

Judge Grants UnitedHealth Group's Request for New 'Star Rating'

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- Judge says CMS wrongly lowered UnitedHealth's quality score
- Case hinged on disputed telephone call center response

The Biden administration must re-calculate a potentially lucrative Medicare Advantage quality measure for [UnitedHealth Group Inc.](#) after a federal judge ruled it wrongly downgraded the insurer's 2025 "star ratings."

In partially granting UnitedHealth Group's motion for summary judgment on Friday, Judge Jeremy Kernodle of the US District Court for the Eastern District of Texas ruled that the Centers for Medicare & Medicaid Services "acted contrary to its own guidelines" by determining that an agency test caller did not "connect" with the insurers' telephone call center team.

The case revolved around a French-speaking test caller for CMS who dialed the call center, and was routed to a French-speaking agent. UnitedHealth sued the CMS last month over the role of the call in their 2025 quality rating.

The court on Friday ordered that CMS's decision to include the disputed call in the 2024 Call Center Monitoring Performance Metrics for Accuracy and Accessibility Study is unlawful and "Defendants shall recalculate Plaintiffs' 2025 star ratings without consideration of the disputed call and shall immediately publish the recalculated star ratings in the Medicare Plan Finder," Kernodle wrote.

The ruling, which denied a cross motion for summary judgment by Department of Justice attorneys, opens the door for UnitedHealth Group to potentially secure millions of dollars in bonus payments if they score at least four of a possible five stars on their re-calculated 2025 "star ratings," which determine how much they'll receive in 2026 from the MA Quality Bonus Payment program.

Medicare Advantage plans are expected to receive an estimated \$15 billion this year in bonus payments under the program, according to the Medicare Payment Advisory Commission.

Disputed Call

"A voice is heard beginning to say something before being cut off immediately. Fifteen seconds later, the test caller says, 'Hello?' in English. Silence follows. No dialogue occurs between the test caller" and call center staff, Kernodle wrote. The test caller, however, "does not ask an introductory question" but remains on the line until the call is terminated after roughly eight minutes.

“The record evidence demonstrates that the call ‘connected,’ the call lasted more than eight minutes, and the test caller never asked the introductory question contemplated at phase three of the call. Thus, the call should not have been marked as ‘unsuccessful’ according to the guidelines,” Kernodle’s decision said.

The [UnitedHealthcare](#) case, and similar lawsuits by [Centene](#) and [Humana](#), each claim the CMS wrongly downgraded their star ratings due to poor performance by the insurers’ telephone call center staff. Centene claims it will lose an estimated \$73 million due to the lower ratings. Each of the cases also ask that CMS re-calculate their scores.

The recent complaints follow the template of successful lawsuits by SCAN Health and [Elevance Health Inc.](#)

The [SCAN](#) and [Elevance](#) suits claimed the CMS erred in calculating their star ratings, violated the Administrative Procedure Act, and wrongly penalized the insurers for similarly disputed call center episodes. Elevance said revenue could drop by \$500 million in 2025 because of its lower ratings; SCAN said it faced a \$250 million decline.

In June, the CMS notified all MA plans that it would recalculate their 2024 star ratings based on the SCAN and Elevance challenges.

Bloomberg Law previously reported that call center scores will “have a smaller weighting on star ratings moving forward,” according to CMS Deputy Administrator Meena Seshamani.

The CMS changes, which have already been finalized, will begin with the 2026 MA Star Ratings and will impact bonus payments in 2027.

The case is *UnitedHealthcare Benefits of Texas, Inc. v. Centers for Medicare & Medicaid Services*, E.D. Tex., No. 6:24-cv-00357, 11/22/24