

Risk-Based Prices Benefit Consumers

A new report from the Center for Capital Markets Competitiveness finds that [risk-based pricing](#) increases consumers' access to financial services products and allows financial companies to use analytics to better assess risks in order to offer innovative products at lower prices.

Key findings:

- Consumers are better off in the risk-based pricing system than in a uniform pricing system.
- Credit scores, credit-based insurance scores, and other risk-based pricing factors are proven to accurately predict risk unbiasedly.
- Minority and low-income households have realized the greatest improvements in assets and access to capital.
- Companies are innovating and using alternative data to reduce the credit-invisible population and improve credit scores for those who currently have them.
- Incorporating more predictive data, not less, into risk-based pricing models generates positive economic benefits.

Looking ahead: The Chamber looks forward to working with policymakers, consumer advocacy groups, and the private sector on efforts to increase equity in the risk-based pricing system while leveraging the aspects that work.

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