

DEPARTMENT OF HEALTH & HUMAN
SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR MEDICARE

DATE: January 31, 2024

TO: Medicare Advantage Part D plans, 1876 Cost Plans, Prescription Drug Plans, and PACE organizations

FROM: Jennifer R. Shapiro, Director, Medicare Plan Payment Group

SUBJECT: Part D Risk Scores for the RxHCC Risk Adjustment Models Discussed in the 2025 Advance Notice

On January 31, 2024, CMS published the Advance Notice of Methodological Changes for Calendar Year (CY) 2025 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies, in which we propose updated RxHCC risk adjustment models. This memo is to inform Part D sponsors that CMS has posted Part D plan-level risk scores on HPMS. These risk scores are calculated with the RxHCC models discussed in the 2025 Advance Notice. Risk scores and accompanying technical notes can be found in the Risk Adjustment module of HPMS under the heading “Proposed Risk Scores.” Select “Proposed PY 2025 Part D Model Risk Scores” from the drop-down menu and enter a Contract ID to access information related to a specific contract number.

All risk scores posted today on HPMS are PY 2022 risk scores, calculated with diagnoses submitted for 2021 dates of service.

- ***Non-PACE Organizations.*** The Part D risk scores provided were calculated using the risk adjustment model currently in place for PY 2024 (i.e., the 2023 RxHCC model), as well as the proposed and alternate RxHCC models described in the CY 2025 Advance Notice. Risk scores calculated with these models use diagnoses from encounter data and FFS claims filtered with the HCPCS-based filtering logic.
- ***PACE Organizations.*** The Part D risk scores provided were calculated using the risk adjustment model currently in place for PY 2024 (i.e., the 2020 RxHCC model), as well as the proposed RxHCC model described in the CY 2025 Advance Notice. Risk scores calculated with these models use diagnoses from RAPS, encounter data, and FFS claims filtered with the specialty-based filtering logic.

Technical questions related to the Part D risk scores posted on HPMS should be sent to riskadjustmentpolicy@cms.hhs.gov and specify “2025 Advance Notice Part D Risk Scores” in the subject line.

To submit electronic comments on proposals in the CY 2025 Advance Notice, go to www.regulations.gov, enter the docket number “CMS-2024-0006” in the “Search” field, and follow the instructions for “submitting a comment.”