MAKING RISK ADJUSTMENT WORK IN HEALTH CARE REFORM:
Identifying the Challenges and Potential Paths Forward

February 14, 2011

L’Enfant Plaza Hotel • Ballroom Level • 480 L’Enfant Plaza, SW • Washington, DC
202-484-1000
(L’Enfant Plaza metro stop)

8:30-9:00  Continental Breakfast

9:00-9:15  Welcome and Introductions
Nancy Chockley, President and CEO, NIHCM Foundation

9:15-9:30  Framing the Discussion
Bob Kocher, Principal, McKinsey & Company and Non-Resident Senior Fellow, Brookings Institution Engelberg Center for Health Reform

➢ Provide an overview of why risk adjustment is critical to the success of reform and the key challenges of having effective risk adjustment systems in place by 2014

➢ Lay out Meeting Goals:
  • Use gathered expertise to get best ideas on the table
  • Develop common language on key issues (e.g., what does it mean to “adapt” an existing system?)
  • Discuss potential paths forward that will lead to effective risk adjustment

9:30-9:45  Perspective on the Need for Risk Adjustment
Sherry Glied, Assistant Secretary for Planning & Evaluation
(session timing subject to change)

9:45-11:15  Assessing the Current State of Risk Adjustment Methods and their Potential Applications Under Health Care Reform
Rong Yi, Senior Consultant & James O’Connor, Principal and Consulting Actuary, Milliman (Presenters)
Bob Kocher (Discussion Moderator)

➢ Profile the key risk adjustment models in use today and assess their potential for use under health care reform, including consideration of population and data issues

➢ Describe the characteristics that define different risk adjustment models and what it means to "adapt" an existing model
- Lay out critical issues related to risk adjustment modeling, use for payment adjustments and system implementation

- Group Discussion: Implications for policymakers and other experts charged with developing risk adjustment

**11:15-11:30  Break**

**11:30-12:30  Insights from a State Decision-Making Perspective**
Ross Winkelman, Managing Director, Wakely Consulting Group  
(Presenter)  
Bob Kocher (Discussion Moderator)

- Describe critical decision points and time path for state activities needed to ready risk adjustment systems by 2014

- Group Discussion: Implications for state and federal policymakers and other stakeholders

**12:30-1:00  Lunch**

**1:00-2:30  Potential Paths Forward: Getting the Best Ideas and Options on the Table**
Bob Kocher (Discussion Moderator)

- Group Exercise: A structured brainstorming opportunity to gather ideas on effective and feasible ways to mitigate the impact of risk selection, including consideration of multi-layered risk adjustment programs and other supporting regulations and policies

- Discussion of Next Steps: Are there actions that this group wants to take to encourage continued exchange of knowledge and experience and to support the effective implementation of risk adjustment?