



Group Medicare Insights: Plan quality, design, and performance

2025 Star Ratings: Understanding the scoring process



The Star Ratings are a grading system established by the Centers for Medicare & Medicaid Services (CMS), with grades assigned annually to Medicare Advantage (MA) plans and prescription drug plans. The Star Ratings system is intended to help plan sponsors and retirees evaluate plan quality. The Star Ratings methodology is constantly evolving—every year, measures are added, revised, and retired.

To calculate a plan's Star Rating, CMS gathers information from member satisfaction surveys, health plans, and healthcare providers. CMS releases Star Ratings each year in October.

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Here's a look at some key measures CMS is using to calculate the 2025 Star Ratings scores.

Measure	What is it?	What is the significance?
Transitions of Care (TRC)	<p>This measure gauges the process of notifying a care team of admission and discharge, engaging patients after they leave the hospital, and conducting medication reconciliation in a timely manner to avoid adverse events.</p> <p>Previously, CMS only included medication reconciliation post-discharge as the Star measure. Now, the TRC measure includes the following four indicators:</p> <ul style="list-style-type: none">• Medication reconciliation post-discharge• Notification of inpatient admission• Patient engagement after inpatient discharge• Receipt of discharge information <p>The 2025 measure will be an average of all four indicators.</p>	<p>According to studies, patients whose primary care physicians know when they have been admitted to hospital and see them within one week following discharge have a lower chance of readmission.</p>
Plan All-Cause Readmissions (PCR)	<ul style="list-style-type: none">• This measure is increasing in weight from 1x to 3x for the 2025 Star Ratings.• The PCR measure assesses the percentage of discharges that result in an unplanned hospital readmission within 30 days.• This is considered a proxy for the quality of inpatient care and the level of coordination when transitioning from the hospital to the home, or to a long-term care facility.	<p>The annual cost of readmissions to the U.S. healthcare system is approximately \$17.4 billion each year, and hospitals readmit around 20% of patients who have Medicare as their primary payer within 30 days of initial discharge¹.</p> <p>The PCR measure is often viewed as a companion to the transitions of care measure. Plans should have lower rates of preventable readmissions if transition of care activities are completed properly.</p>



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Member experience and access to care	<ul style="list-style-type: none"> Member experience measures are captured through a Consumer Assessment of Healthcare Providers and Systems (CAHPS) member survey that focuses on healthcare experiences and quality aspects that a member is equipped to assess. Access to care measures reflect issues that may create barriers to receiving needed care. 	<p>Member experience measures are the most highly weighted in the overall Star Rating score.</p> <p>They are intended to encourage health plans to invest in measures that improve the patient experience.</p>
Pharmacy Quality Alliance (PQA) measures	<p>Plan ratings for the 2025 Medicare Part D Star Ratings will include the following five PQA measures:</p> <ul style="list-style-type: none"> Medication adherence for diabetes medications Medication adherence for hypertension Medication adherence for cholesterol Medication therapy management program completion rate for comprehensive medication review Statin use in persons with diabetes 	<p>The Pharmacy Quality Alliance (PQA) shares measures they endorse with CMS, providing guidance on the use of the measures within plan ratings. Most PQA measures are for evaluating health plan performance.</p>



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1. "Strategies to Reduce Hospital Readmission Rates in a Non-Medicaid-Expansion State," National Library of Medicine, last accessed Aug. 16, 2024, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6669363/>

Sources:

2025 Advance Notice letter to Medicare Advantage Organizations, CMS.gov, last accessed Aug. 16, 2024, <https://www.cms.gov/files/document/2025-advance-notice.pdf>

"PQA Measure Use in CMS' Part D Quality Programs," PQA, last accessed Aug. 16, 2024, <https://www.pqaalliance.org/medicare-part-d>

"What are the Medicare Star Ratings?" NCOA, last accessed Aug. 16, 2024, <https://www.ncoa.org/article/medicare-star-ratings>

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