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NEWS RELEASE

FOR IMMEDIATE RELEASE
February 14, 2022

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American Academy of Actuaries: Some Estimates of Pandemic-Related Life Expectancy Changes Can Be Misleading

WASHINGTON—The American Academy of Actuaries has released a new [public policy paper](#) and [issue brief](#) cautioning that clarification may be needed regarding estimated life expectancy showing significant decreases in light of the COVID-19 pandemic.

“Reports of considerable decreases in life expectancy driven by COVID-19 may certainly garner attention, but they can potentially be misleading when based on a technical measure that assumes heightened pandemic mortality will persist indefinitely,” said Academy Senior Pension Fellow Linda K. Stone. “Service to the public is core to the American Academy of Actuaries’ mission, and we would be remiss not to share the actuarial profession’s expertise to help the public interpret such reports.”

The Academy’s new *Essential Elements* paper, [Clarifying Misunderstanding of Life Expectancy and COVID-19](#), which is based on a December 2021 issue brief developed by the Academy’s Pension Committee, [Interpreting Pandemic-Related Decreases in Life Expectancy](#), cites the potential of confusion arising from recent Centers for Disease Control and Prevention (CDC) estimates of significant life expectancy decreases primarily due to COVID-19. The CDC used a measurement known as “period life expectancy” to estimate life expectancy changes in 2020, publishing in July 2021 a preliminary estimate of a 1.5-year year-over-year decrease, and in December 2021 a final estimate of a 1.8-year decrease. However, the CDC’s methodology and the estimated decreases assume that the heightened mortality of the COVID-19 pandemic during the 2020 year will persist indefinitely—an unlikely scenario.

A different life expectancy measurement—“cohort life expectancy”—assumes that the pandemic’s mortality effects will lessen over time, reflecting the increased deaths due to COVID-19 as temporary impacts that have a much smaller effect on life expectancy averages. Cohort life expectancy is better suited than period life expectancy to reflecting the long-term effects of a typically nonrecurring event like a pandemic, allowing for an understanding of the actual number of years that a typical individual might be expected to live based on reasonable expectations of future conditions.

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For this reason, it is the measure used in the online [Actuaries Longevity Illustrator](#) that individuals can use to generate a reasonable estimate of how long they and their spouse/partner may live.

Read the paper and issue brief and learn more under the [public policy section](#) of the Academy's website.

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The American Academy of Actuaries is a 19,500+ member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.