CitiusTech
Shaping Healthcare Possibilities

2025 MA Stars Analysis

Unveiling industry insights

Analyzing trends within 2025 Star Ratings

Comprehensive market analysis of MA 2025 Star Ratings to uncover insights and upcoming industry shifts that are likely to shape future Stars strategies

Our objective

2025 Star Ratings performance analysis

CMS released the 2025 Star Ratings for the Medicare Advantage program in October 2024. CitiusTech's latest report on Star Ratings performance provides an industry - wide perspective around Star Ratings released for 2024 and compares them to the prior year's ratings.

This analysis is geared to provide holistic insights of industry performance to business, consulting, and technology stakeholders who are actively involved in improving MA Star Ratings to help them strategically position themselves and modify their initiatives for Stars improvement.

Objectives

- Get a detailed retrospective Stars performance analysis

- Identify focus areas for actionable planning

- Inform Stars performance challenges and strategies for 2025 and beyond

Upcoming changes for 2026 and 2027 Star Ratings

There were no major methodological changes in the 2025 Star Ratings except increase in the weight for the Part C Plan All-Cause Readmissions measure from one to three. Tukey outlier deletion to the hierarchical clustering methodology for non-CAHPS measures is introduced.

Key changes to 2026 Star Rating

- Kidney Health Evaluation (KED), improving Physical and mental health measure to be added (weight-1x)

- Patient experience/complaints and access measures weights to be reduced to 2x

- COL: Reported as ECDS only

- BCS: NCQA is adding transgender and gender diverse members to the denominator

- HOS measures: Improving or maintaining physical health and mental health return at 1x weight

Key changes to 2027 Star Rating

- Improving or maintaining physical health and mental health increase weight to 3x

- Care for older adults: Pain Assessment to be retired.

- Concurrent use of Opioids and Benzodiazepines addition at 1x weight

- Polypharmacy use of multiple anticholinergic medications in older adults addition at 1x weight

- COA Functional Status Assessment addition at 1x weight

- Removed the standalone MRP measure

- COL: Include ages 45-49

Highlights of 2025 Star Ratings

1 Medicare Advantage enrollment share continues to grow steadily and nearing ~51% of overall Medicare. AL, ME, MI, MN, RI, WI, and PR have a relatively higher portion of Medicare advantage enrollment comapared to traditional Medicare.

2 Significant drift of contracts towards less than 4 Stars with percentage share of drifting from 56% in 2024 SY to 60% in 2025 SY for MAPD plans.

3 Tukey, guardrails, and changes in the overall quality performance have led to the highest Star Rating cut points in the history of the Star Ratings program.

4 Rise in Medicare membership continue to grow more on non-metropolitan region than metropolitan region.
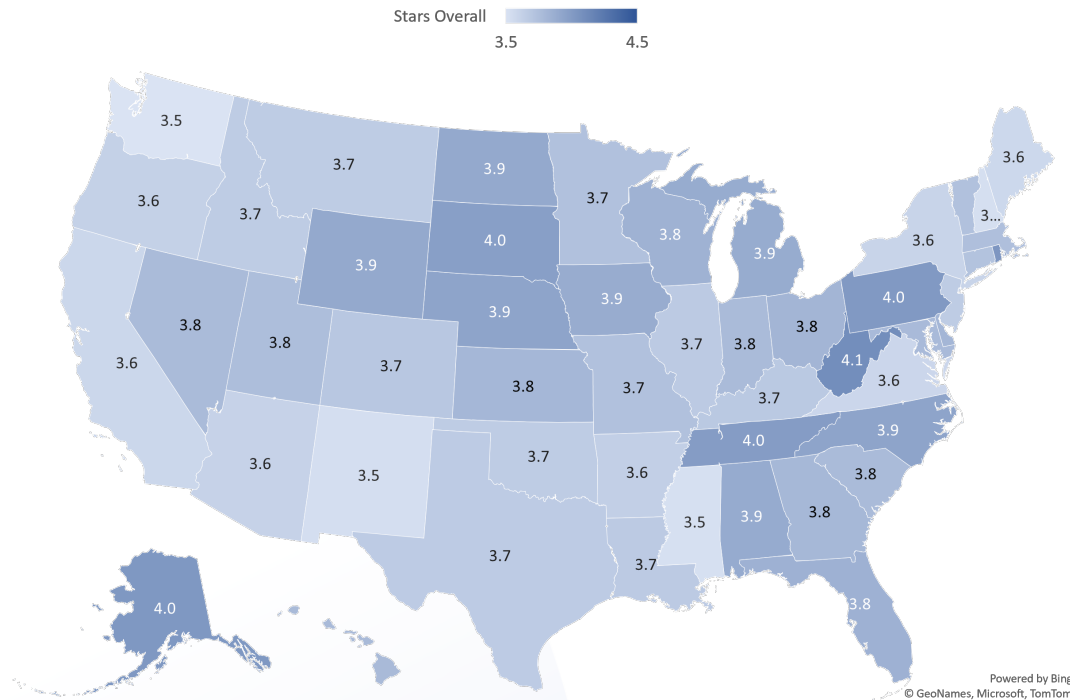
5 Significant underperformance in high weighted domains related to member experience.

6 Major decline in membership enrolled in 4+ rated contracts from 32% in 2024 stars to 21% in 2025 stars with high performing contracts going down from 43 to 11 in the same period.

CMS Star distribution across United States

Stars Overall
3.5 — 4.5

Our perspective

- The east coast seems to be doing better than the west coast in terms of Stars performance.

- Almost all the states show a reduction in their overall 2025 Star ratings compared to 2024.

- This can be attributed to Tukey, guardrails, and changes in the overall quality performance resulting in highest Star rating cut points.

Key statistics

- 209 out of 521 rated MA-PD contracts are rated 4 or higher. 9 Contracts are rated as high performing in 2025 SY vs 41 in 2024 SY.

- Hawaii, New Mexico, and Tennessee showed improvements in their average Star rating.

- Louisiana, Maine, Minnesota, Mississippi, and New Hampshire show significant decrease of Star rating of 0.3 or more.

- On average Alaska, Pennsylvania, Rhode Island, South Dakota, Tennessee, and West Virginia score 2025 Star rating of 4 and above.

- Mississippi, New Hampshire, New Mexico, and Washington state score 2025 Star rating of 3.5 and below.
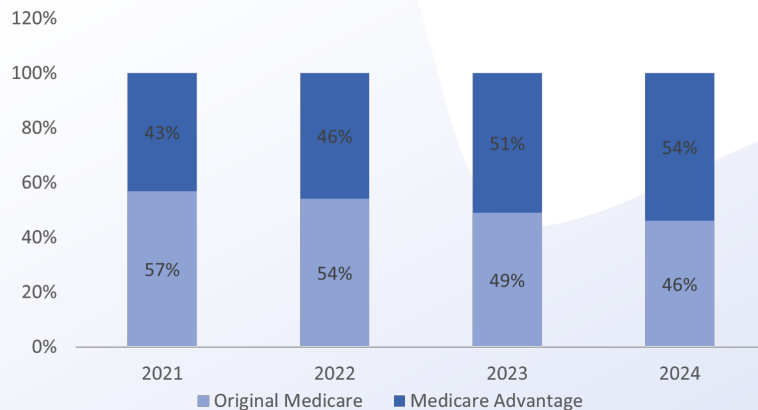
1 Medicare Advantage enrollment share continues to grow steadily and now stands at 54% of Medicare enrollment

Slight YOY Growth decline of Medicare Advantage

- Total Medicare Growth %
- Original Medicare Growth %
- Medicare Advantage Growth %
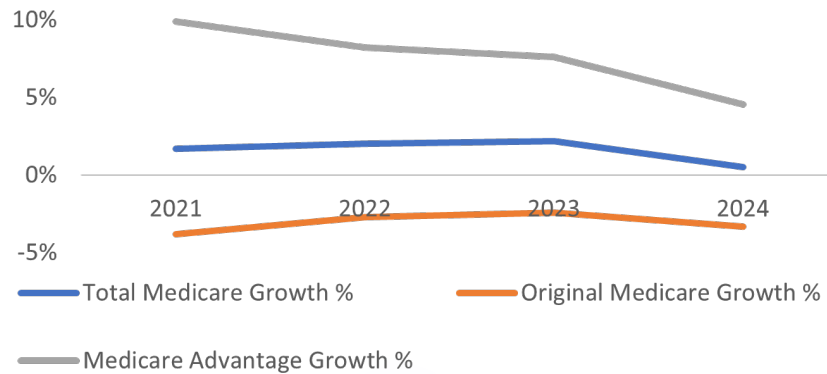
YOY Increase in MA Share in Overall Medicare*

- Original Medicare
- Medicare Advantage

Our perspective

- Although overall Medicare growth is uniform, a share of Medicare Advantage has been steadily rising.

- Cost pressure over CMS is increasing to an unsustainable level and may lead to additional cost containment measures.

- Non-metropolitan regions had shown greater growth in Medicare Advantage plan in the past. The trend continues (only barely) with 7% growth in Non-metropolitan regions compared to 6% in Metro regions.

- Significant population still opting for Original Medicare even though health outcomes are significantly better in MA. This could be attributed to the level of flexibility original Medicare provides and older population preference to continue with their existing plan (resistance to change).
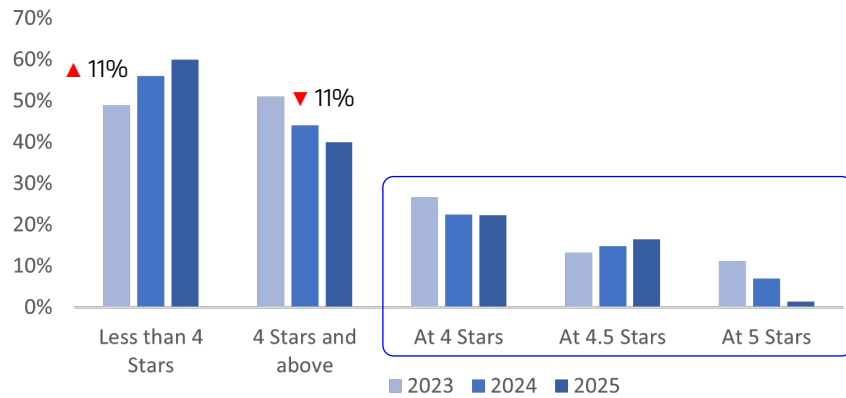
Key statistics

- **~ 8%** YOY Growth Rate for MA enrollment since 2021 through 2024.

- Maryland, North Dakota, and Wyoming contribute significantly in terms of growth (%) on MA.

- Texas, California, and Florida are top 3 contributors in the increase of MA – in absolute number of enrollments.

- **~54%** share of Medicare population enrolled in Medicare Advantage leading to 54% of Federal Medicare spending.
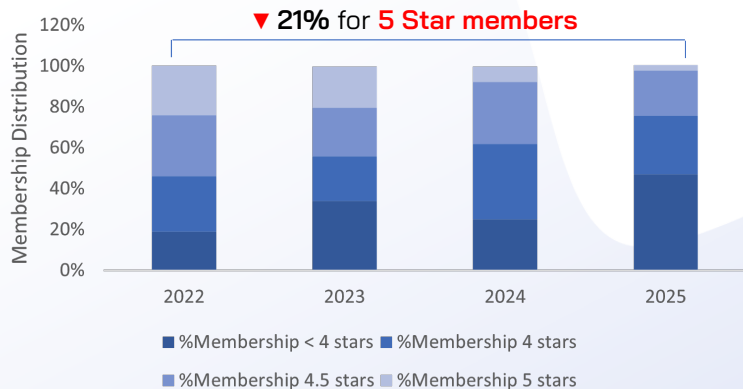
Significant drift of contracts and enrollments towards less than 4 Stars

Significant drift towards less than 4 Stars in 2025 SY

▲ 11%   ▼ 11%

■ 2023   ■ 2024   ■ 2025

2025 SY Enrollment concentration by Stars

▼ **21%** for **5 Star members**

■ %Membership < 4 stars   ■ %Membership 4 stars
■ %Membership 4.5 stars   ■ %Membership 5 stars

Our perspective

- Plans experiencing a drop in rating may feel CY26 bid pressure from loss of Quality Bonus Payment (QBP), reduced rebate percentage, or both. Pressure to remain competitive in marketplace will increase.

- QBP pressure on plans as 11% contracts has shown negative trend (toward < 4 stars) highlighting a need for targeted investments.
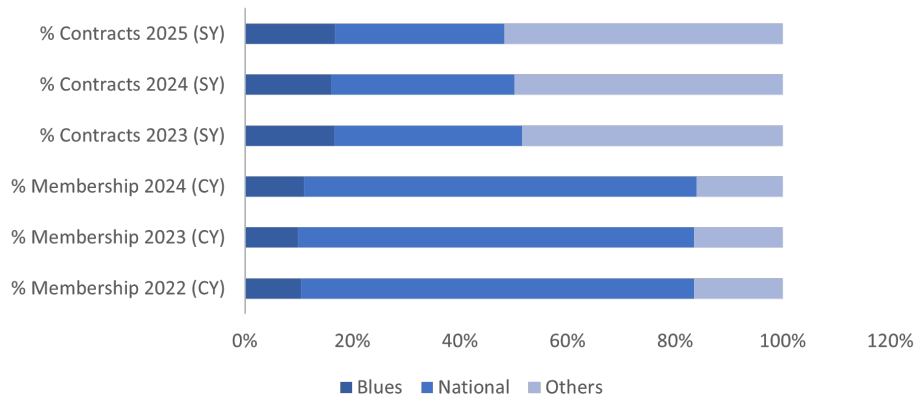
Key statistics

- ▲ 28% Rise in MAPD Contracts with less than 4 Stars since 2022 SY.

- ▼ 11% Fall in MAPD Contracts with 4 and above stars since last year (i.e. 241 in 2024 SY Vs 209 in 2025 SY).

- ▼ 5% Decline in population in 5 star rated contracts (from 8% in 2024SY to 3% in 2025SY).

- 89M fewer members enjoy 4+ rated contracts as per 2025 SY data.

- 44 New contracts were rated in 2025SY even though overall number of rated contracts were reduced by 22. 68 contracts are retired in 2025SY which were rated in 2024.
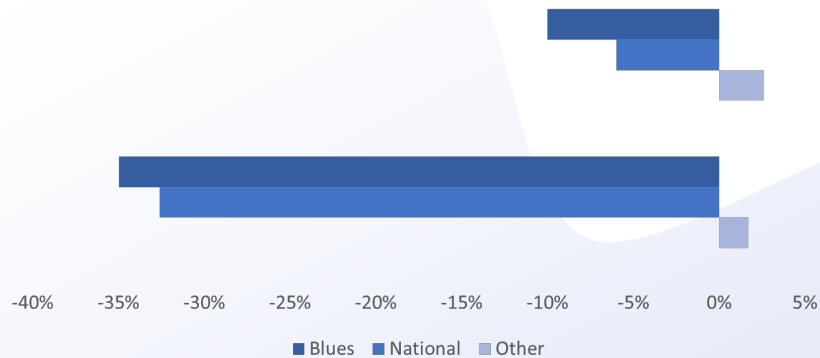
Trend continues towards Top 5 National Payers' dominance

Percentage distribution of MAPD contracts and members in 2025 SY

Legend: ■ Blues ■ National ■ Others

Categories: % Contracts 2025 (SY), % Contracts 2024 (SY), % Contracts 2023 (SY), % Membership 2024 (CY), % Membership 2023 (CY), % Membership 2022 (CY)

Contracts and membership shift to <4 stars rated contracts

Legend: ■ Blues ■ National ■ Other
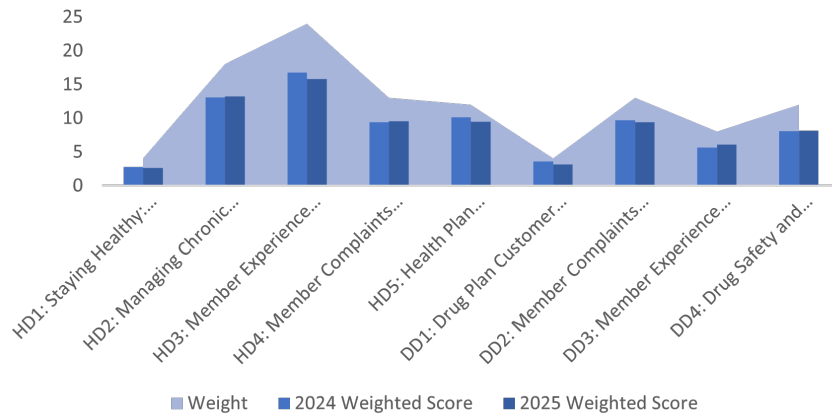
Our perspective

- Overall contract distribution remained unchanged (2025, 2024, and 2023SY) between National*, Blues, and other Payers.

- Overall MA enrollment (incl. unrated, rated, PDP) has increased by 2.3M but MAPD enrollment in rated contracts has significantly reduced by 3.3M. This can be attributed to 44 new plans for 2025SY.

- Membership share across National, Blues, and other plans has remained constant.

- Among National plans, CVS Health seems to be performing slightly better (Overall rating average 3.9) than other national plans for MAPD contracts.

- United HealthCare continues to have the largest MA-PD membership.

- Elevance, Kaiser Foundation, BCBSA Federal Employee program are the top 3 health plans with highest memberships other than the large national* Payers.

* National Plans – Centene, UHG, CVS, Humana and Cigna

4 Underperformance in high weighted domains

Domain level performance against its weights.
2025 Vs 2024 Star Rating

■ Weight ■ 2024 Weighted Score ■ 2025 Weighted Score

Domain level performance for 4+ Star rated contract

■ 2024 Stars ■ 2025 Stars

Our perspective

- Domains that need attention due to significant opportunities for improvement.
  - HD2: Managing chronic (long term) conditions
  - HD3: Member experience with health plans
  - DD4: Drug safety and accuracy of drug pricing
- Payers should invest in high precision capabilities to simulate improvement projections and realistic goal setting.
- With fewer contracts scoring overall 4 Stars and above, member interaction quality, complaints, and voluntary terms to be closely monitored and actioned with targeted campaigns.
- Targeted members to be enrolled in specialized year-round medication adherence programs with continuous improvement monitoring.
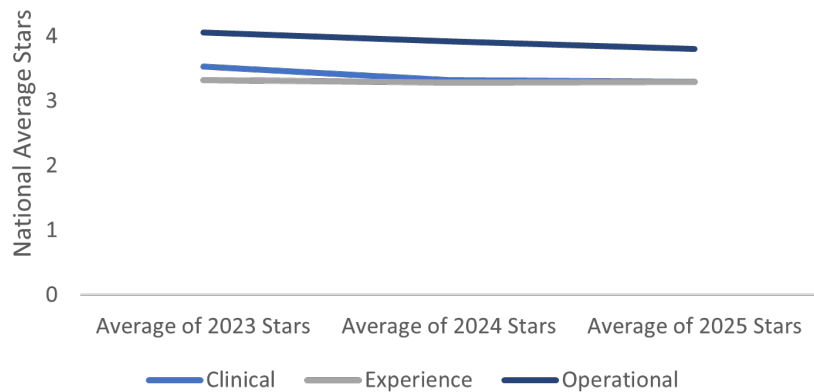
Key statistics

- ▼ 2-9% fall in percentage of 4 Stars and above rated contracts across HD1, HD2, HD5, DD2, and DD5.
- Minor difference in weighted domain score as compared with 2024 SY score.

9

5 Underperformance across high weighted areas have contributed to the downward drift

YOY National Average Stars Movement

Our perspective

- YOY National average Stars movement across clinical, operational and experience sources have slightly declined with huge room of improvement for both clinical and experience sources.

- Payers need to ensure all internal operations have adequate oversight, processes, and monitoring to achieve high performance.

- Plans should monitor display measure performance for measures that are returning or being added to the rating methodology.

- Plans should understand the impact of underperforming measures to avoid loss in the Quality Improvement measures.

Average rating across Data Sources
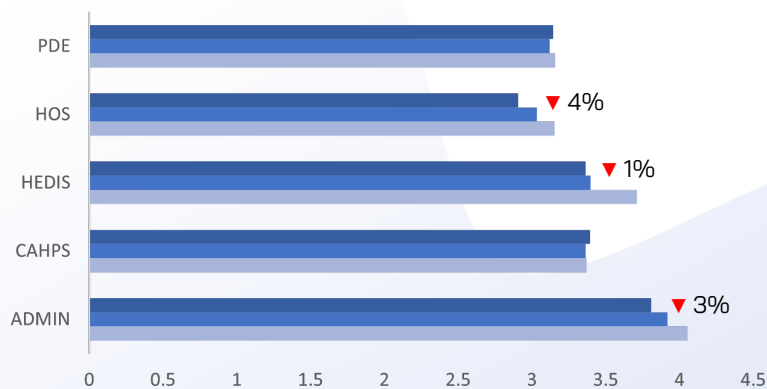
Key statistics

- ▼ 3%-4% decline in Experience, Operational, and Clinical measures since 2024 SY.

- ▼ 7% average decline in 4+ rated contracts for Administrative and CHAPS measures.

- ▼ 9% average decline in 4+ rated for HEDIS measures.

Measure-level improvements focus areas for 2026 and beyond

Measures	WT	Steward	Source	SY24 Avg	SY25 Avg	% 4+ Star rated contract shift	Cut point shift for 4 Star
C01: Breast Cancer screening	1	Clinical	HEDIS	3.7	3.4	-26%	Up 4%
C02: Colorectal Cancer screening	1	Clinical	HEDIS	3.7	3.4	-26%	Up 4%
C09: Diabetes care – eye exam	1	Clinical	HEDIS	3.5	3.4	-20%	Up 4%
C11: Controlling High Blood Pressure	3	Clinical	HEDIS	3.4	3.0	-49%	Up 6%
C16: Statin Therapy for patients with cardiovascular disease	1	Clinical	HEDIS	3.3	3.0	-38%	Up 2%
C19: Getting the needed care	4	Experience	CAHPS	3.4	3.3	-23%	Up 1
C21: Customer service	4	Experience	CAHPS	3.6	3.5	-26%	Up 1
C24: Care coordination	4	Experience	CAHPS	3.6	3.6	-19%	Up 1
C30: Call center – Foreign language interpreter and TTY availability	4	Operational	ADMIN	4.5	4.0	-19%	Up 5%
D06: Getting the needed prescription drugs	4	Experience	CAHPS	3.5	3.4	-26%	0
D11: MTM Program completion rate for CMR	1	Operational	ADMIN	3.6	3.6	-16%	Up 4%

* 10 worst performing measures taking into account cut point shift along with drop in 4+ rated contract

Our perspective

- Cut point increase could be attributed to Tukey outlier deletion, increase in high scoring contracts on measure like BCS. Also we see larger variation in 2 and 3 star cut points.

- Weight of patient experience/complaints and access measures from 4x to 2x for the 2026 Star Ratings may cause further rating decline.

- Measures that are administrative in nature such as call center and appeals based measures should have strong support for focus to regain high performance.

- Retaining and improving plan performance is imperative with loss of the QI hold harmless provision.

- Over the next few years, cut points will continue to increase, making it even more important for Medicare Advantage organizations to increase their focus and investment on Star Ratings.

Key statistics

- Cut Points for 32 measures has increased for 4 Stars.

- Count of cut point change of 5% across 2,3,4, and 5 Stars is 32 in 2025 down from 36 in 2024 SY.

- Except CHAPS measures almost all of the other cut points has increased.

2025 Star Ratings Analysis: Focus Areas for 2026-27

1 **Medicare business evolution**

- Stringent regulations causing Stars to go down, having a significant dent in quality bonus earnings for Payers.
- Benefit designs will need to be more competitive, sustainable, and profitable to overcome market challenges.
- Small and mid-size Payers may look for vendor solutions to improve Stars in the ever-changing CMS regulations.
- Potential for increased consolidations in the MA business e.g. Cigna-HCSC and potential Cigna-Humana merger.

2 **Readiness and alignment for clinical measure changes and new clinical measures**

- Early adoption and validation using updated measure specifications.
- Operationalizing strategy for new clinical measures expected in display category for SY 2026-27.
- Develop the ability to monitor performance and quality by Health Equity Index parameters.
- Improvement in strategy and management of both Medicare and Medicaid business needs to be aligned as Medicaid and CHIP Quality Rating System becomes a reality in coming years.

3 **High precision capabilities for accurate forecasting and goal setting**

- Adopt high-accuracy advanced analytics for projecting 2026-27 cut-points and improvement thresholds.
- Goal projection while accounting for cut-point shift, performance trend, region, ops constraints.
- Understand impact to quality improvement measures to prevent penalty.

4 **Enhanced and new partnerships to drive focused initiatives and outcomes**

- Engagement with community-based organizations with deep focus on health equity.
- Adopt VBC arrangements with specialized clinical partners across experience and outcomes.

How CitiusTech can help

PERFORM+ Suite

CitiusTech PERFORM+ Stars is a unique AI/ML- driven solution for Medicare Advantage Plans to execute their annual CMS Star improvement program

Domain Consultants

CitiusTech's team of domain consultants can help organizations analyze current business processes and tools to help strategize Stars improvement initiatives

Technology Services

CitiusTech technology services in Data Analytics, GenAI, Interoperability, and Data Management can help engineer tailored Quality improvement solutions

8000+	30+	130+
Employees	Payer customers	Healthcare Clients

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CitiusTech

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