Charges to the LTC Valuation Work Group

- Develop a replacement mortality table for LTC active life reserves
  - Based on the 2012 Annuitant Mortality Table
  - Recommend a margin for conservatism
- Develop a replacement lapse table
  - Recommend a margin for conservatism
- Consider developing tables for valuation on total lives basis as well as active lives basis
Progress Since Summer Meeting

- Graduated lapse rates on total lives basis
- Started review of actual-to-expected lapse on total lives basis
- Started review of reasonableness of total terminations on total lives basis
- Developed exposures for active life mortality
Remaining Tasks

☐ Complete review of actual-to-expected lapse on total lives basis
☐ Complete review of reasonableness of total terminations on total lives basis
☐ Develop mortality improvement from mid-point of exposure period, 2008 – 2011, to 2020
☐ Recommend margins for lapse and mortality
☐ Develop lapse and mortality on an active lives basis
☐ Complete Report
Expected Timeline

- Complete development of lapse and mortality on total and active lives bases including margins by Spring 2020 meeting
- Publish Report by Summer 2020 meeting
Additional Information

David Linn
Senior Health Policy Analyst
American Academy of Actuaries
Linn@actuary.org
202-785-6931