2025 Risk Adjustment Transfers

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Risk Adjustment Transfers

- $1.63 billion was transferred between the California health plans/insurers.
- Blue Shield received $1.56 billion.
- Kaiser was the largest payer - $741 million.
- Overall, almost $16 million was transferred from the DMHC plans to the CDI insurers.

High-Cost Risk Pool Payment

- The DMHC regulated health plans received $298 million.
- The CDI regulated health insurers received over $530 thousand.

Impact on Premium Rates and Medical Loss Ratio

- Risk adjustment transfers represented an average of 10.7 percent of premium for California.
- Direct impact on Medical Expenses for Medical Loss Ratio Calculation.
  - Addition to Medical Expenses for payors
  - Decrease in Medical Expenses for receivers

Questions?