

HCC V28: What's Changing?

HCC V28 will completely replace V24 in 2025. Here's what that means for your organization.





An introduction to HCC V28

Over the past couple of years, the CMS risk-adjustment model has been slowly transitioning from version 24 (V24) to version 28 (V28). This phased approach has seen more and more of the new model come into effect, with the final push coming in 2025 – when V28 will completely supplant the outgoing V24.

This guide summarizes the major changes brought by HCC V28, and how they'll impact VBC organizations.

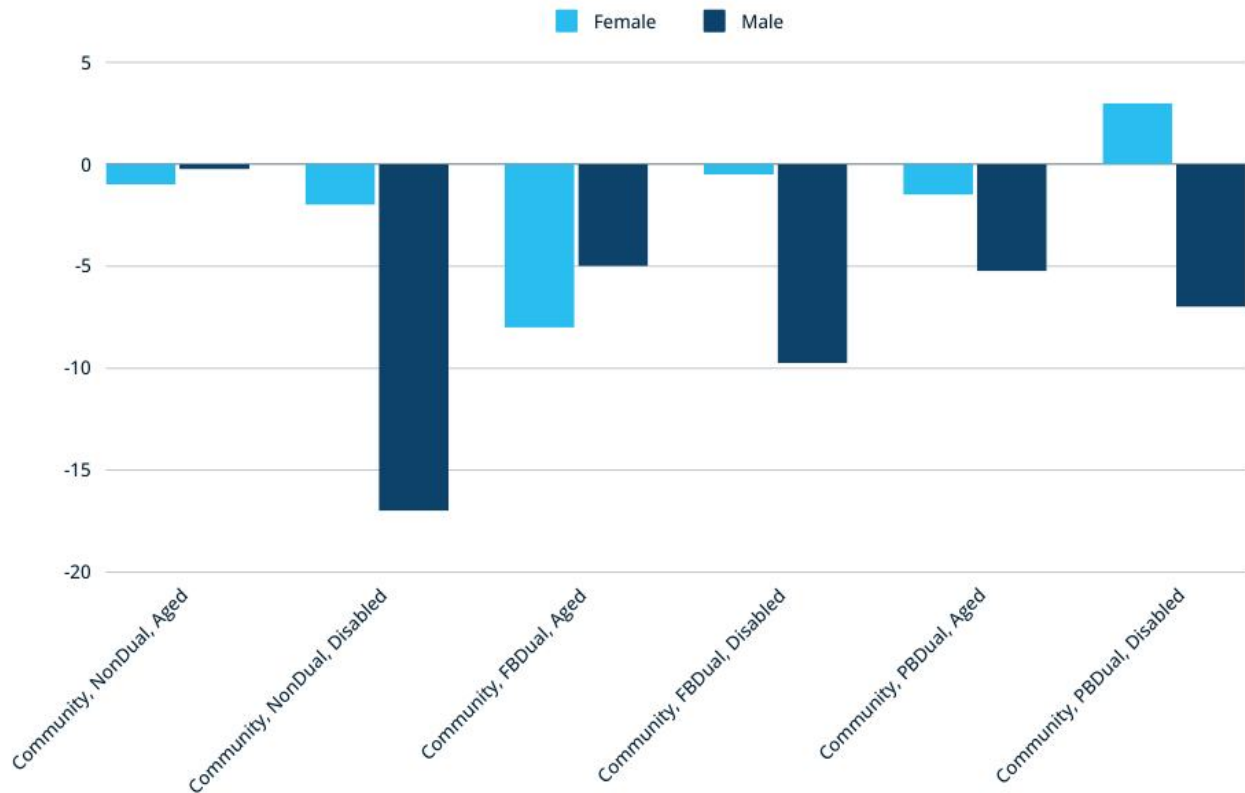
The changes explained

Demographic rates

In the CMS risk-adjustment model, all patients are given a baseline risk score based on demographic factors, including:

- Age
- Sex
- Disability status
- Dual eligibility for Medicare and Medicaid

These demographic factors will change in HCC V28. In fact, average rates are set to decrease significantly across most categories. The table below shows the average rate change across all ages per subgroup:



These changes will affect each patient’s baseline RAF value, and consequently, how much providers are reimbursed for their care. Under the new model, almost every category will receive a smaller baseline RAF value (*with the exception of females in the Community, PB Dual, Disabled subcategory*).

HCC numbers

Where the V24 model used ICD-9 codes to categorize HCCs, V28 uses ICD-10 codes – allowing for greater specificity. In the V24 model, the total number of HCCs was 86, but under HCC V28, that number has increased to **115**.

Meanwhile, the total number of codes that map to these HCCs has actually decreased – from 9,797 codes in V24 to **7,770** codes in V28.

HCC groupings

CMS separates these 115 HCCs into 26 separate condition groupings:

1. Infectious Disease	2. Neoplasm	3. Diabetes
4. Metabolic Disease	5. Liver Disease	6. Gastrointestinal Disease
7. Musculoskeletal Disease	8. Blood Disease	9. Cognitive Disease
10. Substance Use Disorder	11. Psychiatric Disease	12. Spinal Disease
13. Neurological Disease	14. Arrest Disease	15. Heart Disease
16. Cerebrovascular Disease	17. Vascular Disease	18. Lung Disease
19. Eye Disease	20. Kidney Disease	21. Skin Disease
22. Injury	23. Complications	24. Amputations
25. Transplants	26. Openings	

Many of these groupings have undergone significant changes in V28 regarding how HCCs are grouped, coded, and assigned. However, some groupings have changed very little, while others are identical to their V24 equivalents.

If you'd like to see a detailed breakdown of what's changed in each grouping, check out our [four-part guide to HCC V28](#).

RAF modifiers

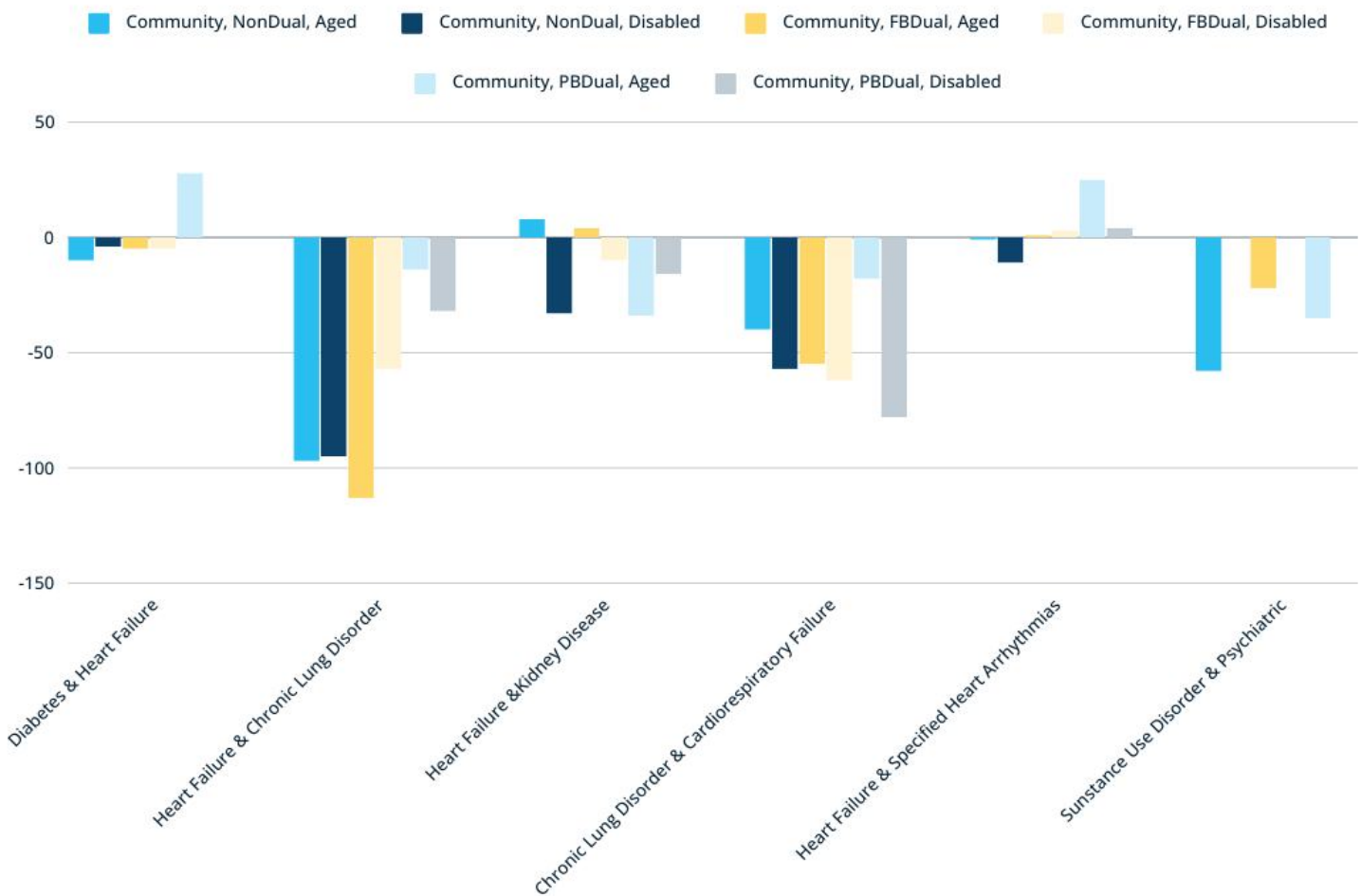
In the CMS risk-adjustment model, patients may also be available for 'add-on' RAF modifiers: the Disease Interaction modifier and the Payment HCC Count modifier. These, too, have undergone changes from V24 to V28

Disease Interaction Modifier

While the HCCs themselves have been arranged into new groupings, all of the interaction categories from V24 are present in V28 – with the exception of immune disorders + cancer, which has been removed.

While the value of most interaction categories has reduced in V28 – sometimes drastically so – two groupings have bucked the trend and increased substantially from V24. You can see the average percentage changes in the chart below.

Percentage RAF change in V28: Disease Interaction Modifier

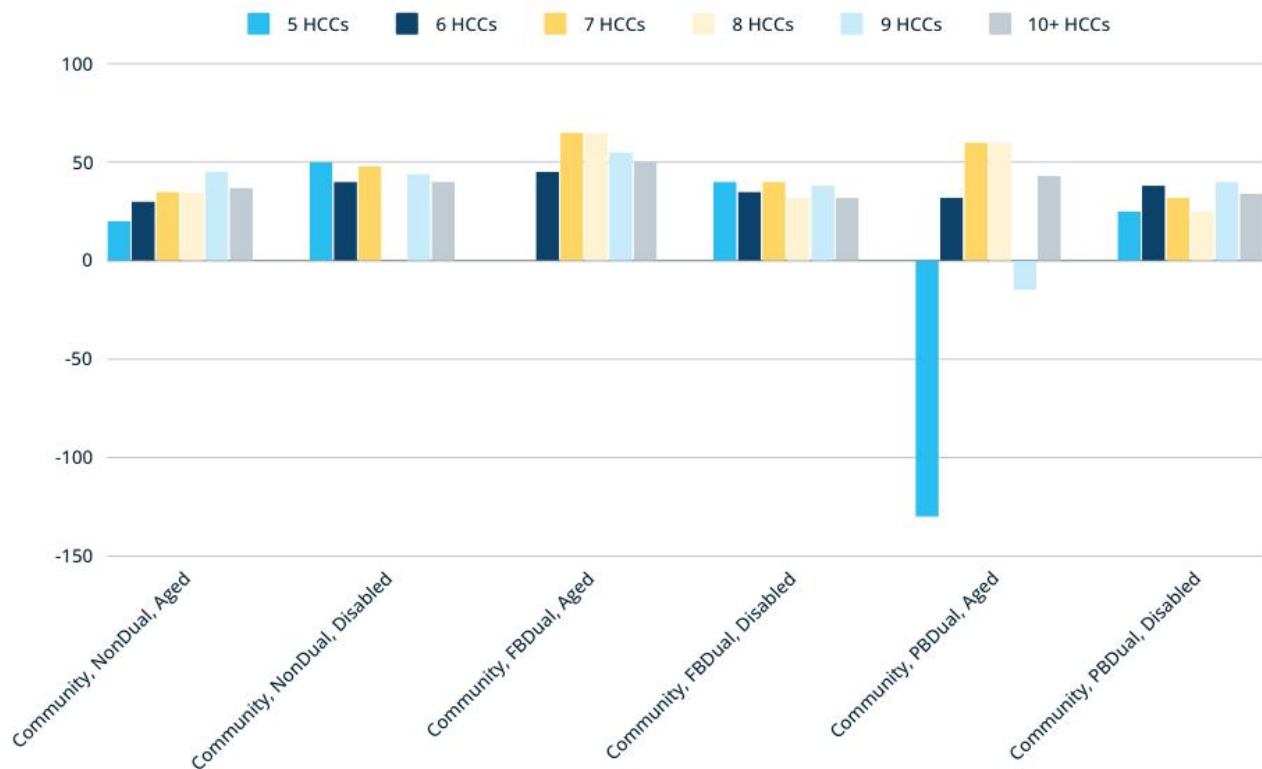


Payment HCC Count Modifier

CMS recognizes that patients with multiple conditions are more expensive to care for, and so patients with five or more HCCs receive a separate modifier that contributes to their risk score.

While many of the changes between HCC V24 and V28 have seen risk factors decrease, the payment HCC Count Modifier sees a higher value added in the latest model for practically every grouping – with a couple of notable exceptions.

Percentage RAF change in V28: Payment HCC Count Modifier



Raw RAF adjustments

The final change to HCC V28 comes in the form of Raw RAF adjustments. These are two metrics used by CMS to set a RAF baseline.

- **The normalization Factor** – based on average health status and cost of care over a five-year period – will change from 1.127 in V24 to **1.045** in V28. This will result in each patient's final RAF score being around 7% higher under the new model.
- **The MA Coding Adjustment** is designed to compensate for differences in coding practices between fee-for-service and risk-adjustment coders. This metric will remain unchanged between HCC V24 and V28, and is set at 5.9%.

With these changes in mind, it's easy to see how patients' RAF values may be significantly different under the new, V28 model – resulting in altered reimbursement amounts for Medicare Advantage Organizations. DoctusTech can help organizations like yours manage the transition to HCC V28, improve documentation accuracy, remain compliant, and ensure you're correctly reimbursed for the patients you care for.

Discover what we can do for you.

Demo the app today

Thank you!

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