



AMERICAN ACADEMY  
of ACTUARIES

# NEWS RELEASE

**Immediate Release**

**Contact:** Andrew Simonelli  
**Phone:** 202.785.7872  
**Email:** [simonelli@actuary.org](mailto:simonelli@actuary.org)

## **Actuaries to Senate: Strengthen Individual Mandate**

WASHINGTON – 20 Nov. 2009 – The **American Academy of Actuaries** is urging senators to modify health care reform legislation released this week to contain stronger language regarding a health insurance individual coverage mandate. The actuaries said that an effective and enforceable mandate will minimize adverse selection stemming from more restrictive issue and rating rules prescribed by the bill.

“The individual mandate language should be strengthened,” said **Cori Uccello**, the senior health fellow for the American Academy of Actuaries. “The viability of health care reform depends on attracting lower-risk individuals, and strengthening the individual mandate through higher financial penalties increases the likelihood that these individuals will purchase coverage.”

Uccello said that if lower-risk individuals forgo coverage, premiums overall are likely to increase on average, relative to current premiums. Other incentives such as limited open enrollment periods, penalties for delayed enrollment and automatic enrollment could also strengthen a mandate’s effectiveness. She said the Senate bill does contain some of these elements, but that overall, higher financial penalties are required.

The actuaries addressed comments regarding the proposed legislation to Sens. Harry Reid and Mitch McConnell today, requesting stronger mandate language and to consider the legislation according to actuaries’ keys for viable reform. The American Academy of Actuaries Health Practice Council said it shares the senators’ goals of reducing the numbers of uninsured, increasing the availability of affordable coverage, controlling health spending growth, and improving the quality of care. The letter is available at: [http://www.actuary.org/pdf/health/letter\\_on\\_senate\\_bill.pdf](http://www.actuary.org/pdf/health/letter_on_senate_bill.pdf)

For more information or to schedule an interview with Cori Uccello, contact Andrew Simonelli, assistant director of communications for the American Academy of Actuaries, at 202.785.7872. For more information on the American Academy of Actuaries, please visit: [www.actuary.org](http://www.actuary.org).

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The American Academy of Actuaries is a 16,000-member professional association whose mission is to serve the public on behalf of the U.S. actuarial profession. The Academy assists 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.