

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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Center for Beneficiary Choices
Medicare Plan Payment Group

Date: March 31, 2006

To: MA and MA-PD Organizations

Subject: Risk Adjustment Impacts and Scores under the 2007 CMS-HCC model

CMS has posted an impact analysis of the recalibrated CMS-HCC model to HPMS. The posting provides technical notes describing the impact simulation and a table of results including the plan average risk score under the new model and a projection of the financial impact of the new model compared to the current (2004-2006) CMS-HCC model.

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