



American Academy
of Value Based Care

Medicare Star Diabetes Medication Adherence Quick Reference Guide

2025

Medicare STAR Diabetes Medication Adherence Quick Reference Guide

1. MEASURE SNAPSHOT

CMS Part D Star Measure: D08 - Medication Adherence for Diabetes Medications (MA-DM)

CMS Definition: Percentage of Medicare Part D beneficiaries aged **≥18 years** who receive **two or more fills** of a **non-insulin diabetes medication** (e.g., metformin, SGLT2 inhibitors, GLP-1 receptor agonists [oral], DPP-4 inhibitors, TZDs, sulfonylureas) and maintain **≥80% Proportion of Days Covered (PDC)** during the measurement year.^{1, 2}

Measure Weight: Triple-weighted (3x) under Star Ratings; MA≈ 30% of total Part D rating

Exclusions: Members in hospice, palliative care, ESRD, advanced illness/frailty programs, or long-term care facilities, **MA-DM specific exclusion:** Beneficiaries w/ diagnosis of **Gestational Diabetes** during the measurement year, **only one fill** of an eligible non-insulin diabetes medication during the measurement year or only filled **insulin** or other injectable treatments, as the measure focuses only on non-insulin oral agents.^{1, 2}

2025 Financial Impact: **\$12.7 billion** in total Quality Bonus Payments (QPBs) across all MA-PD contracts.³; **\$372–\$438 per enrollee annually** (depending on plan performance tier)³

Star Thresholds^{1, 4}

- **Adherent Patient:** PDC ≥80%
- **4-Star Plan:** >80% members adherent (historical 4 Star minimum)
- **5-Star Plan:** >88% members adherent (historical standard)
- Achieving 5 stars requires very high medical adherence(MA), typically requiring that over 90% of its members achieve the ≥ 80% PDC threshold
- 2024 analysis of the **2025 Star Ratings cutpoints** demonstrated high and rising thresholds for MA⁴
 - MA-DM with >90% adherence in 2024, in 2025 many plans needed >92% adherence to earn 5 Stars

CMS Cut Points: ¹

Plan Type	1 Star	2 Star	3 Star	4 Star	5 Star
MA-PD	< 83%	83% – <86%	86% – <89%	89% – <92%	≥ 92%
PDP	< 85%	85% – <87%	87% – <89%	89% – <92%	≥ 92%

Current Industry Performance (2024 → 2025 Trend)⁴⁻⁶

- In 2025, **62%** of enrollees are in **4+ star contracts**, down from **79% in 2023**
- **Only 1.8%** of members are in **5-star contracts**, reflecting increased adherence variability and plan stratification risk
- **MADM showed one of the steepest performance drops**, largely due to:
 - Rising cut points (up to 92% for 5 Stars)
 - Higher medication costs (SGLT2i/GLP-1 oral)
 - Increased social-risk effects incorporated through HEI

Rating Impact & Revenue

Star Rating	Benchmark Bonus	Rebate	Marketing Rights
5 stars	5% increase + QBP	70%	Year-round enrollment
4.5 stars	5% increase + QBP	70%	Standard windows
4 stars	5% increase + eligible for QBP	65%	Standard windows
< 4 stars	None	50-65%	Limited

2. PDC CALCULATION

Formula²

$$PDC = \frac{\text{Total days with medication available}}{\text{Days in measurement period}} \times 100$$

Success Threshold: ≥ 80% PDC

Calculation Rules (Non-Negotiable)^{1, 2}

	Specification (2025 CMS/PQA Standard)	Operational Note
Measurement Start Date, Index prescription start date (ISPD)	ISPD is the first date a target medication was filled in the measurement year. The treatment period starts on the ISPD and ends on the earliest of: the last day of enrollment, death, or the end of the measurement year.	Ensures sufficient observation window for annual PDC
Member Eligibility	Becomes eligible at 2nd fill within measurement year	Confirms chronic use vs trial
Data Source	Part D Pharmacy claims only (paid by plan)	Samples, cash-pays, 340B fills excluded
Supply Overlap	Overlapping days shift forward (no double-count)	Avoids inflated PDC (>100% errors)

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