

Mandated report: Impact of changes in the 21st Century Cures Act to risk adjustment for Medicare Advantage enrollees

ISSUE: The 21st Century Cures Act directs CMS to implement several changes to the model that it uses to risk adjustment capitated payments to MA plans. The 21st Century Cures Act also directs MedPAC to evaluate the effects of these changes.

KEY POINTS: In response to the requirements in the 21st Century Cures Act, we have evaluated the mandated changes to the CMS–HCC model, focusing on the impact on payment accuracy for beneficiary populations defined by indicators of health status such as medical conditions, number of conditions, and level of Medicare spending. We will present these results at the upcoming meeting.

ACTION: The Commissioners should discuss the material and provide guidance for completing this report.