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

DATE: October 29, 2021

TO: All Medicare Advantage Organizations, PACE Organizations, Medicare-
Medicaid Plans, Section 1833 Cost Contractors and Section 1876 Cost
Contractors, Demonstrations, and PDPs

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

SUBJECT: Updates to Payment Year (PY) 2022 Model Output Reports

CMS distributes two Model Output Data Files – one for Part C and one for Part D. Within the
data files, there are Model Output Reports (MORs) with unique record types that correspond to
each model being run for payment. We distribute these MORs to plans to identify the
Hierarchical Condition Codes (HCCs) used to calculate risk scores for each of their enrolled
beneficiaries. This memo provides information regarding changes to the MORs that will be
generated for the PY 2022 initial, midyear, and final reconciliation payments.

For PY 2022 (2021 dates of service), for non-PACE (i.e., Part C non-ESRD, ESRD dialysis and
functioning graft, and Part D) risk scores, CMS will end the blending of encounter data-based
and RAPS-based risk scores and move to calculating 100 percent of the risk score using
diagnoses from MA encounter data and FFS claims. For PACE risk scores, we will continue to
pool risk adjustment eligible diagnoses to calculate a single risk score (with no weighting) from
RAPS data, encounter data, and FFS claims. The PY 2022 risk adjustment models are
described below[1]:

- For Part C non-PACE risk scores for PY 2022, CMS will continue to use the 2020
  CMS-HCC model to calculate 100 percent of the risk score.
- For Part D non-PACE risk scores for PY 2022, CMS will use the new 2022 RxHCC
  model to calculate 100 percent of the risk score.
- For ESRD (non-PACE) risk scores for PY 2022, CMS will continue to use the 2020
  ESRD model to calculate 100 percent of the risk score.
- For PACE risk scores for PY 2022, we will continue to calculate the Part C risk scores
  using the 2017 CMS-HCC model, the ESRD risk scores using the 2019 ESRD model for
  ESRD scores, and the Part D risk scores using the 2020 RxHCC model.

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[1] Policies proposed and finalized in the 2022 Advance Notice and Rate Announcement:
https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Announcements-and-Documents.html

For PY 2022, CMS will continue using the same record types for encounter data and FFS based HCCs and for PACE organizations as we used in PY 2021. Note that because RAPS will not be used in non-PACE risk scores, the MOR Record Types for RAPS and FFS Based HCCs (Record types E (ESRD and ESRD Post Graft), D (CMS-HCC Aged/Disabled (non-PACE and non-ESRD)), and 2 (RxHCC) will not be issued. The record types for PY 2022 are outlined as follows:

Table 1. Record Types and Model Versions for Payment Year 2022

2022 Model Run Data Source	Model	Model Version	MOR Record Type
MOR Record Types for Encounter Data and FFS Based HCCs	ESRD and ESRD Post Graft	V21	G
	CMS-HCC Aged/Disabled (non-PACE and non-ESRD)	V24	J
	RxHCC	V05	4
MOR Record Types for PACE Organizations (RAPS, FFS, and Encounter Data)	PACE-ESRD	V21	B
	PACE CMS-HCC (non-ESRD)	V22	K
	RxHCC	V05	5

The Plan Communications User Guide (PCUG, https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-technology/mapdhelpdesk/Plan_Communications_User_Guide.html) has been updated to reflect the MOR record layouts that will be used in PY2022.

Questions related to this guidance should be submitted to riskadjustmentoperations@cms.hhs.gov. Please use "HPMS Memo – Updates to Payment Year (PY) 2022 Model Output Report" as the subject in all communications regarding this guidance. Thank you.