

Medicare Advantage Risk Adjustment in 2023

10 Hierarchical Condition Category (HCC) Documentation Tips for Providers

- Documentation from a different Date of Service (DOS) cannot be used to clarify documentation for a current DOS.
- Ensure the documentation has been updated during the current patient encounter and not "cloned" (copied and pasted) from a previous DOS.
- Unless the condition is resolved, do not use "history of" to describe a current condition. Documentation should indicate that the condition is active and being addressed during this encounter (e.g., "Mr. Brown is being seen today for diabetes, controlled with metformin and diet and exercise.>").
- Status conditions that affect medical decision making (e.g., amputation, dialysis, ostomy, asymptomatic HIV status, transplant) should be documented at least once per year.
- Document relevant radiology and laboratory results in the medical record.
- Tell the patient's entire story, leaving no relevant details out.
 - Is this a drug-dependent patient, or is this abuse of drugs?**
 - Is the cancer active or in remission?**
 - Is this condition acute or chronic?**
 - Is the stage of the chronic kidney disease documented?**
 - Is the patient's obesity related to their diabetes or other illnesses?**
 - Is this patient morbidly obese according to body mass index guidelines?**
- Name the specific systems reviewed for this DOS and avoid using "all systems negative."
- Update the medication list at each encounter and make note in the documentation that the medication list is updated.
- Update and address chronic illness annually. Annual Wellness Visit is a suitable time to update the patients record.
- Diagnoses should align with treatment plans, double check the assessment/impression/plan.

New Medicare Risk Adjustment Model V28 Implementation

CMS- Hierarchical Condition Categories (CMS-HCC) Risk Adjustment Model (Non-PACE):

CMS has finalized the new Medicare V28 Risk Adjustment model but will phase it in over the next 3 years. For Calendar Year (CY) 2024, risk scores will be calculated as a blend of 67% of the risk scores calculated with the current model (the 2020 model V24) and 33% of the risk scores calculated with the updated model (the 2024 model V28). For CY 2025, we expect the blend to be comprised of 33% (decreased) in the 2020 model and 67% (increased) in the 2024 model. For CY 2026, we expect 100% of the risk scores to be calculated with the 2024 model.

Summary of the changes V24 vs. V28

	V24 2020 CMS-HCC Model	V28 2024 CMS-HCC Model
Fiscal Year (FY) 22/23 ICD-10 codes- total	73,926	73,926
FY22/23 ICD-10 codes mapped to payment HCCs	9,797 (13.3%)	7,770 (10.5%)
HCCs - total	204	266
HCCs – payment	86 (42.2%)	115 (43.2%)

New Claims Modifier Requirement for Medicare Part B Drugs

Medicare Change Request (CR 13056), MLN Matters (MM13056)

Modifier	Short Descriptor	Long Descriptor
JW	Discarded drug not administered	Drug amount discarded/not administered to any patient
JZ	Zero drug wasted	Zero drug amount discarded/not administered to any patient

Effective July 1, 2023, providers must report the JZ modifier on all claims that bill for drugs separately payable under Part B when there's no discarded amount from single-dose containers or single use packages. For the amount you administer, the claim line should include the billing and payment code, such as a HCPCS code, describing the given drug, the JZ modifier showing there were no discarded amounts, and the number of units administered in the unit's field. There are no changes regarding the reporting of the JW modifier. CMS is implementing the JZ modifier in phases:

- » January 1, 2023: Providers may report the JZ modifier
- » July 1, 2023: Providers are required to use the JZ modifier on applicable claims
- » October 2, 2023: Claims editing starts when JW or JZ modifiers aren't used correctly

Note:

- » Claims that bill for separately payable drugs under Part B from single-dose containers that don't report the JW or JZ modifier on or after July 1, 2023, may be subject to audits
- » Further details about the JW and JZ modifiers are in the links below

[JW Modifier](#)

[JZ Modifier](#)

If you have any questions regarding this training or risk adjustment in general, contact:

- » [Clinical Documentation Integrity \(CDI\) Team at DL_CDI@dhha.org](mailto:DL_CDI@dhha.org) or
- » [DHMP's Risk Adjustment Coder at Annette.Casias@dhha.org](mailto:Annette.Casias@dhha.org)