What it is
The Centers for Medicare and Medicaid Services (CMS) rates Medicare Advantage plans on a one to five-star scale, with five stars representing the highest quality.

What impact did Health Care Reform have on the Medicare Star Rating system?
The Star Rating system is based on measures that plans have been collecting and reporting for years (CMS changes the measures slightly from year to year as the program evolves). For the first time, CMS is now rewarding Medicare Advantage plans with quality bonus payments based on their ability to deliver consistently high-quality care and service to Medicare beneficiaries. Plans that earn at least 3 stars will be eligible for a quality bonus payment.

How is the Star Rating calculated?
The overall Star Rating is calculated based on the average score of specific items drawn from HEDIS, Medicare CAHPS, Health Outcomes Survey (HOS) and CMS administrative data (such as audits, complaints and “secret shopping”) in the following categories:

<table>
<thead>
<tr>
<th>Health Plan</th>
<th>Drug Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staying Healthy (13 items)</td>
<td>Customer Service (7 items)</td>
</tr>
<tr>
<td>Managing Chronic Conditions (10 items)</td>
<td>Complaints/Audits (3 items)</td>
</tr>
<tr>
<td>Responsiveness of Care (6 items)</td>
<td>Member Experience (3 items)</td>
</tr>
<tr>
<td>Complaints/Appeals (4 items)</td>
<td>Pricing/Patient Safety (4 items)</td>
</tr>
<tr>
<td>Health Plan Customer Service (3 items)</td>
<td></td>
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</tbody>
</table>

Why it’s important
- Kaiser Permanente is committed to attaining a 5-Star Medicare quality rating in every region to demonstrate the high quality of care and service we provide to our Medicare members.
- The number of stars Kaiser Permanente earns will determine the level of quality bonus payment we receive. The highest level of bonus payment available will be awarded only to 5-star plans.
- Hundreds of millions of dollars in bonus payments are at stake for Kaiser Permanente – enabling us to provide better value to our members.
- Starting in 2012, 5 star plans will be able to offer year-round enrollment instead of only during the Annual Election Period.

How we’re doing in 2011
- Of the six Kaiser Permanente regions that offer Medicare Advantage plans, one (CO) currently performs at the 5 star level, three (CA, HI, NW) perform at the 4.5 star level and one (GA) performs at the 4 star level.
- In the regions where Kaiser Permanente operates, no other health plan performs above 4 stars.
- While we are in a strong position to make improvements and attain 5 star ratings, our competitors will also be working hard to make improvements.

How KP employees can help
- Remember that our decisions, words, and actions shape the experiences and perceptions of our members and patients. Many members and patients you encounter might feel scared, nervous, disoriented or uncomfortable. How we treat them is important. Our interactions can build or break member and patient trust and loyalty. Please visit the National Service Quality website at http://kpnet.kp.org/qrm/service2/index.html for tools, training and resources focused on improving the member and patient experience.
- Encourage members and patients to sign up for kp.org to access My Health Manager, which enables members to email their doctors, request routine appointments, order prescription refills, view most lab test results and more. Members can also take the free Total Health Assessment and receive a customized action plan for a healthier lifestyle. Accessing these resources may help to influence members’ opinions of the care they receive from KP.

When to watch for it
CMS will post the Star Ratings in early-October on Medicare.gov.

For more information
Please visit the Medicare Star Quality Initiative Wiki at https://wiki.kp.org/wiki/display/kpstarquality/Medicare+Star+Quality+Initiative

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1 Healthcare Effectiveness Data and Information Set
2 Consumer Assessment of Healthcare Providers and Systems
3 Northern California and Southern California are treated as a single entity “California”. Ohio and MAS are not eligible for the quality bonus as they are not Medicare Advantage plans.