



American Academy  
of Value Based Care

# Medicare Star Diabetes Medication Adherence Quick Reference Guide

2025

# Medicare STAR Diabetes Medication Adherence Quick Reference Guide

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## 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  $\geq 18$  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  $\geq 80\%$  **Proportion of Days Covered (PDC)** during the measurement year.<sup>1,2</sup>

**Measure Weight:** Triple-weighted (3x) under Star Ratings; MA  $\approx 30\%$  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.<sup>1,2</sup>

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

### Star Thresholds<sup>1,4</sup>

- **Adherent Patient:** PDC  $\geq 80\%$
- **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  $\geq 80\%$  PDC threshold
- 2024 analysis of the **2025 Star Ratings cutpoints** demonstrated high and rising thresholds for MA<sup>4</sup>
  - MA-DM with  $>90\%$  adherence in 2024, in 2025 many plans needed  $>92\%$  adherence to earn 5 Stars

### CMS Cut Points:<sup>1</sup>

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

## Current Industry Performance (2024 → 2025 Trend)<sup>4-6</sup>

- 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

### Formula<sup>2</sup>

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

**Success Threshold: ≥ 80% PDC**

### Calculation Rules (Non-Negotiable)<sup>1, 2</sup>

	Specification (2025 CMS/PQA Standard)	Operational Note
<b>Measurement Start Date, Index prescription start date (ISPD)</b>	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
<b>Member Eligibility</b>	Becomes eligible at 2nd fill within measurement year	Confirms chronic use vs trial
<b>Data Source</b>	Part D Pharmacy claims only (paid by plan)	Samples, cash-pays, 340B fills excluded
<b>Supply Overlap</b>	Overlapping days shift forward (no double-count)	Avoids inflated PDC (>100% errors)

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