# The 730-Day Blind Spot

*Why Medicare Advantage Plans Can't Afford to Wait on Patient Outcome Monitoring*

A Strategic Analysis for Health Plan Decision Makers and Investors

**OutsideINsights**

A Code Pause Inc. Solution

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# Executive Summary

In October 2026, Medicare Advantage plans across the country will receive their Star Ratings for the 2027 payment year. Many will be blindsided by their scores on two measures that are about to become critically important:

**Improving or Maintaining Physical Health** and **Improving or Maintaining Mental Health**.

These measures, derived from the Health Outcomes Survey (HOS), are returning to Star Ratings after being temporarily removed due to COVID-19 disruptions. In 2026, they carry a weight of 1. But starting with the 2027 Star Ratings (affecting 2028 payments), they jump to a weight of 3—putting them on par with the triple-weighted medication adherence measures that have long dominated quality strategy.

Here's what most plans don't fully understand: the data that will determine their October 2026 scores is already locked in. The HOS surveys measuring these outcomes were administered in 2022 (baseline) and 2024 (follow-up). There is nothing plans can do today to change those results.

### The clock is ticking on the next cycle.

For the 2027 Star Ratings (October 2027 release, affecting 2028 payments), the measurement window is Cohort 26: baseline surveys administered in 2023, follow-up surveys in 2025. That cycle is also essentially complete.

This whitepaper explains the timeline that catches plans off guard, quantifies the financial stakes, and introduces OutsideINsights—a real-time patient-reported outcome monitoring system designed to close the 730-day blind spot between HOS surveys.

# The Timeline Problem No One Talks About

## Understanding the HOS Survey Cycle

The Health Outcomes Survey (HOS) is a longitudinal survey administered by CMS to measure the physical and mental health functioning of Medicare Advantage beneficiaries. Each year, CMS draws a random sample of 1,200 members from each MA contract (the "baseline cohort"). Two years later, those same members are surveyed again (the "follow-up cohort").

The survey uses the VR-12 instrument—a 12-item questionnaire that produces two summary scores: a Physical Component Summary (PCS) and a Mental Component Summary (MCS). Members are categorized as "better than expected," "same as expected," or "worse than expected" based on risk-adjusted comparisons between their baseline and follow-up scores.

A plan's Star Rating score for these measures is the percentage of members who improved or maintained their health status.

## The Two-Year Lag: Why Today's Actions Don't Help Tomorrow's Scores

The critical point that many health plan executives miss is the timing. Consider this timeline:

| Star Ratings Year | Released | Affects Payments | HOS Data Source |
|---|---|---|---|
| 2026 | October 2025 | 2027 | Cohort 25 (2022-2024) |
| 2027 | October 2026 | **2028 (Weight 3)** | Cohort 26 (2023-2025) |
| 2028 | October 2027 | **2029 (Weight 3)** | Cohort 27 (2024-2026) |
| 2029 | October 2028 | **2030 (Weight 3)** | Cohort 28 (2025-2027) |

This means that when plans receive their October 2026 Star Ratings, they're looking at outcomes data from members who were first surveyed in 2022. Any interventions, care management programs, or quality initiatives launched in 2024, 2025, or 2026 will have

***zero impact*** on those scores.

# The Urgency: Why 2027 Changes Everything

## Weight Changes That Shift the Balance of Power

CMS has fundamentally restructured the Star Ratings weighting system, and the changes favor outcome measures over experience measures:

| Measure Category | 2026 Weight | 2027 Weight |
|---|---|---|
| **Physical/Mental Health (HOS)** | 1 | **3 ↑** |
| Patient Experience (CAHPS) | 2 | 2 |
| Medication Adherence | 3 | 3 |
| Access Measures | 2 | 2 |

This represents a dramatic shift in strategy. For years, plans could prioritize CAHPS improvement initiatives—member experience surveys where tactical interventions around call center performance, appointment access, and provider communication could move the needle. Those measures are now worth half as much.

Meanwhile, the HOS-based physical and mental health measures are tripling in importance. These aren't measures where a plan can make quick fixes. They measure actual health outcomes over a two-year period, based on how members perceive their own physical and mental functioning.

## The Financial Stakes

The Medicare Advantage Quality Bonus Payment program distributed approximately $12.7 billion in 2025. Plans achieving 4 or more stars receive a 5% benchmark bonus (10% in double bonus counties). The per-member impact averages $372 annually.

For a plan with 100,000 members, the difference between maintaining 4 stars and dropping to 3.5 stars can exceed $37 million annually in lost bonus payments—not counting downstream effects on member retention and competitive positioning.

With the physical and mental health measures moving to weight 3, a poor performance on these two measures alone could be enough to push a borderline 4-star plan below the bonus threshold.

# The 730-Day Blind Spot

Between the baseline and follow-up HOS surveys, 730 days pass. During this time, plans have virtually no visibility into what's happening with the members in the survey cohort. They don't know:

- Whether members are experiencing declining physical function
- If members are struggling with depression, anxiety, or other mental health challenges
- Which members are at risk of falling into the "worse than expected" category
- What interventions might prevent deterioration before the follow-up survey locks in their score

This blind spot exists because the HOS is administered by CMS-approved vendors during a specific window (July through November each year), and plans are explicitly prohibited from contacting members about survey content during this period. There's also a formal "blackout period" from May 24 through November 1 when plans may not field any HOS-related questions.

By the time plans receive their HOS Performance Measurement Reports (typically in August, more than a year after the follow-up surveys are completed), the data is historical. The opportunity to intervene has passed.

## What Plans Are Missing

The irony is that plans invest millions in care management programs, chronic disease management, behavioral health services, and member engagement—yet they have no systematic way to know if these investments are actually improving the outcomes that CMS will measure.

A member could participate in every wellness program the plan offers, but if their self-reported physical functioning declines between baseline and follow-up, they're counted against the plan's score. Conversely, a member who receives no special interventions but maintains their health status contributes positively.

The problem isn't that plans lack good intentions or effective programs. The problem is they lack ***visibility***—the ability to see, in near-real-time, how members are actually doing on the dimensions that matter for Star Ratings.

# OutsideINsights: Closing the Blind Spot

OutsideINsights is a patient-reported outcome monitoring platform designed specifically to address the 730-day blind spot. It provides Medicare Advantage plans with continuous visibility into member health status using the same VR-12 instrument that underlies the official HOS measures.

## How It Works

1. **VR-12-Aligned Assessment Collection:** OutsideINsights administers the same 12-item VR-12 survey that CMS uses, capturing self-reported physical and mental health status through mobile app, SMS, IVR, or care manager touchpoints.
2. **Real-Time PCS/MCS Scoring:** Using the official scoring algorithm (the same regression coefficients CMS uses), OutsideINsights calculates Physical Component Summary and Mental Component Summary scores for each assessment.
3. **Trajectory Analysis:** The system tracks member scores over time, classifying each member's trajectory as improving, stable, or declining. Early warning flags identify members at risk of falling into the "worse than expected" category before the official HOS follow-up survey.
4. **Intervention Triggers:** When a member's trajectory indicates risk, OutsideINsights alerts care managers and triggers appropriate interventions—whether behavioral health outreach, physical therapy referrals, pain management resources, or social support services.
5. **FHIR-Ready Integration:** All data is structured for HEDIS digital quality measure reporting and can integrate with existing care management platforms through standard FHIR R4 interfaces.

## The Strategic Advantage

With OutsideINsights, plans gain the ability to:

- **Predict HOS performance:** By continuously monitoring the same measures CMS uses, plans can forecast their likely Star Ratings months before official results arrive.
- **Target interventions effectively:** Instead of broad population health programs, plans can focus resources on members whose trajectories indicate declining physical or mental health.
- **Demonstrate ROI:** By correlating interventions with score improvements, plans can quantify the impact of their care management investments.
- **Differentiate in a competitive market:** Plans using OutsideINsights can demonstrate a sophisticated, data-driven approach to quality that investors, regulators, and prospective members value.

# The Window of Opportunity

For plans looking at the 2028 Star Ratings (October 2027 release, affecting 2028 payments with full weight-3 impact), the relevant HOS cohort is Cohort 27: baseline surveys administered in 2024, follow-up surveys scheduled for 2026.

The baseline is already locked. But there is still time to influence outcomes before the 2026 follow-up surveys. Plans that implement OutsideINsights now can:

1. Identify declining members for targeted interventions from 2024
2. Begin VR-12-aligned monitoring in Q1 2026
3. Detect members trending toward decline in Q1-Q2 2026
4. Intervene before the HOS follow-up window opens (July 2026)
5. Potentially improve outcomes that will be measured in the official survey

For the 2029 Star Ratings (October 2028 release), the window is even wider. Cohort 28 baseline surveys were administered in 2025, with follow-up scheduled for 2027. Plans implementing OutsideINsights in 2026 can influence a full cycle.

## The Cost of Waiting

Every month of delay narrows the intervention window. Consider a plan that waits until their October 2026 Star Ratings arrive to discover they have a problem with physical and mental health measures. By that point:

- Cohort 25 results (affecting 2026 ratings) are history
- Cohort 26 follow-up surveys (affecting 2027 ratings) have already been completed
- Cohort 27 follow-up surveys (affecting 2028 ratings) are about to begin, with minimal intervention time remaining

That plan is effectively three cycles behind—looking at six years of locked-in outcomes before any monitoring-informed interventions can appear in their Star Ratings.

# For Investors: Why This Matters Now

The Medicare Advantage market represents over 32 million enrolled beneficiaries and more than $450 billion in annual payments. Quality bonus payments are a material component of plan economics, and the shift toward outcome-weighted measures creates a structural advantage for plans with sophisticated outcome monitoring capabilities.

## Market Timing

The HOS measures are returning to Star Ratings after a multi-year absence due to COVID disruptions. Many plans have deprioritized HOS strategy during this period, focusing instead on CAHPS improvement and medication adherence. The weight change in 2027 will catch numerous plans unprepared.

This creates a window for early adopters of outcome monitoring solutions to establish competitive advantages before the broader market responds.

## Scalable Infrastructure

OutsideINsights is built on the same VR-12 instrument and scoring methodology that CMS uses, ensuring alignment with regulatory requirements. The platform's FHIR-ready architecture supports integration with any EHR or care management system, enabling rapid deployment across plan portfolios.

## Measurable ROI

The value proposition is quantifiable: each half-star improvement in overall Star Ratings can represent millions of dollars in quality bonus payments. For plans currently at 3.5 stars, the path to 4 stars—and the associated 5% benchmark bonus—passes directly through improved HOS performance.

# Conclusion: The Time to Act Is Now

The 730-day blind spot in Medicare Advantage quality measurement is not a theoretical problem—it's a structural feature of how CMS measures patient outcomes. For years, plans have operated without visibility into the health trajectories of their surveyed members, hoping that broad population health investments would translate into favorable HOS results.

That approach was acceptable when HOS measures carried modest weight. With the tripling of weight in 2027, hope is no longer a strategy.

OutsideINsights offers Medicare Advantage plans the ability to see what they've been missing: real-time, VR-12-aligned patient-reported outcomes that predict HOS performance and enable targeted interventions before official surveys lock in results.

Acting now allows influence on the 2028 Star Ratings cycle and future ones. Waiting, however, enlarges the blind spot and leads to more serious financial consequences.

***Don't let 730 days of outcomes data pass you by.***

## Learn More

**OutsideINsights**

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