2024 CMS–HCC model summary of clinical reclassification of HCCs

On March 31, 2023, the Centers for Medicare & Medicaid Services (CMS) released the Calendar Year (CY) 2024 Medicare Advantage (MA) and Part D Rate Announcement (final rate notice). The final rate notice is released annually and includes updates to capitation and risk adjustment methodologies used to calculate payments to MA plans. For CY 2024, CMS is phasing in over a three-year period a revised version of the CMS-hierarchical condition categories (CMS-HCC) risk adjustment model (hereinafter referred to as "2024 CMS-HCC model").

In addition to using more recent data (2018 diagnoses (Dx) and 2019 expenditures) and denominator year (2020) in recalibrating the new model, the 2024 CMS-HCC model reflects a reclassification with newly rebuilt condition categories using International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) codes to create the HCCs for the first time. Underlying diagnosis to HCC mappings were evaluated to ensure diagnosis codes map to condition categories with similar clinical characteristics and cost patterns. ICD-10 coding provides a greater level of detail that allows more precision in the identification of specific conditions. Because the new model is calibrated on more recent data using the same ICD system currently being utilized to code diagnoses in clinical settings, the 2024 CMS-HCC model will better reflect recent cost and utilization patterns.

Risk score differences between the models will occur for several reasons. Specifically, revisions to the models result in changes in the marginal cost attributable to each HCC, relative to the change in the average cost (i.e., denominator used to set the relatives), and can alter the relative factor associated with each HCC, and with the relative values among HCCs. Also, changes in the relative factors will result from changing from HCCs that were created using the ICD-9 system to HCCs created using the ICD-10 system, as well as from the addition or deletion of HCCs to or from the model. Providers remain obligated to assign diagnosis codes in accordance with ICD–10 and other applicable standards, regardless of these HCC reconfigurations.

The following is a summary of the HCC clinical reclassification:

Final rate notice HCC clinical reclassification summary	
HCCs fully removed from 2020 CMS–HCC model:	**HCCs Fully new for the 2024 CMS–HCC model:**
HCC 21 – Protein–Calorie Malnutrition (10 Dx Codes Removed) **HCC 88** – Angina Pectoris (36 Dx Codes Removed) **HCC 134** – Dialysis Status (50 Dx Codes Removed) **HCC 135** – Acute Renal Failure (5 Dx Codes Removed) **HCC 176** – Complications of Specified Implanted Device or Graft (325 Dx Codes Removed)	**HCC 387** – Pemphigus, Pemphigoid, and other specified Autoimmune Skin Disorders (14 New Dx Codes) **HCC 279** – Severe Persistent Asthma (3 New Dx Codes)
HCCs Transferred from 2020 CMS–HCC Model to 2024 CMS–HCC model without removal of any diagnosis codes:	
HCC 1 – HIV/AIDS **HCC 6** – Opportunistic Infections **HCC 8** – Metastatic Cancer and Acute Leukemia **HCC 9** – Lung and other Severe Cancers **HCC 10** – Lymphoma and Other Cancers **HCC 11** – Colorectal, Bladder, and Other Cancers **HCC 12** – Breast, Prostate, and Other Cancers and Tumors **HCC 22** – Morbid Obesity	**HCC 77** – Multiple Sclerosis **HCC 79** – Seizure Disorders and Convulsions **HCC 82** – Respirator Dependence/Tracheostomy Status **HCC 83** – Respiratory Arrest **HCC 86** – Unstable Angina and Other Acute Ischemic Heart Disease **HCC 87** – Acute Myocardial Infarction **HCC 99** – Intracranial Hemorrhage **HCC 103** – Hemiplegia/Hemiparesis **HCC 104** – Monoplegia, Other Paralytic Syndromes

HCC 29 – Chronic Hepatitis
HCC 33 – Intestinal Obstruction/Perforation
HCC 34 – Chronic Pancreatitis
HCC 35 – Inflammatory Bowel Disease
HCC 51 – Dementia with complications
HCC 54 – Substance Use with Psychotic Complications
HCC 56 – Substance Use Disorder, Mild, Except Alcohol and Cannabis
HCC 57 – Schizophrenia
HCC 58 – Reactive and Unspecified Psychosis
HCC 60 – Personality Disorders
HCC 70 – Quadriplegia
HCC 71 – Paraplegia
HCC 73 – Amyotrophic Lateral Sclerosis and Other Motor Neuron Disease
HCC 74 – Cerebral Palsy
HCC 76 – Muscular Dystrophy

Note: these HCCs could have had diagnosis codes added, however, no diagnosis codes were removed, from what was included in the 2020 Model.

HCC 110 – Cystic Fibrosis
HCC 111 – Chronic Obstructive Pulmonary Disease
HCC 114 – Aspiration and Other Specified Bacterial Pneumonias
HCC 124 – Exudative Macular Degeneration
HCC 136 – Chronic Kidney Disease, (Stage 5)
HCC 137 – Chronic Kidney Disease, Severe (Stage 4)
HCC 138 – Chronic Kidney Disease, Moderate (Stage 3)
HCC 158 – Pressure Ulcer of Skin with Full Thickness Skin Loss
HCC 159 – Pressure Ulcer of Skin with Partial Thickness Skin Loss
HCC 166 – Severe Head Injury
HCC 169 – Vertebral Fractures without Spinal Cord Injury
HCC 170 – Hip Fracture/Dislocation
HCC 186 – Major Organ Transplant or Replacement Status
HCC 188 – Artificial Openings for Feeding or Elimination

HCCs transferred from 2020 HCC model to 2024 HCC model with removal of diagnosis codes:

2020 CMS–HCC model HCCs	Description	# Dx transferred from 2020 model to 2024 model	# Dx Removed from 2020 model	# New Dx added to 2024 model
HCC 2	Septicemia, sepsis and systemic inflammatory response syndrome/shock	50	2	0
HCC 17	Diabetes with acute complications	18	5	0
HCC 18	Diabetes with chronic complications	308	80	0
HCC 19	Diabetes without complication	0	1	0
HCC 23	Other significant endocrine and metabolic disorders	48	178	4
HCC 27	End–stage liver disease	13	2	0
HCC 28	Cirrhosis of liver	8	2	6
HCC 39	Bone/joint/muscle infections/necrosis	608	44	1
HCC 40	Rheumatoid arthritis and inflammatory connective tissue disease	504	71	3
HCC 46	Severe hematological disorders	14	5	0
HCC 47	Disorders of immunity	18	34	0
HCC 48	Coagulation defects and other specified hematological disorders	34	40	0
HCC 52	Dementia without complication	33	20	0
HCC 55	Substance use disorder, moderate/severe or substance use with complications	308	20	26
HCC 59	Major depressive, bipolar and paranoid disorders	394	425	0
HCC 72	Spinal cord disorders/injuries	249	90	2

2020 CMS–HCC model HCCs	Description	# Dx Transferred from 2020 model to 2024 model	# Dx Removed from 2020 model	# New Dx added to 2024 model
HCC 75	Myasthenia gravis/myoneural disorders and Guillain–Barre syndrome/inflammatory and toxic neuropathy	12	40	0
HCC 78	Parkinson's and Huntington's diseases	11	40	0
HCC 80	Coma, brain compression/ anoxic damage	45	5	0
HCC 84	Cardio–respiratory failure and shock	21	6	15
HCC 85	Congestive heart failure	57	1	1
HCC 96	Specified heart arrhythmias	18	1	0
HCC 100	Ischemic or unspecified stroke	95	4	0
HCC 106	Atherosclerosis of extremity with ulceration or gangrene	127	1	0
HCC 107	Vascular disease with complications	109	36	0
HCC 108	Vascular disease	184	146	0
HCC 112	Fibrosis of lung and other chronic lung disorders	0	17	0
HCC 115	Pneumococcal pneumonia, empyema, lung abscess	7	25	0
HCC 122	Proliferative diabetic retinopathy and vitreous hemorrhage	100	24	76
HCC 161	Chronic ulcer of skin, except pressure	290	2	0
HCC 162	Severe skin burn or condition	90	6	0
HCC 167	Major head injury	57	251	1
HCC 173	Traumatic amputations and complications	108	34	0
HCC 189	Amputation status, lower limb/amputation complication	41	250	3

Note: all of these HCCs had at least one diagnosis code removed that were previously included in the 2020 model. There are some HCCs in the 2020 model that were reconfigured into new HCCs in the 2024 model; however, this does not impact the diagnosis code data provided within.

For further information on the HCC clinical reclassification:

- Differences in the HCCs in the 2020 CMS–HCC model and HCCs in the 2024 CMS–HCC model are noted in Table II–4 in the CY24 Advance Notice, organized by disease group.
- The ICD–to–HCC mappings files, available on the CMS Risk Adjustment webpage, have an exhaustive list of HCCs in the 2020 CMS–HCC model and the 2024 CMS–HCC model and the underlying mappings to ICD–10 codes