

DEPARTMENT OF HEALTH & HUMAN SERVICES
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CENTER FOR MEDICARE

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TO: All Medicare Advantage (MA) Organizations and Demonstrations

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SUBJECT: Participation in 2021 HOS/HOS-M for MA Organizations Planning to Sponsor FIDE SNPs in 2022 – Response Needed by Friday, February 26, 2021

In 2012, CMS began adjusting payments of fully integrated dual eligible special needs plans (FIDE SNPs) based on the average frailty of their plan enrollees. Section 3205(b) of the Affordable Care Act (ACA) allows CMS to pay a frailty adjustment to a Dual Eligible SNP that is both “fully integrated with capitated contracts with States for Medicaid benefits, including long-term care” **and** has a “similar average level of frailty...as the PACE program.”

In order for CMS to determine whether a FIDE SNP has a similar average level of frailty as the PACE program, CMS must be able to calculate a frailty score for each FIDE SNP.¹ In the 2012 Rate Announcement, CMS specified that we would determine which FIDE SNPs have a similar average level of frailty as the PACE program by using the lowest frailty score from the range of applicable PACE organization frailty scores.² Frailty scores are calculated using the limitation on activities of daily living (ADL) reported by a plan’s enrollees, based on the Medicare Health Outcomes Survey (HOS) from the year prior to the payment year (PY). Additional information on the methodology used for frailty adjustment for 2022 can be found in the 2022 Advance Notice and Rate Announcement.³

For PY 2022, CMS will use the 2021 HOS or Health Outcomes Survey-Modified (HOS-M) to determine frailty scores for FIDE SNPs. MA organizations that believe they will be sponsoring a

¹ 2012 Advance Notice: <https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Advance2012.pdf>.

² 2012 Rate Announcement: <https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Announcement2012.pdf>.

³ 2022 Advance Notice Part II: <https://www.cms.gov/files/document/2022-advance-notice-part-ii.pdf> and 2022 Rate Announcement: <https://www.cms.gov/files/document/2022-announcement.pdf>.

FIDE SNP in 2022 and want to be considered for a frailty payment must participate in either the 2021 HOS or HOS-M to allow CMS to calculate their frailty score.

New Automated Process for Requesting the HOS/HOS-M for FIDE SNPs

If an MA organization believes they will sponsor a FIDE SNP in 2022 and wishes to participate in the 2021 HOS or HOS-M to support the calculation of a frailty score for 2022 payment, they must make their survey selection through the new automated process online via the Health Plan Management System (HPMS) website. Instructions are provided on page 4 of this memo. All selections must be submitted in HPMS **no later than 11:59 PM Eastern Standard Time (EST) on Friday, February 26, 2021.**

Requirements for Participation in the 2021 HOS or HOS-M for Purposes of Measuring Frailty

The requirements for participating in the HOS or HOS-M for frailty measurement are as follows:

- The contract must exist as of January 1, 2020.
- The PBP that will be the FIDE SNP in 2022 must exist as of January 1, 2021.
- The PBP to be surveyed in 2021 does not have to meet FIDE SNP requirements in order to be surveyed, but it must be a Dual Eligible SNP in 2021.
- The PBP to be surveyed must have at least 50 enrollees. CMS will sample up to 1,200 enrollees in each PBP, if available, but having at least 50 enrollees better ensures the minimum of 30 respondents needed to calculate a frailty score.

Eligibility for HOS or HOS-M Participation

In addition to the criteria listed above, MA organizations may use the table below as a guide to determine their eligibility to use the HOS or HOS-M for frailty measurement.

Contract Size	Eligibility for HOS or HOS-M
The contract has less than 500 enrollees	The contract is not required to participate in HOS for quality reporting purposes. The plan sponsor may select either the HOS or HOS-M to measure frailty for their FIDE SNP(s).
The contract has 500 or more enrollees and all of the enrollees are needed for the HOS for quality reporting	The contract is required to participate in HOS for quality reporting purposes. The plan sponsor must use the HOS to measure frailty for their FIDE SNP(s). They cannot participate in HOS-M.
The contract has 1,250 or more enrollees and, after sampling for the HOS for quality reporting is completed, 50 or more enrollees in the FIDE SNP(s) remain available to be sampled	The plan sponsor may select either the HOS or HOS-M to measure frailty for their FIDE SNP(s).

For contracts with less than 500 enrollees, the HOS is not required for quality reporting and contracts may select either the HOS or HOS-M to measure frailty for their FIDE SNP(s). For contracts with at least 500 enrollees, the HOS will be fielded at the contract level to meet MA quality reporting requirements. The MA organization must still submit a request through HPMS for CMS to use the survey results to calculate a frailty score for the FIDE SNP for 2022. For FIDE SNPs that are part of larger MA contracts, supplemental sampling of the FIDE SNP population at the PBP level will be conducted as a secondary step once sampling for the contract-level quality reporting requirement is complete.

Only those MA organizations that submit a request through HPMS to participate in the 2021 HOS or HOS-M for their FIDE SNP at the PBP level, and meet specified enrollment levels, are eligible for supplemental sampling for frailty measurement. CMS will notify plan sponsors that request to sign up for the HOS or HOS-M if their FIDE SNP lacks sufficient enrollment.

HOS/HOS-M Administration

All HOS and/or HOS-M survey administration costs, including contract-level sampling and any additional costs attributed to additional FIDE SNP PBP-level sampling, are the responsibility of the MA organization through its HOS or HOS-M survey vendor contract.

This year, there is only one survey vendor fielding the HOS-M. If a plan sponsor decides to participate in HOS-M, they must contract with DataStat, Inc. for surveying their FIDE SNP for purposes of measuring frailty.

Sponsors may contract with any CMS-approved HOS survey vendor for the HOS. Due to the change in the HOS and HOS-M survey administration timeline, which was communicated in the April 15, 2020 HPMS memo titled “Delay of the 2020 HOS & HOS-M Surveys for 2021 Frailty Score Calculation,” the list of CMS-approved HOS survey vendors for 2021 will be posted on www.hosonline.org in March 2021.

Clarifications to HOS/HOS-M Administration Protocol

Due to the manner in which CMS uses HOS data for Star Ratings and frailty payment, three additional points should be noted about the HOS and HOS-M protocols:

1. No plan staff should independently contact a survey vendor to provide answers to a survey on behalf of any beneficiary. Proxy response is under the control of the beneficiary. Plan staff may complete a survey questionnaire or telephone interview only at the request of the beneficiary, a family member, or other caregiver. If CMS finds that a plan does not follow these protocols, the HOS or HOS-M data will be deemed invalid.
2. While PACE organizations use enhanced patient and proxy contact information to ensure higher response rates, CMS will not provide enhanced contact information for FIDE SNPs or other MA organizations whether they are using the HOS or HOS-M survey instrument. CMS will continue to monitor response rates and assess the impact of using HOS and HOS-M for FIDE SNPs seeking frailty adjustment assessment.

3. MA organizations that choose to participate in the HOS-M for purposes of measuring frailty will not receive a HOS-M report or the corresponding beneficiary-level data that are disseminated to participating PACE organizations.

Frailty Payment

2022 frailty payment will be made to those FIDE SNPs that (1) meet the requirements to be a FIDE SNP, (2) yield at least **30** responses to the HOS or HOS-M, and (3) have a frailty score that meets the PACE level of frailty. Any changes to the methodology used to determine frailty payments for 2022 can be found in the 2022 Advance Notice and Rate Announcement.

The frailty model captures costs associated with functional impairments in the frail elderly using limitations on ADLs to measure a dimension of health status not captured by diagnoses. The specific ADLs included in the frailty model are:

1. Bathing
2. Dressing
3. Eating
4. Getting in or out of chairs
5. Walking
6. Using the toilet

These limitations on ADLs are captured in both the HOS and HOS-M.

For informational purposes only, below is the distribution of ADL limitations across all PACE organizations based on the 2020 HOS-M data.

0 ADLS		1-2 ADLS		3-4 ADLS		5-6 ADLS	
Medicaid	Non-Medicaid	Medicaid	Non-Medicaid	Medicaid	Non-Medicaid	Medicaid	Non-Medicaid
18.82%	0.14%	27.87%	0.18%	22.20%	0.26%	30.22%	0.31%

Instructions to Request HOS/HOS-M Participation

If an MA organization anticipates sponsoring a FIDE SNP in 2022 and wants to participate in the 2021 HOS or HOS-M at the PBP level for FIDE SNP frailty measurement, please use the following information to request HOS or HOS-M participation for each FIDE SNP.

To make the survey selection:

1. Log into HPMS.
2. From the top navigation bar under “Risk Adjustment,” select “Risk Adjustment,” then “Survey Information” from the left side dashboard.

3. On the Survey page, under “Select Function,” select “Request HOS/HOS-M Survey Participation.”
4. Then, under “Select Option,” select “Request Survey.”
5. From the dropdown menus, select the Contract Number and Plan ID for the FIDE SNP you want surveyed for frailty measurement.
6. Click the Submit button and a HOS/HOS-M selection window will appear.
7. Select “Yes” for the survey you wish to request and “No” for the survey you do not want to use for frailty measurement. After the selection is complete, click the Submit button and a confirmation message will appear confirming your request has been submitted.
8. Repeat steps for any additional PBPs you wish to request HOS or HOS-M participation.

To confirm the survey selection:

1. After making your survey selection, scroll back up on the Survey page and ensure that “Request HOS/HOS-M Survey Participation” is selected under “Select Function.”
2. Under “Select Option,” select “View Report.”
3. Under “Select a Year,” select “2021,” and click the Submit button.
4. In the table that appears, verify there is a “Yes” under the column for the survey requested and a “No” under the column for the survey not requested for each PBP for which a survey is being requested. Please also verify that the Contract Number and Plan ID are correct for all of the FIDE SNPs you want surveyed.

As stated earlier, the selection **must be submitted in HPMS by 11:59 PM EST on Friday, February 26, 2021** in order for the designated PBP(s) to be sampled for frailty measurement. **Late submissions will not be accepted.**

Please note that CMS will perform enrollment verifications outside of HPMS. As stated earlier, CMS will notify plan sponsors that request to sign up for the HOS or HOS-M if their FIDE SNP lacks sufficient enrollment.

Communication Regarding HOS/HOS-M Participation

MA organizations will receive additional information about their 2021 HOS and HOS-M participation in March 2021. To allow sufficient time for contracting with a survey vendor, CMS will inform plan sponsors that have requested HOS or HOS-M participation for their FIDE SNPs if their PBP(s) lack sufficient enrollment as soon as possible in or after March 2021. As a reminder, approved 2021 HOS survey vendors will be posted on www.hosonline.org in March 2021.

If an MA organization decides they want to remove their FIDE SNP from consideration for 2022 frailty payment after February 26, 2021, they must inform RiskAdjustmentPolicy@cms.hhs.gov **no later than April 26, 2021**.

Contact Information

For questions related to FIDE SNP frailty measurement, please email RiskAdjustmentPolicy@cms.hhs.gov and specify “2021 HOS – H####” with your contract number in the subject line.

For questions related to the HOS or HOS-M administration, please email HOS@cms.hhs.gov.