

EXECUTIVE BRIEFING

Early analysis: How health plans fared in the 2025 Medicare Advantage star ratings

Continued ratings declines portend more turbulence

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<https://www.healthscape.com/insights/early-analysis-how-health-plans-fared-in-the-2025-medicare-advantage-star-ratings>

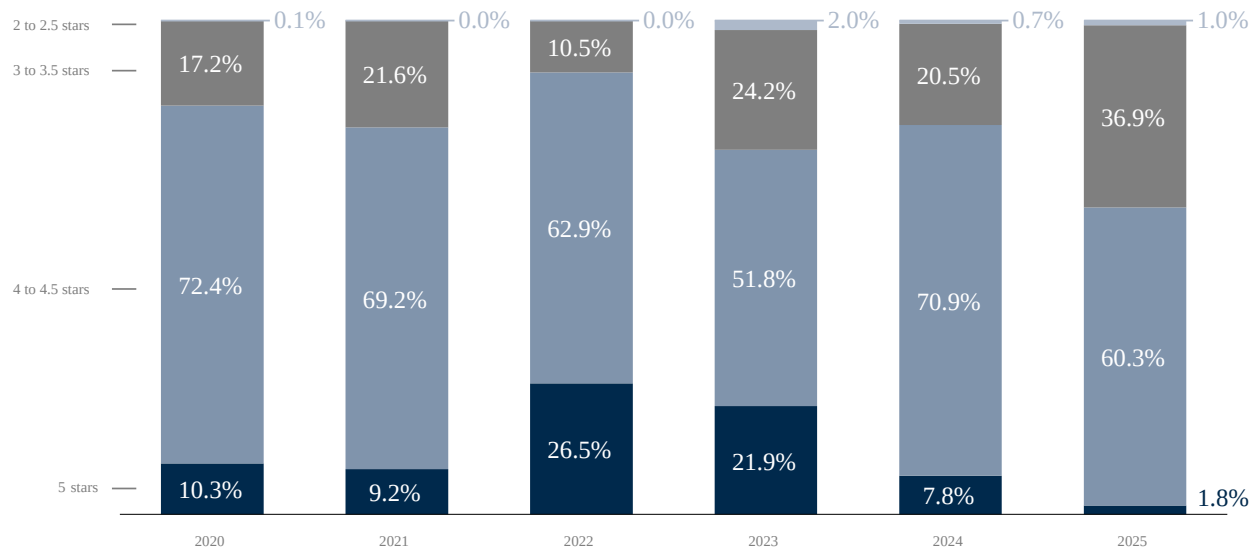
Star ratings are critical to Medicare Advantage plans, given the financial and strategic implications. The Centers for Medicare & Medicaid Services (CMS) today publicly released the 2025 star ratings data for all contracts.

While health plans have been able to view their own results for the past few weeks, stakeholders across the country are now poring through the data to understand trends and implications.

We are sharing a preliminary analysis of the star ratings results and rating changes for specific plans. In the coming weeks, we will follow up with a more in-depth analysis that includes views by plan type, star ratings measure, and cut points. Our follow-up analysis will also discuss the implications for health plans.

Star ratings continue to decline

Distribution of enrollment by star rating year over year



- This year, 62% of membership is attributed to a 4+ star plan, down from 79% the year prior. Notably, only 1.8% of membership is now in a 5 star plan, down from nearly 8% the prior year and 27% in 2022.
- Enrollment in 5 star plans is now negligible. Only 1.8% of members are in this plan tier, down from its peak of 27% in 2022 and 8% in 2024.
- Enrollment in plans with less than 3 stars remained steady at approximately 1%. This is important because plans that score below this threshold in consecutive years cannot market for additional membership or file for new applications or service area expansions (SAEs). They also could be terminated if they are low scoring for 3 years in a row.
- [Leerink Partners wrote](#) in a note to investors that 60% of cut points increased. CMS noted that numerous factors influenced changes in measure level cut points. In an upcoming analysis, we'll examine in more detail the driver of performance for each plan. We'll also look at the impact on performance of changes in cut points at the measure level.

Top plans saw an average of 0.23 star rating decline

Average star ratings changes for top 15 health plans (by enrollment)

Top 15 health plans	Current enrollment	2024 stars	2025 stars	Change
UnitedHealth Group	8,751K	4.21	3.82	▼ (0.39)
Humana	6,134K	4.37	3.63	▼ (0.74)
CVS Health (Aetna)	4,341K	4.15	4.27	▲ 0.11
Elevance (Anthem)	1,928K	3.83	3.73	▲ (0.10)
Kaiser Foundation Health Plan	1,810K	3.93	4.41	▲ 0.48
Centene Corporation	1,025K	3.08	3.15	▲ 0.07
BCBS Michigan	712K	4.07	4.47	▲ 0.40
Cigna	587K	3.76	3.93	▲ 0.18
Highmark Health	424K	4.46	4.52	▲ 0.06
BCBS Florida (GuideWell)	316K	4.10	3.76	▼ (0.34)
Healthfirst	299K	3.95	4.33	▲ 0.39
MHH Healthcare	297K	4.98	4.95	▲ (0.02)
SCAN Group	258K	3.98	4.48	▲ 0.50
Corewell	251K	4.50	4.48	▲ (0.02)
BCBS Minnesota	229K	4.50	4.08	▼ (0.42)
Top 15 health plans overall	27,360K	4.15	3.92	(0.23)
Rest of market	5,099K	4.07	3.90	(0.17)
Overall	32,460K	4.14	3.92	(0.22)

When looking at the top 15 plans by enrollment, we see some interesting trends. Notably:

- The average star rating fell to 3.92 in our member-weighted analysis, which is the lowest it's been since 2015.
- Humana, United, and GuideWell (BCBSFL) had the most significant changes to their star ratings this year. Humana saw an average decline of 0.74, United 0.39, and GuideWell 0.34. Notably, all three carriers have a weighted average below 4 stars, compared to their historically consistent ratings in the mid-4s.
- Despite the significant reduction in the overall market average star ratings, star ratings remained stable for a handful of plans. These include: Elevance, Centene, Highmark Health, MHH Healthcare, and Corewell.
- Kaiser, which last year lost its 5 star rating for the first time in recent history, saw a significant rise: an average 4.41 stars (up 0.48). However, the plan still has not regained 5 star status for any of its contracts.
- Along with Kaiser, SCAN Group, BCBSMI, and Healthfirst saw significant star rating increases of 0.50, 0.40, and 0.39, respectively.
- Centene has continued to improve from its 2023 decline. This year, it posted an average 3.15 star rating, up from 2.92 stars in 2023 but still down from its peak of 3.89 stars in 2022.

Some plans have signaled their intentions to contest their recent star ratings results. The outcomes of these challenges may affect their final ratings for the upcoming year.

Shifts in 4+ star enrollment may impact individual plans’ future positions

Achieving 4+ stars is critical because it qualifies the health plan for the quality bonus payment (QBP) and a greater rebate percentage.¹ The health plan can reinvest both into benefits that make products more attractive, driving growth and financial performance.

The table below shows how membership in the top 15 health plans (by total enrollment) has shifted into or out of tiers of stars performance. Looking beyond the average rating to the shifts in tiers reveals the true economic impact for each plan.

Percentage point change in membership (2024 v. 2025) by star rating tier for top 15 health plans

Top 15 health plans	2025 star rating			
	<3	3+	4+	5
UnitedHealth Group	• 0%	● 14%	● -9%	● -5%
Humana	• 0%	● 69%	● -54%	● -15%
CVS Health (Aetna)	• 1%	• 2%	• -3%	• 0%
Elevance (Anthem)	• 0%	● 14%	● -10%	• -3%
Kaiser Foundation Health Plan	• 0%	● -19%	● 19%	• 0%
Centene Corporation	● 9%	● -8%	• -1%	• 0%
BCBS Michigan	• 0%	• 0%	• 0%	• 0%
Cigna	• 2%	• -2%	• 0%	• 0%
Highmark Health	• 0%	• 0%	• 0%	• 0%
BCBS Florida (GuideWell)	• 0%	● 30%	● -30%	• 0%
Healthfirst	• 0%	• 0%	• 0%	• 0%
MHH Healthcare	• 0%	• 0%	• 0%	• 0%
SCAN Group	• -1%	• 1%	• 0%	• 0%
Corewell	• 0%	• 0%	• 0%	• 0%
BCBS Minnesota	• 0%	• 4%	● -4%	• 0%

Overall, the market saw 18% of membership shift out of 4 and 5 star plans. Plans that saw membership shift out of these categories will experience margin pressure due to the loss in quality bonus payment (QBP). Notably, Humana, GuideWell, Elevance, and United saw the biggest shifts out of these tiers. Kaiser was the only plan to see growth in the 4+ star tier.

Humana's rating reduction was driven by a decline from 4.5 stars to 3.5 stars in its largest contract (H5216). This contract contains 45% of Humana's Medicare Advantage membership, including 90% of its group Medicare Advantage membership.

Despite its marginal average score increase this year, Centene members in plans below 3 stars grew by approximately 100,000. Centene's plans below 3 stars could be at risk of termination by CMS if they stay on their current trajectory. Additionally, this rating will affect their placement in the Plan Finder and result in a low-performing plan status in the upcoming enrollment period.

While not shown in this chart, some plans' star ratings shifted from 5.0 stars to 4.5 stars. This change results in a higher overall average star rating and financial improvement from an increased rebate. However, it does not impact their QBP.

Sources:

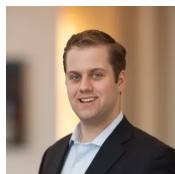
¹ Plans that earn 4 stars receive a 5% increase in their benchmark as a quality bonus payment. Plans that score 3.5 or 4 stars receive a 65% rebate percentage. Plans that receive 4.5 or 5 stars receive a 70% rebate percentage. Moving from 4.5 to 5 stars does not provide a rebate or quality bonus payment advantage. However, plans with 5 stars have a strategic advantage of marketing their products year-round, not just during the short open enrollment period in October through December.

Centers for Medicare & Medicaid Services (CMS) Medicare Advantage September 2024 Enrollment and 2025 Medicare Advantage Part C and D Star Ratings Data Tables, Chartis analysis.

Enrollment is based on September 2024 CMS enrollment and includes only health plans that had ratings in both 2024 and 2025. Star ratings are weighted by enrollment.

Our analysis bases weighted average enrollment on the most recent enrollment data available for the star rating year. Thus, our weighted average stars for previous years will not match the weighted average stars in the CMS memo.

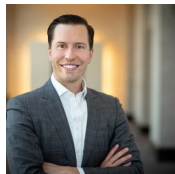
AUTHORS



Nick Herro
Senior Partner



Alexis Levy
Senior Partner



Neil Precilio
Partner