

Star Ratings mean MILLIONS to the companies

The BEGINNING:

2 years after Advantage Plans were introduced in 2005... CMS worked with Kaiser foundation to come up with a rating system for the insurance companies on how they perform. There would be 1 star to 5 star ratings. If a company had a 5 star rating – they would have a year-long AEP and could have consumers move into their plan anytime of the year. A bonus plan for the companies was established for companies receiving 4 stars or better.

Hmmmm... guess what only insurance company received the 5-star rating in Colorado? Kaiser of course. It was so ridiculous I did not pay attention whatsoever.

RECENTLY:

In 2023, CMS and lawmakers wanted the Advantage Plans to have more accountability and focus on their clients. Emphasis is being put on the star ratings.

 **Star Ratings primarily focus on:** Client complaints, provider complaints and client health outcomes

The bonus program is worth MILLIONS to the companies. A 3 ½ star rating receives little. A 4-star rating and higher is now worth multi-millions of dollars bonus to the companies. If a plan is below 4, it is difficult to make a good profit without the extra money.

+++++

Colorado Star Ratings by companies:

ALL 4 star plans or better:

Devoted, Kaiser, Select, UHC

Aetna – 2- 4 star, 1 – 3 star, all the rest 3 ½ star

Elevate – 3 star (1 plan)

Health Spring – All 3 star

Humana – 2 4+ star / all the rest 3 ½ star

Does this mean UHC or whomever is really good? NOT SO FAST!

- Companies are given up to 3 years with a plan before star ratings are issued.

****THIS IS A MAJOR REASON PLANS ARE TERMINATED AND NEW ONES ARE OFFERED!!**

UHC and Humana are well known for ending plans that aren't receiving at least 4 stars.

But once they do receive 4 stars or better – that means they are doing well for at least 3 years.

+++++

2026 AS PREDICTED (watching star ratings and other financial info):

Cigna, Anthem, Clear Spring are all gone in Colorado.

2027 predictions:

Elevate and Perennial will leave market by end of year – small and no 4 star plans.

Health Spring does not look good – No well rated plans... at least yet.

Select Health was given “notice” by Colorado for financial issues.

- UCHHealth administrates for Select... I would avoid but don't know.

- Aetna and Humana finally got a couple 4 star and are close with 3 ½ stars. They should be good.