

**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?