Commercial and Medicare Advantage Hierarchical Condition Categories (HCC)

The Centers for Medicare and Medicaid Services (CMS) and the Department of Health and Human Services (HHS) use risk adjustment for Medicare Advantage (MA) plans and Commercial plans respectively. The two risk adjustment models are similar, but they have key differences.

MA and Commercial HCC model differences

Line of Business	Measurement Period	HCC Grouping	Approx. Number of HCCS and ICD-10 Codes
Medicare Advantage CMS-HCC	Prospective model: Risk scores calculated in current year determine future payment.	HCCs reflect an older population with a higher prevalence of chronic medical conditions.	86 HCCs 10,000 ICD-10 codes
Commercial Plans HHS-HCC	Concurrent model: Risk scores calculated for current year determine payment for the same year.	The HCC grouping logic reflects the commercial population.	127 HCCs 8,000 ICD-10 codes

Several HCCs are unique to each model because they reflect the health status of different age groups represented.

- Anorexia, autism, and asthma are examples of conditions that are risk adjusting under the commercial model (HHS-HCCs) as they typically affect younger age groups.
- Morbid obesity and pressure ulcers are CMS-HCCs risk adjusting for older age groups only.

Both models require complete and accurate condition assessment.

- You must address medical conditions annually or document that the patient no longer has the condition.
- You need to document conditions discussed during face-to-face visits and bill those conditions on a claim. You can find a list of acceptable provider types for these face-to-face visits at CMS.gov.
- Chronic conditions that aren't documented and coded annually are not reflected in patients' risk scores.

For more information or a list of conditions unique to each model, email Provider Clinical Consulting team.