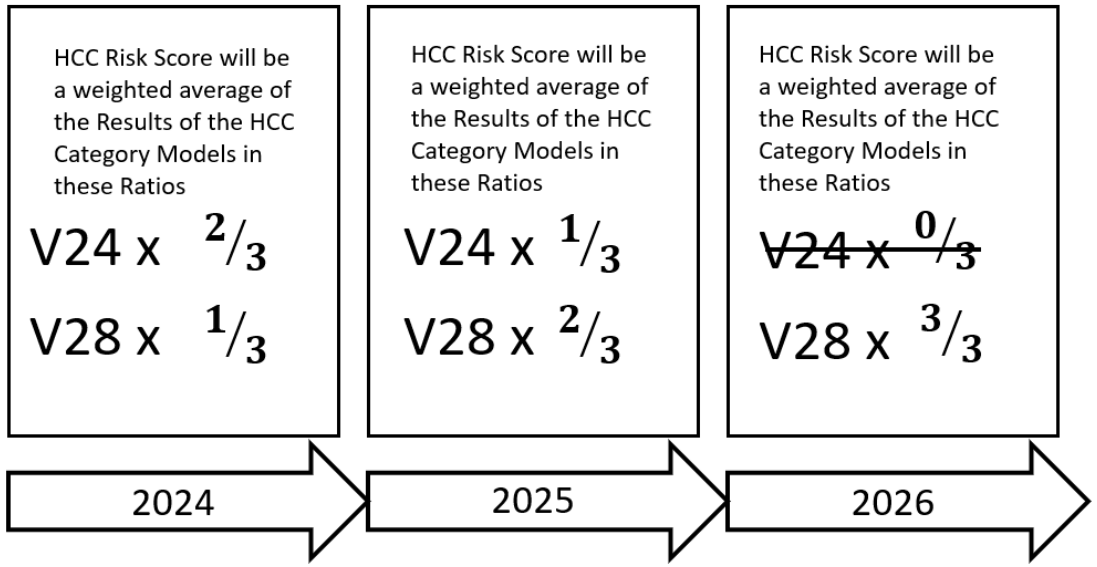
We are in the middle of the transition from V24 to V28

In the CMS fact sheet (3/31/23) on MA and Part D Rates

https://www.cms.gov/newsroom/fact-sheets/fact-sheet-2024-medicare-advantage-and-part-d-rate-announcement

CMS highlighted the Risk Model Revision and Normalization percentage change

A 3.12% reduction in risk was anticipated due to this risk model transition



Let's recap some of the basics

Validate Claims at every step in the process

Validate a sample of EHR claims through your billing system, clearing house and ACO claims data

- Check Diagnosis counts on a claim at every point
  - Confirm there are no caps / limits
- Confirm that Diagnoses are not being amended / removed at any point
  - e.g. change to "History of" when the patient was taking anastrazole or tamoxifen
- Ensure that complex ICD 10 Codes and linked and include the secondary codes.
  - e.g. type 2 diabetes with chronic kidney disease and hypertension - E11.22 – Complex code
  - Secondary codes - N18.2: Stage 2 CKD &I12.9: Hypertensive CKD with stage 1 through 4 CKD, or unspecified CKD

Be Selective

Providers are busy, make this easy for them. Surface one code per HCC Category, ,which remain to be billed in the Performance Year.

Show them the codes per HCC Category (which is already in the patients' chart) that they most often use.

Otherwise, you ask them to do everything at every encounter. They fall into a pattern and you never get to the 4,5 or 6th HCC.

Keep it Simple

Make providers lives simpler

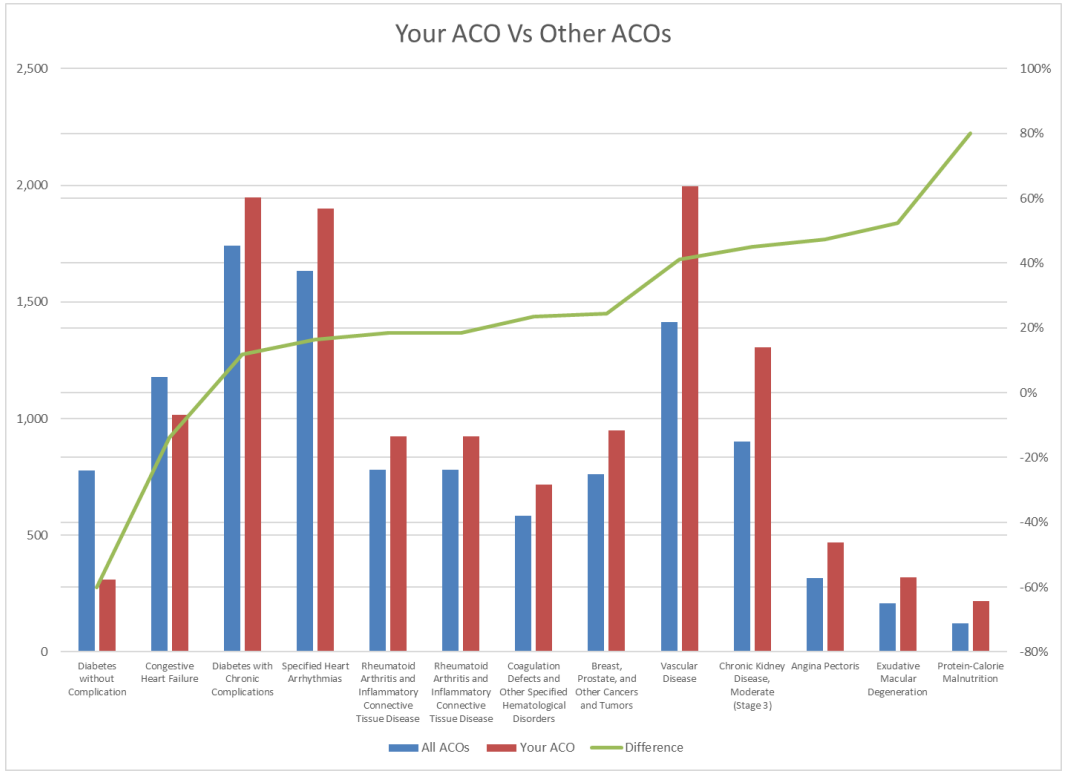
Description	Diagnosis	V24 Category	V28 Category	Billed this PY	Category already Billed this PY	Not HCC	Rmaining to be Billed	Present to Provider
DM with CKD	E11.22	18	37	Yes	Yes			
CKD III	N18.3	138	329	Yes	Yes			
Hypertensive CKD 1-4	I12.9							
Hypertension	I10							
DM Retinopathy,macular edema, bilateral	E11.3213	18	37		Yes			
Hyperlipidemia, unspecified	E78.5							
Peripheral vascular disease, unspecified	I73.9	108					Remaining	Yes
Heart disease, unspecified	I51.9							

Use the ASR Table 2-6

To identify the areas of largest impact / potential

Assigned Beneficiaries, Total
Assigned Beneficiaries Without CMS-HCC Data[1]
Assigned Beneficiaries With CMS-HCC Data (sample for this table)[2]

		ACO-Specific Assigned Beneficiaries		All MSSP ACOs[3]
CMS-HCC[4]	**CMS-HCC Label**	**Beneficiaries[5]**	**Rate per 10,000**	**Rate per 10,000**
--	No HCCs			2,703
HCC1	HIV/AIDS			11
HCC10	Lymphoma and Other Cancers			168
HCC100	Ischemic or Unspecified Stroke			271
HCC103	Hemiplegia/Hemiparesis			108
HCC104	Monoplegia, Other Paralytic Syndromes			16
HCC106	Atherosclerosis of the Extremities with Ulceration or Gangrene			36
HCC107	Vascular Disease with Complications			200
HCC108	Vascular Disease			1,414
HCC11	Colorectal, Bladder, and Other Cancers			218
HCC110	Cystic Fibrosis			1



Start you education with the big volume of patients, and big differences from the All MSSP numbers

Use the ASR Table 2-6

To identify the areas of largest impact / potential

Diabetes without Complication

In V24 HCC 19

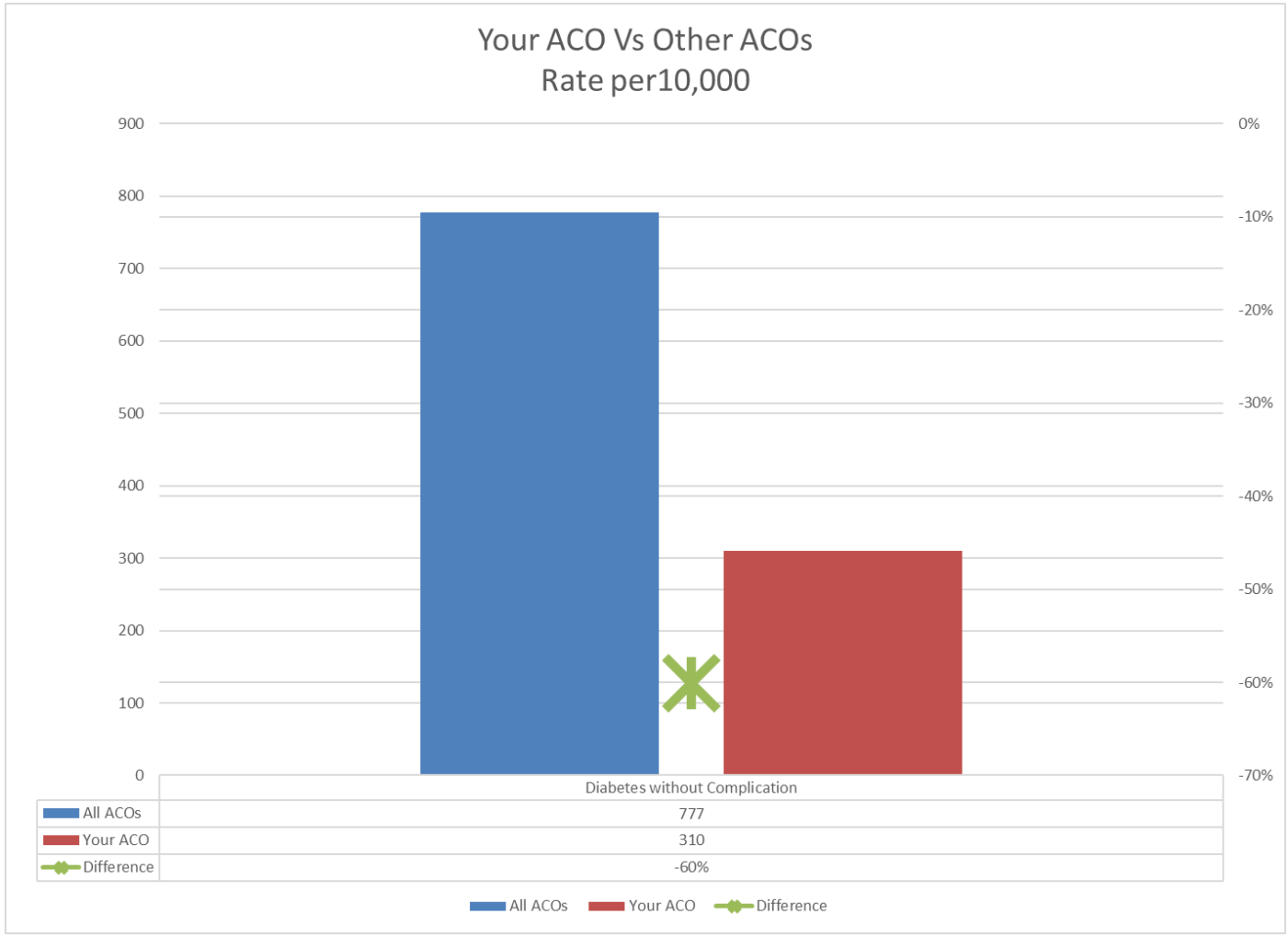
In V28 HCC 38

Diabetes with Glycemic,

Unspecified, or No Complications

The codes in the categories may have changed.

But the individual ICD10 codes have not changed, they are still in the chart.



Questions ?