ASTIK ADVISORY / POLICY INTELLIGENCE

The Medicare Advantage Reset

CMS CY 2028 proposed rule

Star Ratings, Diamond Ratings and the implications for quality, finance and market strategy.



EXECUTIVE RESEARCH BRIEF

NOVEMBER 21, 2026 · PROPOSAL STAGE

01 / THE BOARD VIEW

A structural redesign, not a routine rule update

CMS proposes a narrower quality scorecard and, in selected states, a different link between quality and payment.

$106.96B

ESTIMATED 10-YEAR FEDERAL SAVINGS

CMS modeled reduced payments to MA organizations from Stars changes over CY 2028–2037; not a plan-level forecast.

58%

OF MA-PD CONTRACTS

Could see lower overall ratings in CMS simulation using 2027 Stars results.

20%

OF MA CONTRACTS

Could lose quality bonus payments; approximately 2% could gain QBP.

THE STRATEGIC SHIFT

NATIONAL STARS

Fewer measures. Greater concentration.
19 measures proposed for removal, leaving 15 for the 2030 Stars. Removing the reward factor and narrowing improvement hold harmless could materially shift rating distributions.

ADVANCE MA

Local relative performance. New payment curve.
A proposed 12-state mandatory demonstration would replace Stars/QBP with state- and cohort-based Diamond Ratings and incremental benchmark/rebate incentives.

Source: CMS-4214-P2, impact analysis and ADVaNCE MA proposal

02 / TIMING & CERTAINTY

Three measurement clocks, one planning window

Finalized 2029 changes and new 2030–2031 proposals require different funding, forecasting and execution decisions.

2029 Stars

MY 2027 · FINALIZED

- Reward factor and 4.0 improvement hold harmless remain for 2029 Stars.
- Three risk-adjusted medication-adherence measures return to 3× weighting.
- Depression Screening/FU and MTM CMR are added; several admin measures have already been retired.

2030 Stars

MY 2028 · PROPOSED

- Retire 19 additional measures; 15 would remain.
- Remove reward factor; hold harmless only for 4.5+ rating.
- Plan Finder would show only domains with surviving measures.

2031 Stars

MY 2029 · PROPOSED

- Legacy CBP would transition to BPC-E using ECDS reporting.
- Broader hypertension denominator; 1× weight in first year, then 3×.
- Model-state contract data adjusted for national cut points; separate rules for model contracts.

ADVANCE MA TIMELINE

2027–28 — Preimplementation

2029 — Model launch + contract splits

Oct 2030 — First Diamond display

2032 — Diamond-based payments

MY = measurement year; finalization status as of Nov 21, 2026

03 / 2030 STAR RATINGS

What remains: 15 measures

Concentration shifts toward clinical outcomes, member experience and the two highly weighted improvement measures.

04 HEDIS / CLINICAL

- Blood Sugar Controlled (A1c)
- Controlling Blood Pressure
- Plan All-Cause Readmissions
- Follow-up After ED Visit (FMC)

02 HOS

- Improving / Maintaining Physical Health
- Improving / Maintaining Mental Health

03 CAHPS

- Getting Needed Care
- Care Coordination
- Getting Needed Prescription Drugs

04 PART D

- Adherence: Diabetes Medications
- Adherence: RAS Antagonists
- Adherence: Statins
- MTM CMR Completion

02 IMPROVEMENT

- Health Plan Quality Improvement
- Drug Plan Quality Improvement

Source: CMS-4214-P2 proposed measure tables

04 / MEASURE RETIREMENTS

The 19 measures proposed for removal

All 19 are proposed for the 2030 Stars (MY 2028). Their removal from Stars does not eliminate underlying clinical, compliance or experience obligations.

PREVENTION & FUNCTION

01 Breast Cancer Screening

02 Colorectal Cancer Screening

03 Annual Flu Vaccine

04 Monitoring Physical Activity

05 COA — Medication Review

06 COA — Functional Status Assessment

07 Osteoporosis Management after Fracture

CLINICAL / TRANSITIONS

08 Diabetes Care — Eye Exam

09 Kidney Health Evaluation in Diabetes

10 Reducing the Risk of Falling

11 Improving Bladder Control

12 Transitions of Care

13 Depression Screening and Follow-Up

14 Getting Appointments and Care Quickly

EXPERIENCE & DRUG SAFETY

15 Rating of Health Plan

16 Rating of Drug Plan

17 Statin Use in Persons with Diabetes

18 Concurrent Opioid / Benzodiazepine Use

19 Polypharmacy: Anticholinergic Medications

Executive implication: Rebuild forecasting and intervention economics; do not equate measure retirement with service-line discontinuation.

05 / ADVANCE MA

Diamond Ratings: the new market logic

Proposed 10-year mandatory model (2029–2038) for 12 stratified-randomly selected states; selected states not yet finalized.

01

POOL

State-bound contracts aggregated by parent organization, separately for General and D-SNP cohorts.

02

SCORE

Measures and weights broadly align with Stars; rescale measure results relative to model-state performance.

03

RATE

Weighted performance translated into 1.0–5.0 Diamonds in tenths; no CAI or reward factor.

04

PAY

Within each state/cohort, relative placement drives 0–5 point benchmark increments and 50–70% rebates.

ELIGIBILITY

Included: HMOs, local PPOs, PFFS, C-SNPs and D-SNPs (unless state Medicaid agency opts D-SNPs out).
Excluded: I-SNPs, regional PPOs, MSAs and EGWPs.

STATE SELECTION

CMS proposes one state from the CA / FL / NY / TX stratum, plus 11 others from six additional strata. No particular one of those four states is guaranteed.

Source: CMS-4214-P2 sections VIII/IX and CMS ADVaNCE MA model page

06 / PAYMENT TRANSLATION

The same score can produce different economics

Under the proposed linear methodology (for cohorts with 3+ parent organizations), rank and score spacing determine the share of bonus and rebate.

PARENT	DIAMONDS	BENCHMARK	REBATE	CURRENT-STAR QBP*	STAR REBATE*
A	2.6	0.0%	50%	0%	50%
B	3.5	2.0%	58%	0%	65%
C	3.8	2.7%	61%	+5%	65%
D	4.5	4.3%	67%	+5%	70%
E	4.8	5.0%	70%	+5%	70%

BONUS UNDER PROPOSED LINEAR METHOD



*Current-Star comparisons are an illustrative counterfactual, not an equivalence of Star and Diamond measurement. Special rules apply in states/cohorts with one or two parent organizations.

Source: CMS-4214-P2 proposed linear payment and rebate methodology

07 / OPERATIONAL & STRATEGIC RISK

Six implementation issues leaders can miss

The impact is wider than a quality department recalculating a score.

01 Preview confidentiality

Proposed restrictions on public disclosure of PP1 / PP2 preliminary data would extend to plans and FDRs until final Medicare Plan Finder release.

02 State-bound restructuring

Model-state participation would require state-specific contracts and CY 2029 bid / operational planning for impacted multi-state arrangements.

03 Double-bonus exposure

Qualifying-county double bonuses would cease for model participants when the model begins in CY 2029, before Diamond payment years.

04 Cut-point integrity

National Stars cut points would be adjusted for the model effect; participating contract data are not simply excluded from all benchmarking.

05 The 5% ceiling is not certain

The 5-point benchmark maximum is the proposal; CMS also discusses alternatives including a lower cap or a -2 to +6 point approach.

06 Scope beyond Stars

Targeted supplemental benefits for LIS members and inferred HCC risk adjustment shadow testing deserve benefit-design, care-management and data attention.

Policy status: proposals may change through final rulemaking.

08 / FINALIZED BASELINE

The 2029 Stars transition is already underway

The previously finalized 2029 portfolio is the baseline for the additional changes proposed for 2030 and 2031.

2029 STARS / MEASUREMENT YEAR 2027

For 2029 Stars, reward factor and 4.0 improvement hold harmless remain, with three risk-adjusted Part D medication-adherence measures at 3× weighting.

MEASURES RETIRING IN THE PRIOR TRANSITION

01 Plan Makes Timely Decisions about Appeals

02 Reviewing Appeals Decisions

03 SNP Care Management

04 Complaints about the Health/Drug Plan*

05 Medicare Plan Finder Price Accuracy

06 Members Choosing to Leave the Plan

07 Customer Service

08 Rating of Health Care Quality

NEW MEASURES IN THE TRANSITION

Depression Screening and Follow-Up and MTM Program Completion Rate for Comprehensive Medication Review (CMR). *The complaints measure was dropped early in the 2028 Stars.

09 / ASTIK ADVISORY PERSPECTIVE

Five decisions for the next executive cycle

Move from policy awareness to a decision-ready, multi-year quality-and-finance response.

01 **Reforecast ratings & revenue** — CFO + Stars

Model 15-measure Stars, RF removal, 4.5+ hold harmless; translate contract movement into QBP, rebate and benefit sensitivity.

02 **Map model-state exposure** — Strategy + Actuarial

Test scenarios with CA/FL/NY/TX selection and possible state-specific contract structures and provider footprints.

03 **Reset clinical priorities** — Quality + Operations

Reallocate HEDIS, HOS, CAHPS and Part D investment to remaining outcomes without abandoning removed-measure obligations.

04 **Prepare Diamond competition** — Analytics + Market

Model peer ranking by state and cohort; assess whether local relative improvements outperform uniform national strategies.

05 **File a focused response** — Regulatory + CEO

Document operational friction and unintended incentives; coordinate quality, finance, legal, benefits and network comment themes.

Astik Advisory helps MA leaders connect quality performance, market strategy and financial decisions. Contact Astik Advisory | astikadvisory.com

Primary references: CMS-4214-P2; CMS ADVaNCE MA model, Nov 20 2026