

American Academy of Actuaries Health Practice Council—Spring 2023 Updates

March 21, 2023—National Association of Insurance Commissioners (NAIC)
Health Actuarial (B) Task Force (HATF) Meeting

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About the American Academy of Actuaries



- 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.

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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 2023

- Health equity
- COVID-19 and other public health challenges
- Insurance coverage and benefit design
- Health care costs and quality
- Medicare sustainability
- Long-term services and supports (LTSS)
- Financial reporting and solvency
- Professionalism

Health Equity

- Issue Briefs:
 - *Data Collection for Measurement of Health Disparities* (forthcoming)
- Events:
 - Health Equity Symposium (TBA)

COVID-19 and Other Public Health Challenges

- Webinar: "[The Great Unwinding: What's Next for the Medicaid Population?](#)" (March 14, 2023)
 - Topic is included in our *Drivers of 2024 Health Insurance Premium Changes* issue brief (forthcoming)

COVID-19 and Other Public Health Challenges: Climate Change and Health

- Climate Change Joint Task Force:
 - In November 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 reports to the Risk Management and Financial Reporting Council (RMFRC).
 - The task force has submitted numerous comment letters to federal agencies, and other stakeholders, on climate-related disclosures and financial risks. For example, the Task Force has submitted a comment letter to the International Sustainability Standards Board.

Health Insurance Coverage and Benefit Design

- Issue Brief and Webinar:
 - *Drivers of 2024 Health Insurance Premium Changes* (forthcoming)
- Comment Letters:
 - Comments on proposed rule for the [2024 Notice of Benefit and Payment Parameters \(NBPP\)](#) (January 2023)
 - Comments on [Draft 2024 Actuarial Value \(AV\) Calculator Methodology](#) (January 2023)

Health Care Costs and Quality

- Issue Briefs:
 - *Addressing High Insulin Spending: Moving Beyond Co-pay Caps* (forthcoming)
 - *Gene Therapy Drug Costs* (forthcoming)

Medicare Sustainability

- Issue Brief:
 - *Medicare's Financial Condition: Beyond Actuarial Balance* (forthcoming)
- Capitol Forum Webinar:
 - Medicare Trustees Report: A Deep-Dive Discussion With the Program's Chief Actuary" (forthcoming)

Long-Term Services and Supports (LTSS)

- Issue Briefs:
 - Refresh of [*Impact of COVID-19 on Long-Term Care Insurance*](#) issue brief (originally published January 2021—forthcoming).
 - Refresh of [*Essential Criteria for Long-Term Care Financing Reform Proposals*](#) issue brief (originally published November 2016—forthcoming).
 - *State of Long-term Care and How It Is Evolving* (forthcoming).

Financial Reporting and Solvency

- Comment Letters:
 - [Comments to the NAIC Health Risk-Based Capital \(E\) Working Group on Investment Income](#) (February 2023).
 - [Comments to the NAIC Long-Term Care Actuarial \(B\) Working Group on AG 51, Appendix A-010](#) (LTC reserve adequacy) (February 2023).

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.
 - November 2022—Academy [Health Underwriting Risk Factors Analysis Work Group](#) commences work.
 - December 2022—[Update](#) to the NAIC HRBC Working Group at the Fall National Meeting.
 - February 2023—[Comments to the NAIC HRBC Working Group on Investment Income](#)

HPC NAIC Workstreams—HRBC

- Health Care Receivables Factors Work Group
 - The work group is completing a review of the current health care receivables factors for the NAIC.
 - Work task 1: Update the chart of health care (HC) receivables (HC Receivables now being reported on the Blue Blank as well as the Orange Blank).
 - Work task 2: Evaluate 2018-2021 NAIC data.

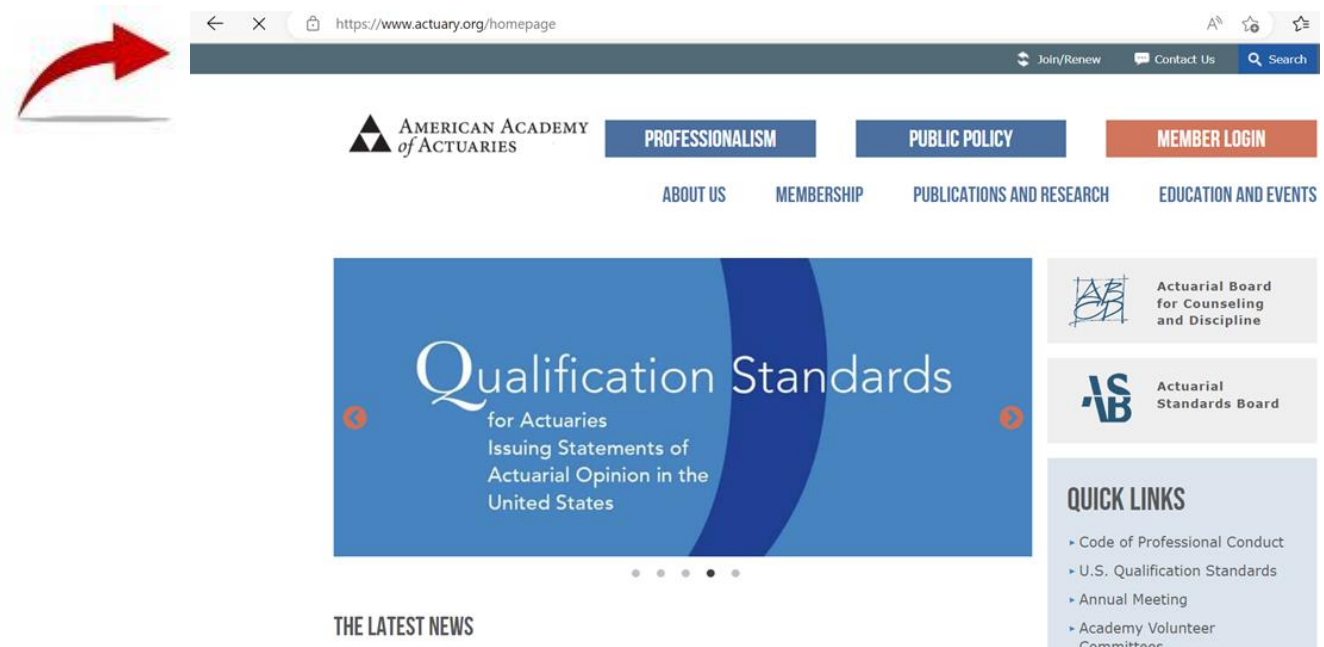
HPC NAIC Workstreams—LTCAWG

- NAIC Long-Term Care Actuarial (B) Working Group (LTCAWG)
- 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 the Society of Actuaries Research Institute (SOARI).
 - [Presentation](#) to NAIC HATF in November 2021.
 - [Update presentation](#) to NAIC LTCAWG in June 2022.
 - [Exposed](#) by the NAIC LTCAWG until Sept. 5, 2022.
 - Status: LTCAWG is to draft changes to VM-25 and to adopt tables within the report (TBD).

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Thank You

Questions?

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