

Assessment of NCQA Medicaid MCO Quality Ratings Across 2022 and 2023 Performance Years

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Introduction

- Every fall, the National Committee for Quality Assurance (NCQA) publishes annual Managed Care Organizations (MCO) quality ratings. These performance ratings often have importance in the eyes of consumers, regulators, and health plans.
- Plans are rated on a 0-5 scale, with each entity given a rating rounded to nearest half number (e.g. 3.0, 3.5, etc.). NCQA's rounding of the ratings masks considerable performance variation (e.g., MCOs performing at 3.75 through 4.24 will all round to 4.0), and nearly 90% of Medicaid MCOs' ratings fall in the range of 3.0 to 4.0. This rounding is akin to presenting a baseball player's batting average to be either 0.200, 0.250, 0.300, etc.
- This edition of the 5 Slide Series presents some of our tabulations of the Medicaid quality ratings for the two most recent NCQA Rating Years, which assessed the health plans' performance during calendar years 2022 and 2023.

Key Findings

- 13 Medicaid MCOs earned a 4.5 rating from NCQA during the most recently available performance year (2023), six of whom have maintained at least a 4.5 rating throughout the five most recent performance years. No Medicaid MCO has earned a 5.0 rating in either of the two most recent years.
- Among the large, multi-state chain Medicaid MCO enterprises, AmeriHealth Caritas earned the highest average score across all its NCQA-rated Medicaid health plans, with an enrollment-weighted average rating of 3.61. United Healthcare was just behind with an average rating of 3.60.
- States were ranked according to their Medicaid MCOs' enrollment weighted average NCQA quality scores during performance year 2023. Rhode Island had the highest statewide rating (4.43) among the 39 states plus D.C. with a score during the 2023 performance year. The health plans serving Minnesota (4.16) and Massachusetts (4.15) also collectively achieved statewide average scores above 4.0.
- During the 2023 performance year, among the 176 Medicaid MCOs with a rating in each of the past two years, 15% improved their rating in 2023 versus the prior year, 70% stayed at the same rating, and 15% experienced a rating decrease.

Distribution of NCQA's Ratings Across the Medicaid MCO Industry

- In both the 2022 and 2023 performance years, roughly 95% of Medicaid health plans were rated 3.0 and above. Just under 30% of Medicaid MCOs earned at least a 4.0 rating in the most recent (2023) performance year.
- The national average rating was approximately 3.50 in both most recent performance years.
- No Medicaid MCO achieved a 5.0 rating in either of the two most recent performance years.

| NCQA Rating | Number of Medicaid Plans with Indicated Rating | | % of NCQA Rated Plans with Indicated Ratings | |
|-----------------------|--|-----------------------|--|-------------|
| | 2022 Performance Year | 2023 Performance Year | 2022 | 2023 |
| 5.0 | 0 | 0 | 0.0% | 0.0% |
| 4.5 | 13 | 14 | 6.9% | 7.0% |
| 4.0 | 40 | 45 | 21.2% | 22.4% |
| 3.5 | 84 | 88 | 44.4% | 43.8% |
| 3.0 | 43 | 43 | 22.8% | 21.4% |
| 2.5 | 5 | 7 | 2.6% | 3.5% |
| 2.0 | 3 | 3 | 1.6% | 1.5% |
| 1.5 | 1 | 0 | 0.5% | 0.0% |
| 1.0 | 0 | 1 | 0.0% | 0.0% |
| Total | 189 | 201 | 100% | 100% |
| Average Rating | 3.51 | 3.55 | | |

Progression of Medicaid MCOs' NCQA Rating Between the Past Two Years

- 176 Medicaid health plans received an NCQA overall rating in performance years 2022 *and* 2023.
- 27 of these health plans (15%) improved their rating during 2023, 123 MCOs (70%) maintained the same rating in 2023, and 26 MCOs (15%) experienced a rating decline during 2023.
- Plans with a high rating during 2022 (e.g., 4.0 and 4.5) were more likely to suffer a rating decrease in 2023 than to achieve a rating increase.

| NCQA Rating During 2022 Performance Year | Number of Medicaid MCOs with a Rating in Performance Years 2022 and 2023 | Percentage Distribution of These MCOs' Ratings In Performance Year 2023 | | |
|--|--|---|--------------------------|-----------------|
| | | Rating Improved | Rating Remained the Same | Rating Declined |
| 4.5 | 13 | 0% | 69% | 31% |
| 4.0 | 38 | 11% | 66% | 24% |
| 3.5 | 78 | 12% | 77% | 12% |
| 3.0 | 40 | 25% | 68% | 8% |
| 2.5 | 4 | 75% | 25% | 0% |
| 2.0 | 2 | 50% | 0% | 50% |
| 1.5 | 1 | 0% | 100% | 0% |
| Total | 176 | 15% | 70% | 15% |

Average Quality Ratings of Large Multi-State Medicaid MCOs

- The table highlights the eight national Medicaid MCO organizations that received an NCQA rating in at least four states; showing their enrollment weighted average rating for the 2023 performance year.
- Together, these eight organizations account for 108 (57%) of the nation's 191 NCQA-rated Medicaid MCOs during the 2023 performance year.
- AmeriHealth Caritas and UnitedHealthcare had the highest average scores and were the only large multi-state MCO with an average score above the nationwide average.

| National Managed Care Organization | Number of NCQA-Rated Medicaid Plans, Performance Year 2023 | Average NCQA Rating (enrollment-weighted), 2023 | Ranking Among National Chains with at Least 4 NCQA-Rated Medicaid MCOs |
|--|--|---|--|
| AmeriHealth Caritas | 8 | 3.77 | 1 |
| UnitedHealthcare | 27 | 3.60 | 2 |
| Elevance | 9 | 3.45 | 3 |
| Centene Corporation | 26 | 3.40 | 4 |
| CareSource | 4 | 3.39 | 5 * |
| Molina Healthcare | 17 | 3.39 | 6 * |
| Aetna/ CVS Health | 12 | 3.36 | 7 |
| Humana | 4 | 3.15 | 8 |
| Weighted Average (among all Medicaid MCOs with a rating) | 191 | 3.53 | N/A |

* CareSource's weighted average score was 3.392 vs. Molina's 3.390.

“Honor Roll” -- Highest-Rated Medicaid MCOs in Performance Year 2023

- 13 Medicaid health plans earned a rating of 4.5 in the 2023 performance year. As shown in the table, ten of these plans achieved this excellent score across a large body of more than 100,000 Medicaid enrollees.
- Four of these MCOs earned a higher 2023 score than in 2022: Blue Plus, Contra Costa, San Mateo Health Commission, and Upper Peninsula Health Plan.
- The other nine MCOs shown earned a 4.5 score during both of the past two years, six of whom have maintained a 4.5 or above **throughout at least the past five performance years**: Capital District Physicians’ Health Plan, Fallon Community Health Plan, Kaiser Foundation Health Plan (in both Hawaii and the Mid-Atlantic region), Neighborhood Health Plan of Rhode Island, and Tufts Health Public Plans.

| Health Plan Name (shown in alphabetical order) | State | NCOA Rating | Medicaid Enrollment (2024) |
|--|-------|-------------|----------------------------|
| Blue Plus | MN | 4.5 | 346,813 |
| Capital District Physicians' Health Plan | NY | 4.5 | 114,961 |
| Contra Costa Health Plan | CA | 4.5 | 270,000 |
| Fallon Community Health Plan | MA | 4.5 | 101,756 |
| Kaiser Foundation Health Plan of the Mid-Atlantic States | MD | 4.5 | 119,776 |
| Kaiser Foundation Health Plan, Inc. – Hawaii | HI | 4.5 | 55,961 |
| Neighborhood Health Plan of Rhode Island | RI | 4.5 | 170,383 |
| San Mateo Health Commission | CA | 4.5 | 146,306 |
| Tufts Health Public Plans | MA | 4.5 | 115,873 |
| UnitedHealthcare Community Plan (RI) | RI | 4.5 | 81,668 |
| UPMC For You | PA | 4.5 | 585,224 |
| Upper Peninsula Health Plan | MI | 4.5 | 53,255 |
| Vista Health Plan, Inc. (Amerihealth Caritas) | PA | 4.5 | 356,497 |

State Rankings Based on Average NCQA Rating Across Their Medicaid MCOs, Rating Year 2023-2024

| Rank | State | Average NCQA Rating (enrollment-weighted) | Total Number of Medicaid Plans With a Rating |
|------|---------------|---|--|
| 1 | Rhode Island | 4.43 | 3 |
| 2 | Minnesota | 4.16 | 5 |
| 3 | Massachusetts | 4.15 | 6 |
| 4 | Pennsylvania | 4.14 | 11 |
| 5 | Wisconsin | 3.95 | 9 |
| 6 | New York | 3.87 | 8 |
| 7 | Delaware | 3.83 | 2 |
| 8 | Tennessee | 3.79 | 3 |
| 9 | Iowa | 3.78 | 2 |
| 10 | Nebraska | 3.77 | 2 |
| 11 | New Jersey | 3.77 | 5 |
| 12 | New Hampshire | 3.69 | 3 |
| 13 | Utah | 3.69 | 2 |
| 14 | Kansas | 3.68 | 3 |
| 15 | West Virginia | 3.68 | 3 |
| 16 | Illinois | 3.64 | 5 |
| 17 | Indiana | 3.63 | 5 |
| 18 | Arizona | 3.6 | 6 |
| 19 | California | 3.58 | 16 |
| 20 | Maryland | 3.54 | 9 |

| Rank | State | Average NCQA Rating | Total Number of Medicaid Plans With a Rating |
|------|-------------------|---------------------|--|
| 21 | Michigan | 3.52 | 9 |
| 22 | Arkansas | 3.50 | 1 |
| 22 | Hawaii | 3.50 | 5 |
| 22 | Kentucky | 3.50 | 6 |
| 22 | Ohio | 3.50 | 5 |
| 22 | Washington | 3.50 | 5 |
| 27 | Louisiana | 3.44 | 6 |
| 28 | South Carolina | 3.39 | 5 |
| 29 | Texas | 3.33 | 13 |
| 30 | Virginia | 3.32 | 5 |
| 31 | Nevada | 3.29 | 5 |
| 32 | Colorado | 3.18 | 2 |
| 33 | Florida | 3.10 | 9 |
| 34 | Missouri | 3.00 | 3 |
| 34 | New Mexico | 3.00 | 2 |
| 34 | Oregon | 3.00 | 1 |
| 37 | Dist. of Columbia | 2.98 | 2 |
| 38 | Mississippi | 2.80 | 3 |
| 39 | Georgia | 2.76 | 3 |
| 40 | North Dakota | 1.00 | 1 |

5 Slide Series Overview

Our 5 Slide Series is typically a monthly publication whereby we briefly discuss a selected topic outside the confines of our client engagements. The Menges Group has developed a variety of datasets that we use to support our 5 Slide Series and client projects.

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