

Stabilizing the Individual Market: Risk Adjustment and Risk Mitigation

June 2017

OVERVIEW

Resolving issues related to risk adjustment and other risk-mitigation measures is crucial to the effective functioning of the individual health insurance market, regardless of how the market rules may change. Policymakers considering changes to risk-mitigation programs will face trade-offs under any market configuration.

Since the implementation of new individual market rules under the Affordable Care Act, much of the policy discussion has centered on concerns of market instability and premium increases. The Urban Institute and the American Action Forum, with support from Anthem and Eli Lilly and Company, convened a roundtable summit with leading national experts to discuss the role of risk adjustment and other risk-mitigation measures in stabilizing the individual market.

These experts—from academia, industry, government, and the actuarial community—discussed the role of risk-mitigation measures under the current individual market rules and under possible changes to the market, including those then under consideration by Congress and the Administration.

Topics

- Terminology and objectives of risk-mitigation measures
- Cross-cutting themes from the summit
- Risk mitigation in the current individual market
- Risk mitigation under different market rules