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NCQA 2021 Health Plan Ratings Methodology

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NCQA 2021 Health Plan Ratings Methodology

Summary of Changes

July 30, 2021

- Revised the language in the *Special Overall Rating policy* section to clarify that the NCQA will use the better of the Overall Rating score between HPR 2019 and HPR 2021, for plans with a current Accredited, Provisional and Interim status, and that Medicare HPR will use 2019 CAHPS and HOS data (MY 2018).
- Added a new *Inverted rates* section and text.
- In the *No data reported* section, replaced the references to "In-Process" or "Scheduled" for Accreditation Survey with "Accredited," "Interim" or "Provisional."

December 18, 2020

- Revised the language in the *Special Overall Rating policy* section to clarify that the individual measure, composite and subcomposite rates will be scored and displayed based on measurement year (MY) 2020 data for all plans.
- Added "Merger Review in Process" and "Appealed by Plan" statuses in the *Accreditation Status and Status Modifiers* section.
- Added the *HEDIS Reporting for Accreditation* section to account for general rules and special circumstances in reporting HEDIS measures that are required for Accredited plans.

Note: *This section was previously included in HEDIS* Volume 2: Technical Specifications for Health Plans.

How Are Plans Rated?

Health plans are rated in three categories: private/commercial plans in which people enroll through work or on their own; plans that serve Medicare[1] beneficiaries in the Medicare Advantage program (not supplemental plans); and plans that serve Medicaid beneficiaries.

NCQA ratings are based on three types of quality measures: measures of clinical quality from NCQA's Healthcare Effectiveness Data and Information Set (HEDIS®[2]) and Health Outcome Survey (HOS); measures of patient experience using the Consumer Assessment of Healthcare Providers and Systems (CAHPS®[3]); and results from NCQA's review of a health plan's health quality processes (NCQA Accreditation). NCQA rates health plans that choose to report measures publicly.

Note: *If an Accredited plan that is not yet required to report HEDIS/CAHPS data for Accreditation chooses to publicly report its performance data, it is scored on the data submitted and receives the Accreditation bonus points. If an Accredited plan that is not yet required to report HEDIS/CAHPS data chooses not to publicly report performance data, it will not have a rating.*

Overall Rating

The overall rating is the weighted average of a plan's HEDIS and CAHPS measure ratings, plus Accreditation bonus points (if the plan is Accredited by NCQA), rounded to the nearest half point displayed as stars (see below for rounding rules).

The overall rating is based on performance on dozens of measures of care and is calculated on a 0–5 scale in half points (5 is highest). Performance includes three subcategories (also scored 0–5 in half points):

[1]Medicare ratings on approval from the Centers for Medicare & Medicaid Services (CMS).
[2]HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).
[3]CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).

1. **Patient Experience:** Patient-reported experience of care, including experience with doctors, services and customer service (measures in the Patient Experience category).
2. **Rates for Clinical Measures:** The proportion of eligible members who received preventive services (prevention measures) and the proportion of eligible members who received recommended care for certain conditions (treatment measures).
3. **NCQA Health Plan Accreditation:** For a plan with an Accredited or Provisional status, 0.5 bonus points are added to the overall rating before rounded to the nearest half point and displayed as stars. A plan with an Interim status receives 0.15 bonus points added to the overall rating before rounded to the nearest half point and displayed as stars.

Special Overall Rating policy

In response to COVID-19's impact to health plans, NCQA will implement a special Overall Rating Policy for NCQA-Accredited plans. Ratings 2021 will display the *better of the Overall Rating score* between HPR 2019 and HPR 2021, for plans with Accredited, Provisional and Interim status as of June 30, 2021. Individual measures, subcomposites and composites will continue to be scored and displayed using HPR 2021 performance (i.e., MY 2020 data) for all plans. Medicare HPR will use 2019 CAHPS and HOS data (MY 2018).

Rounding rules

The overall rating is calculated and truncated to 3 decimal places and round according to the rules below.

Rounding Rules	
0.000–0.249 → 0.0	2.750–3.249 → 3.0
0.250–0.749 → 0.5	3.250–3.749 →3.5
0.750–1.249 → 1.0	3.750–4.249 → 4.0
1.250–1.749 → 1.5	4.250–4.749 → 4.5
1.750–2.249 → 2.0	≥4.750 → 5.0
2.250–2.749 → 2.5	

Measures included

All publicly reportable clinical and patient experience measures are eligible for inclusion. Selected measures have good differentiating properties, up-to-date evidence and high population impact.

Refer to https://www.ncqa.org/hedis/reports-and-research/ for a full list of measures and weights.

The following Risk-Adjusted Utilization measures are required to be reported for Accredited plans but were removed for HPR 2021 scoring due to concerns about appropriate risk-adjusted predictions for expected rates in measurement year 2020:

- PCR—Plan All-Cause Readmissions *(commercial, Medicare)*
- EDU—Emergency Department Utilization *(commercial, Medicare)*
- AHU—Acute Hospital Utilization *(commercial, Medicare)*
- HPC—Hospitalization for Potentially Preventable Complications *(Medicare)*

HEDIS compliance audit results

NCQA Certified HEDIS Compliance Auditors must audit HEDIS results submitted by the organization. HEDIS Compliance Audits result in audited rates or calculations at the measure level and indicate if the measures can be publicly reported. All measures selected for public reporting must have a final, audited result. The auditor approves the rate or report status of each measure and survey included in the audit, as shown below.

Audit results for HEDIS measures

- *Reportable (R).* A reportable rate was submitted for the measure.
- *Small Denominator (NA).* The organization followed the specifications, but the denominator was too small (e.g., <30 for Effectiveness of Care measures) to report a valid rate.
- *No Benefit (NB).* The organization did not offer the health benefit required by the measure (e.g., mental health, chemical dependency).
- *Not Reported (NR).* The organization chose not to report the measure.
- *Biased Rate (BR).* The calculated rate was materially biased.
- *Not Required (NQ).* The organization was not required to report the measure.

Audit results for survey frames

- *Supports Reporting.* The survey sample frame was reviewed and approved.
- *Not Reportable.* The survey sample frame was incomplete or materially biased.

Handling missing values

Measures that are not reported (NR), not required (NQ) or have biased rates (BR) are given a rating of "0."

Measures with missing values because of small denominators (NA), or because the plan did not offer the benefit (NB), are not used in the plan's composite or overall rating. A plan must have scorable rates (a valid performance rate, NR, NQ, BR) for at least half of all measures by weight to receive an overall rating.

Note: *Plans seeking Accreditation may not report NQ for performance measures included in the ratings methodology.*

Measure weights

- Process measures (such as screenings) are given a weight of 1.
- Outcome and intermediate outcome measures (e.g., HbA1c or blood pressure control and childhood immunizations) are given a weight of 3.
- Patient experience measures are given a weight of 1.5.

Note: *New measures used for scoring are assigned a measure weight of 1.0 and then reassessed to determine their weight going into the second year.*

Accreditation status and status modifiers

A plan's Accreditation status is determined as of June 30. If a plan has an NCQA status modifier (e.g., Under Review, Under Corrective Action, Merger Review in Process, Appealed by Plan) as of June 30, it will be appended to the Accreditation status.

Table 1. NCQA Accreditation Bonus Points

Accreditation Achieved	Accreditation Bonus Points
Accredited or Provisional	0.5
Interim	0.15
In Process	0
Scheduled	0
None	0

Final Plan Rating

Measure and composite ratings

NCQA combines and sorts measures into categories according to conceptually related services. Ratings are displayed at the composite, subcomposite and individual measure level.

A composite or subcomposite rating is the weighted average of a plan's HEDIS and CAHPS measure ratings in those categories. The weight of any NR, NQ and BR measure is included. NCQA uses the following formula to score composites and subcomposites:

(Sub) Composite Rating = ∑ (measure rating * measure weight) / ∑ weights

Deriving ratings from individual results and national benchmarks and percentiles

The National All Lines of Business 10th, 33.33rd, 66.67th and 90th measure benchmarks and percentiles are used for ratings, calculated as whole numbers on a 1–5 scale. HPR truncates final raw rates and percentiles to 3 decimals and then assigns the measure rating that the plans receive for each measure as follows:

	Rating
A plan that is in the top decile of plans	**5**
A plan that is in the top 3rd of plans but not in the top 10th	**4**
A plan in the middle 3rd of all plans	**3**
A plan that is in the bottom 3rd of plans but not in the bottom 10%	**2**
A plan that is in the bottom 10% of plans	**1**

Note: *Due to COVID-19's unknown impact on plan performance, HPR 2021 will use data from the current reporting year to calculate the national benchmarks and percentiles.*

Inverted rates

For HPR, NCQA inverts all final rates and percentiles where a lower value represents better performance to a higher value represents better performance scale in the HPR scoresheets and then truncates to 3 decimals. For example, a raw rate of .2325 would display as .767 (1 – .2325 = .7675, truncated at 3 decimals).

Accessing the benchmarks and percentiles

During the Projected Ratings sign-off process in early August, all eligible plans (i.e., all non-Partial Data Reported and No Data Reported) will be provided an Excel workbook(s) that displays all scoring information, including the benchmarks and percentiles used to help plans better confirm the accuracy of their score.

NCQA Primary HEDIS and Accreditation contacts will have access to the Excel workbook(s). Access has been limited for all other customers to ensure that the benchmarks and percentiles are used solely for their intended purpose (to estimate an organization's performance for ratings) and not for general benchmarking or commercial purposes.

How Are Plans Displayed?

What plans are rated or receive scores?

Plans with complete data (both HEDIS and CAHPS) that have elected to publicly report data are rated; plans with partial or no data, or that do not publicly report, are listed but not rated.

Plans with partial data

Plans with partial data do not receive a rating, but NCQA lists them in the ratings and shows their scores on the measures they report. A plan is considered to have partial data if it:

- Submits HEDIS and CAHPS measure data for public reporting, but has "missing values" NA or NB in more than 50% of the weight of measures used in the methodology. Plans that fall into this category receive an overall rating status of "Partial Data Reported" and their measure rates are displayed as "NC" (No Credit). Refer to *HEDIS Volume 2: Technical Specifications* for information about missing values.
- Submits HEDIS data for public reporting but does not submit CAHPS data, or vice versa. Plans that fall into this category receive an overall rating status of "Partial Data Reported" and their measure rates for the dataset they did not submit are displayed as "NC."
- Earned NCQA Accreditation without HEDIS data (Health Plan Accreditation standards only) and did not submit HEDIS or CAHPS data for public reporting. Plans that fall into this category receive an overall rating status of "Partial Data Reported" and their measure rates are displayed as "NC."

No data reported

Plans that submit results but do not report data publicly, or that do not report HEDIS or CAHPS information and are not "Accredited," "Interim" or "Provisional" receive a rating status of "No Data Reported" and their measure rates are displayed as "NC." Plans that fall into this category **and** have fewer than 15,000 members are omitted—they are not rated and are not listed in displays related to ratings.

Additional Rules

Medicaid CAHPS and benchmarks

Medicaid plans may choose the version of the CAHPS survey (or "component") they want scored: Adult CAHPS, Child CAHPS or Child With Chronic Conditions CAHPS (Child CCC).[4]

Plans designate the CAHPS component when completing the Healthcare Organization Questionnaire (HOQ). Designations may not be changed and are benchmarked by component selected:

- Adult CAHPS benchmarks are based on adult rates only.
- Child and Child CCC CAHPS benchmarks are based on the combined general population rates for both components.

Medicare CAHPS and Health Outcomes Survey

Using Medicare CAHPS and Health Outcomes Survey (HOS) data in the ratings depends on yearly approval from the Centers for Medicare & Medicaid Services (CMS). Because the submission schedule for Medicare CAHPS and HOS measures differs from the HEDIS submission schedule, NCQA is using Measurement Year (MY) 2018 data. For Medicare plans that were not required to submit CAHPS or HOS in the previous year, these measures are displayed as "NA" (Not Applicable).

[4]CAHPS components are described in more detail in *HEDIS Volume 3: Specifications for Survey Measures.*

1876 cost plans As of 2017, CMS no longer allows 1876 cost plans to submit data on measures that require inpatient data; therefore, submit "NQ" for these measures. "NQ" will be treated the same as "NA" and "NB," and will not count against a Medicare plan's Partial Data rule.

Other display scenarios To simplify the ratings display logic, NCQA developed the following display rules.

APPLY FIRST	
Rate/Scenario	**Display**
Plan submits NR (Not Reported) for a measure indicator	NC (No Credit)
Plan submits BR (Biased Rate) for a measure indicator	NC (No Credit)
Plan submits NQ (Not Required) for a measure indicator	NC (No Credit)
Plan submits NA (Not Applicable) for a measure indicator	NA (Not Applicable)
Plan submits NB (No Benefit) for a measure indicator	NA (Not Applicable)
For Medicare, if "CAHPS Submitted = False" and "CAHPS Required = True"	Display as NC, overall Rating=Partial Data Reported
For Medicare, if "CAHPS Submitted = False" and "CAHPS Required = FALSE"	Display as NA, overall Rating=Partial Data Reported

APPLY SECOND	
Rate/Scenario	**Display**
Plan is Accredited on HEDIS/CAHPS and did not elect to public report results on the IDSS Attestation. These plans will be rated assuming they submitted scorable data for more than 50% of measure weights.	*Plans that are NCQA Accredited with HEDIS and marked their submission "Not Publicly Reported"* on the Attestation are eligible for ratings. All measures are used to calculate their overall rating and scores for all measures are displayed.
Plan is Accredited on Standards only but submits HEDIS/ CAHPS and did not elect to public report results on the IDSS Attestation. Plans will have an overall rating score of Partial Data Reported.	NC (No Credit) for all measures.
Plan is Accredited on Standards only and did not submit any data or submitted either HEDIS or CAHPS only. Plans will have an overall rating score of Partial Data Reported.	NC (No Credit) for all measures the plan did not submit, except Medicare, which should follow the Medicare CAHPS rules above.
Plan is not Accredited and submitted either HEDIS or CAHPS only and said Yes to public reporting on the IDSS Attestation. Plans will have an overall rating score of Partial Data Reported.	NC (No Credit) for all measures the plan did not submit, except for Medicare, which should follow the Medicare CAHPS rules above.

Rate/Scenario	Display

Plan is not Accredited or is "In-Process" or "Scheduled" for Accreditation Survey and did not submit any data.	NC (No Credit) for all measures.
Plan is not Accredited or is "In-Process" or "Scheduled" for Accreditation Survey and submitted data but did not elect to public report results on the IDSS Attestation. Plans will have an overall rating score of No Data Reported.	NC (No Credit) for all measures.

HPR 2021 COVID-19 Special Overall Rating Policy	
Rate/Scenario	**Display**
Plan has current Accreditation as of June 30, 2021.	Display the higher overall rating score between HPR 2021 and HPR 2019. If the plan did not exist or was not numerically rated in 2019, display the HPR 2021 overall rating score. For all plans, display the HPR 2021 measure, subcomposite and composite scores.

Special Needs Plans

Special Needs Plans (SNP) with all members categorized as "special needs members" according to CMS, are flagged in the rating displays.

Schedule, Advertising and Publicity Guidelines and Seals

Find the 2021 ratings schedule as well as the Advertising and Publicity Guidelines and Advertising and Publicity Seals at https://www.ncqa.org/hedis/reports-and-research/.

Results

HPR results will be posted on the NCQA Health Plan Report Card in September 2021.

Measure Lists

Find a list of measures required for Health Plan Accreditation reporting and included in Health Plan Ratings at https://www.ncqa.org/hedis/reports-and-research/.

HEDIS Reporting for Accreditation

The following applies to organizations submitting HEDIS and CAHPS survey results for Interim, First or Renewal Surveys.

Reporting by product and product line

The organization reports HEDIS/CAHPS survey results:

- Separately for HMO, POS, PPO and EPO products, as applicable, ***or***
- Combined for HMO and POS products or PPO and EPO, as applicable, ***or***
- Combined for HMO and PPO, EPO or POS and PPO or EPO, as applicable, if 80% of the organization's members are in a single practitioner and provider network and the organization submits a written request for approval to PCS via My NCQA (https://my.ncqa.org).

The organization must collect and report HEDIS and CAHPS results separately, by product line, for the covered populations. Audited HEDIS results must reflect the exact product line/product combination for which the organization seeks Accreditation and must include all members covered by the product line/product (e.g., insured and self-insured), unless noted otherwise in the HEDIS specifications.

NCQA combines the Accreditation standards score and the HEDIS and CAHPS score for each product line/product, and issues Accreditation decisions by product line/product (e.g., commercial HMO, Exchange PPO, Medicare HMO).

HEDIS/CAHPS reporting unit

NCQA evaluates an organization's HEDIS/CAHPS results at the time of its Accreditation Survey and annually, between surveys, based on its performance on the measures. NCQA uses the following criteria to define a HEDIS/CAHPS reporting unit:

- Product line and product (refer to General Guideline 1: Product-Line Reporting and General Guideline 2: Product-Specific Reporting in HEDIS *Volume 2 Technical Specifications for Health Plans*).
- Geographic unit.

Note: *For Accreditation purposes, the HEDIS/CAHPS reporting unit is the same as the Accreditable entity.*

Minimum enrollment threshold for HEDIS/CAHPS reporting

NCQA's goal is to maximize an organization's ability to produce HEDIS/CAHPS results. A HEDIS/CAHPS reporting unit must have enough members to calculate rates. Because producing HEDIS/CAHPS results can be resource intensive, NCQA established a minimum membership threshold for requiring HEDIS reporting:

- A geographic unit with 15,000 or more members in a product/product line submits audited HEDIS/CAHPS results to NCQA.

Reporting units with <15,000 members

A HEDIS/CAHPS reporting unit (Accreditable entity) with fewer than 15,000 members may choose one of the following options for reporting, which it selects before the Accreditation survey begins:

- Produce and submit a unique set of audited HEDIS/CAHPS results to NCQA to be scored as part of Accreditation. If the results submitted have too many audit results of Small Denominator (NA) or No Benefit (NB), the reporting unit may be scored on standards and CAHPS only or on Standards only.
- Combine its membership with another reporting unit in accordance with the policies described below, if applicable, to submit audited HEDIS/CAHPS results.
- Submit CAHPS only.
- Submit neither HEDIS nor CAHPS and be scored on Standards only.

Note: *NCQA awards a status no higher than Accredited when Accrediting an organization on Standards and CAHPS only or Standards only.*

Combining Accreditable entities and HEDIS/CAHPS reporting units

Organizations may combine two or more HEDIS/CAHPS reporting units (Accreditable entities) into a single unit in order to achieve the minimum reporting threshold if they meet the following criteria.

- Reporting units are part of a single legal entity.
- When combined, reporting units meet all other NCQA criteria for being defined as a single Accreditable entity (e.g., licensure, centralization, provider network).
- Reporting units share contiguous geographic borders (e.g., side-by-side or corner-to-corner states) and are within the same CMS region.

Organizations may not combine reporting for product lines (commercial, Exchange, Medicare, Medicaid), and must combine the fewest number of reporting units necessary to meet the threshold, allowing all reporting units to be able to report HEDIS/CAHPS for Accreditation. The organization must submit HEDIS/ CAHPS results for all reporting units undergoing Accreditation within a CMS region when combining results.

Combining across CMS regions in limited situations

Membership for bordering states that cross CMS regions may be combined if all other conditions for combining are met, and the organization is not "licensed" or "selling" in the adjacent state but has members residing across the border.

Approval process for HEDIS state combining requests

All organizations that want to combine states for HEDIS reporting must submit a request to NCQA for review and approval before each Accreditation cycle. Requests should:

- Be submitted through PCS via My NCQA (https://my.ncqa.org).
- Be submitted annually by December 31 of the year prior to reporting.
- Include membership by state as of July 1 of the HEDIS measurement year and by applicable product or product line.
- Describe how policies for combining are met.

NCQA responds to requests within 30 business days.