

2020 Risk Adjustment Transfers

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Risk Adjustment Transfers

- \$1.36 billion was transferred between the California health plans/insurers.
- Blue Shield and Anthem received \$1.16 billion and \$144 million, respectively.
- Kaiser was the largest payer - \$740 million.
- Overall, almost \$50 million was transferred from the DMHC plans to the CDI insurers.

High-Cost Risk Pool Payment

- The DMHC regulated health plans received over \$133 million.
- The CDI regulated health insurers received over \$10 million.

Impact on Premium Rates and Medical Loss Ratio

- Risk adjustment transfers represent an average of 8 percent of premium.
- Direct impact on Medical Expenses for Medical Loss Ratio Calculation.
 - Addition to Medical Expenses for payors
 - Decrease in Medical Expenses for receivers

Questions