

# American Academy of Actuaries Health Practice Council Summer 2022 Updates

Barbara Klever, MAAA, FSA  
Vice Chairperson, Health Practice Council  
American Academy Of Actuaries



# About the American Academy of Actuaries

The Academy assists public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy and its boards also set qualification, practice, and other professionalism and ethical standards for actuaries credentialed by one or more of the five U.S.-based actuarial organizations in the United States.

# Public Policy and the Academy

The Academy, through its public policy work, seeks to address pressing issues that require or would benefit from the application of sound actuarial principles. The Academy provides unbiased actuarial expertise and advice to public policy decision-makers and stakeholders at the state, federal, and international levels in all areas of actuarial practice.

# Health Practice Council—Key Policy Priorities for 2022

- Health Equity
- COVID-19: Implications for Health Care Utilization and Spending
- Insurance Coverage
- Long-Term Care
- Medicare Sustainability
- Payment and Delivery Reform
- Climate Change and Health

# Health Equity

- Issue Briefs:
  - *Data Collection for Measurement of Health Disparities* (forthcoming)
  - *Health Risk Assessment and Risk Adjustment in the Context of Health Equity* (forthcoming)
- Comment Letters:
  - [Comment letter](#) to the Colorado Division of Insurance on the implementation of Colorado Revised Statute (C.R.S.) § 10-3-1104.9. The law prohibits unfair discrimination based on certain personal characteristics—race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression—in any insurer practice. It also prohibits the use of external data, algorithms, or predictive models that unfairly discriminate against individuals with these characteristics. (2022)

# COVID-19: Implications for Health Care Utilization and Spending

- Issue Briefs / Papers:
  - *Considerations for Reflecting the Impact of COVID-19 in Medicaid Managed Care Plan Rate Setting* (2021)
- Webinars:
  - May 24 - “Health Spending Projections in the Wake of COVID-19” ([Webinar](#))

# Health Insurance Coverage

- Issue Briefs:
  - ▣ [Drivers of 2023 Health Insurance Premium Changes](#) (and [infographic](#)) (2022)
- Comment Letters:
  - ▣ [Comments on Family Glitch Proposed Rules](#) (2022)
  - ▣ [Comments on Draft 2023 Actuarial Value \(AV\) Calculator Methodology](#) (2022)
  - ▣ [Comments on 2023 Notice of Benefit and Payment Parameters \(NBPP\)](#) (2022)
  - ▣ [Comment Letter to CMS/CCIIO on Exposure Draft of Risk Adjustment Technical Paper](#) (2021)
- Virtual Briefing:
  - ▣ July 5 – [“Drivers of 2023 Health Insurance Premium Changes”](#)

# Long-Term Care Insurance (LTCI)

- Issue Briefs:
  - [Value of Reduced Benefit Options in Long-Term Care Insurance Rate Increases](#) (LTC Actuarial Equivalence) (2022)
- Comment Letters:
  - [Comment letter](#) to the Centers for Medicare & Medicaid Services (CMS) on the Proposed Rule for the 2023 Policy and Technical Changes to the Medicare Advantage and Medicare Prescription Drug Benefit Programs (comments involved Dual Eligible Special Needs Plans (D-SNPs) and medical loss ratios (MLRs)) (2022)
- Reports:
  - [Long-Term Care Insurance Mortality and Lapse Study](#) (joint project between Academy and Society of Actuaries Research Institute (SOARI)) (2021)
    - Request from NAIC Long-Term Care Actuarial Working Group (LTCAWG)
    - [Presentation](#) to NAIC HATF in November 2021; discussion with NAIC LTCAWG in March 2022. Follow-up [presentation](#) in June 2022.
  - Group Life Waiver Valuation Table Work Group – submitted report on updating AG-44 for the NAIC (joint project between Academy and SOARI) ([Report](#))([Tables](#)) (2022)
    - [Presentation](#) to NAIC HATF in May 2022.
- Webinars:
  - June 10 – [“Value of Reduced Benefit Options in Long-Term Care Insurance Rate Increases”](#) (LTC Actuarial Equivalence)



# Medicare Sustainability

- Issue Brief:
  - ▣ [Medicare's Financial Condition: Beyond Actuarial Balance](#) (2022)
- Essential Elements:
  - ▣ [Medicare's Long-Term Sustainability Challenge](#) (2022)
- Statements/Testimony:
  - ▣ [Statement for the Record](#) to the U.S. Senate Committee on Finance Subcommittee on Fiscal Responsibility and Economic Growth on the Hospital Insurance Trust Fund and the future of Medicare financing (2022)
- Capitol Forum Webinar:
  - ▣ June 17 - ["Social Security and Medicare Trustees Reports: A Deep-Dive Discussion With the Programs' Chief Actuaries"](#)

# Payment and Delivery Reform

- Issue Briefs:
  - [Implications of Hospital Price Transparency on Hospital Prices and Price Variation \(2022\)](#)
- Comment Letters:
  - [Comments on 2023 Notice of Benefit and Payment Parameters \(NBPP\) \(2022\)](#)
  - [Comments to CMS on Payment Parameters Proposed Rule \(2021\)](#)
- Webinars:
  - April 14 - [“Hospital Prices: Can Greater Price Transparency Drive Lower Prices and Reduce Price Variation?”](#)
  - May 24 - [“Health Spending Projections in the Wake of COVID-19”](#)

# Climate Change and Health

- In November of 2021, the Academy launched the Climate Change Joint Task Force
  - Membership is comprised of members from the Health, Casualty, Life, and Pension practice areas and is organized under the Risk Management and Financial Reporting Council (RMFRC)
- Comment Letters:
  - Comment letter to the International Sustainability Standards Board (ISSB) on the exposure draft of Climate-related Disclosures (due on July 29, 2022)
  - [Comment letter](#) to the Securities and Exchange Commission's (SEC) request for public input on the enhancement and standardization of climate-related disclosures. (2022)
  - [Comment letter](#) on the RFI from the U.S. Department of Labor (DOL) Employee Benefits Security Administration (EBSA) on possible Agency Actions to Protect Life Savings and Pensions from Threats of Climate-Related Financial Risks (2022)
  - [Comment letter](#) on the RFI from the U.S. Department of the Treasury and FIO on Climate-Related Financial Risk and the Insurance Sector (2021)—and forthcoming to the Department of Labor on Environmental, Social, and Governance (ESG)

# HPC NAIC Workstreams—HRBC

- Health Risk-Based Capital (E) Working Group (HRBC)
  - Request for Comprehensive Review of the H2—  
Underwriting Risk Component and Managed Care Credit  
Calculation in the Health Risk-Based Capital Formula
    - [July 2021](#) Academy comment letter
    - [January 2022](#) Academy report
    - [July 2022](#) Timeline Letter

# HPC NAIC Workstreams—LTCAWG

- NAIC Long-Term Care Actuarial (B) Working Group
- Long-Term Care Insurance Mortality and Lapse Study
  - Original request from the NAIC LTCAWG
  - [Report](#) released November 2021
    - Developed by the Long-Term Care Valuation Work Group of the Academy and SOARI
    - [Exposed](#) by the NAIC LTCAWG until Sept. 5, 2022
  - [Presentation](#) to NAIC HATF in November 2021
  - [Update presentation](#) to NAIC LTCAWG in June 2022

# Academy 2022 Annual Meeting and Public Policy Forum

- [“Envision Tomorrow: American Academy of Actuaries 2022 Annual Meeting and Public Policy Forum”](#) in Washington, D.C.
- November 2 and 3, 2022
- Health-specific [breakout sessions](#):
  - Health Care Workforce Shortages
  - Climate Change and Health
  - Regulating the Affordable Care Act: What’s New for 2023?
    - Will feature representatives from the Center for Consumer Information and Insurance Oversight (CCIIO) of the Centers for Medicare & Medicaid Services (CMS)

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- ▣ Testimony



# Thank You

## Questions?

Contact: Matthew Williams, JD, MA  
Senior Health Policy Analyst  
[williams@actuary.org](mailto:williams@actuary.org)