



# Understanding SDS Risk Adjustment & Why the Window for Health Plan Action Is Now

A Journey Through the Land of Oz

June 11, 2026

# Welcome to Oz

## A Strange New Medicare Advantage Landscape

1. Constant regulatory changes
2. Revenue challenges
3. Increased member churn

If you work in [Star Ratings](#), it may feel like you were caught in a tornado and ended up in the Land of Oz...



# The **Wicked Witch** of the East (CMS)



- **Reduced revenue**
  - Unexpected lower rate increases
  - Risk-adjustment scrutiny
- **Higher Costs**
  - Increased medical utilization and inflation
- **Stricter Star Ratings**
  - Cut point pressures
  - Removal of 12 measures
  - Risk adjusted adherence measures

# Poll Question #1

How would you describe your plan's current readiness for SDS risk adjustment?

- A. Strategy in place and executing
- B. We understand it but haven't operationalized yet
- C. Still getting up to speed
- D. Not sure where to start



# Gray Skies Over Oz



## RA adherence measure

- Driven by LIS, Dual, Disabled, and Under age 55 members

## The Calculation

- Risk Adjusted Rate = (Unadjusted Rate / Predicted Rate) × Unadjusted Contract Rate

## The Problem

- Plans will not know their predicted rate or the contract type adjusted rate until August following the measurement year

## The Solution

- Take the first step toward the Emerald City and look for help along the way

# Glenda the Good Witch

- MA Plans need to focus on Star Ratings to get back to Kansas (**profitability**)
  - Removal of administrative measures increases the importance of member experience and clinical outcome measures
- Focus needs to shift to high-yield measures
  - Triple weighted clinical measures
  - Member experience
  - Improvement measures



# Follow the **Yellow** Brick Road to 5 Stars

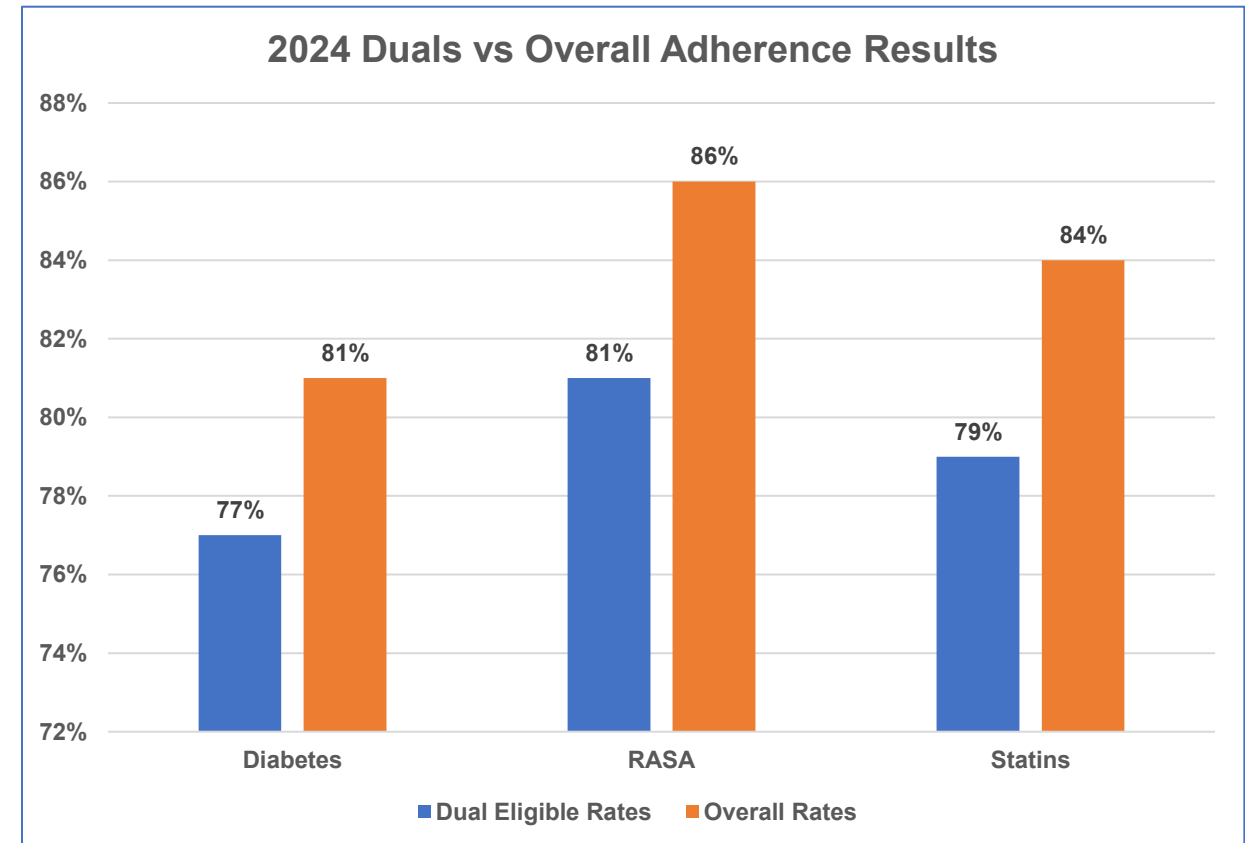
## First step should be improving medication adherence:

- Impacts over 50% of the overall Star rating:
  - Makes up 3 of 5 triple weighted measures
  - Directly impacts the other 2 triple weighted measures GSD and CBP
  - Influences member experience (CAHPS)
  - Significant portion of the 5x's Part C and D improvement measures



# A Health Plan Looking for a Partner

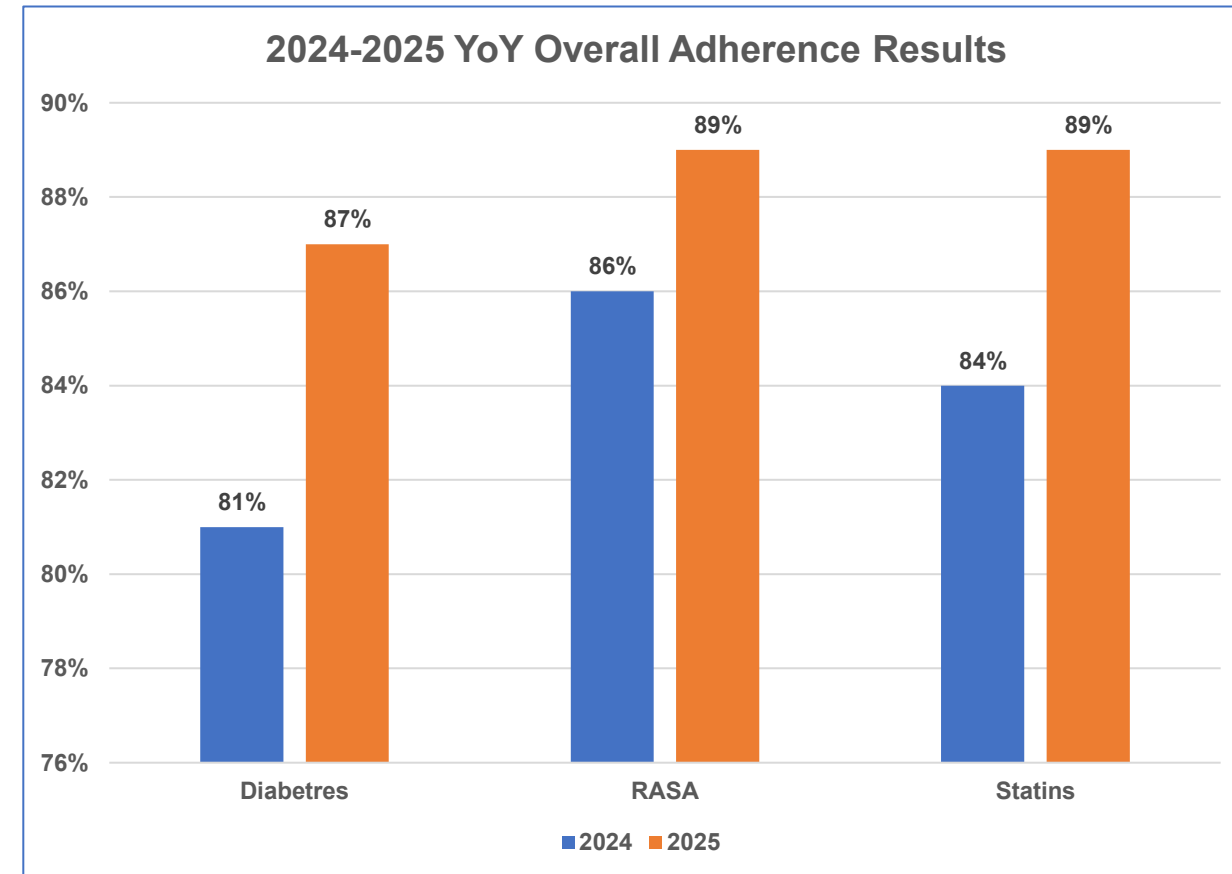
- 50k member MA Plan with low performance in adherence the previous 3 years
- 40% of the membership is dual-eligible
- Current solution is a combination of internal teams and provider partners



# Real Results With The Right Strategy & Partner

## ActualMeds Support

- Carved out **17,000** dual-eligible members to ActualMeds
  - Unique Members Outreached: **7,000**
  - Total Member Outreach: **27,610**
  - Unique Member Reach Rate: **70.4%**
  - Total Refills Facilitated: **7,487**



# If I Only Had a **Brain!**



- Thinking it through, what are the must haves...
  - A data driven platform with AI adherence targeting and prioritization algorithms
    - Targets members at the right time to optimize engagement
    - Prioritizes outreach so the higher risk members are engaged first
    - Data is refreshed automatically with a daily claims feed
    - Provides reporting that targets “pockets of opportunity”

# If I Only Had a **Heart!**

- Create the right pharmacy care team to reach out to your members
  - Is adept at sourcing additional member contact information
  - Understands how to navigate both the pharmacy and medical payment channel
  - Creates relationships with local providers and pharmacies to help support member challenges
  - Builds relationships by solving SDoH and barriers to care problems end to end



# Be a Lion not a **Mowess (mouse)**!



- Get the courage to create a proposal for your leadership team
  - You can't do more with less, so you'll need help
- Budgets vary depending on the Health Plan
  - Find a partner that will work with you to create a plan specific value-based contract
- VBC: reward outcomes not work...
  - Making more outreaches does not always equal results

# Poll Question #2

How high a priority is closing the 2026 SDS adherence gap for your plan heading into 2027?

- A. Top priority – actively resourcing it
- B. High priority but competing for budget
- C. On the radar but not yet prioritize
- D. Need more education before we can prioritize

# Watch out for the Flying Monkeys

Expect noise from outside forces

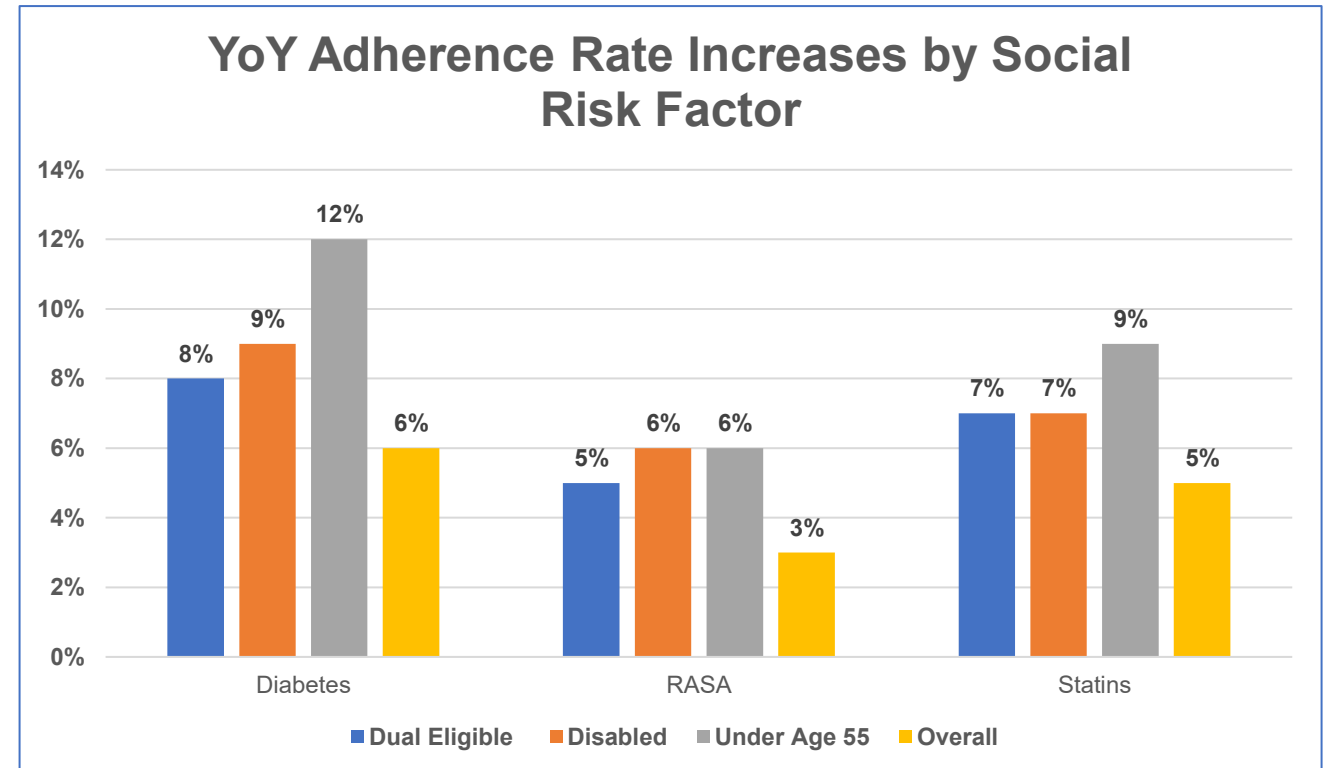
- Ex. Clover Health Lawsuit

What should you do?

- Don't stop and lose the progress you've gained
- Keep yourself informed so you can guide your leadership team



# Just Click your Heels...



# Q&A



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# Thank You For Your Time Today

For More Information Contact Us At:  
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