

Changing Health Expectancy and North American Insurance Organizations/Governmental Programs

Request for Proposals

Background

Health expectancy has been defined as the number of years a person could expect to live in good health. With continued positive changes in social and economic conditions, lifestyle changes, medical advances and better access to health services, it is conceivable that health expectancy will improve for the foreseeable future. In light of this, it seems likely that changing health expectancy can have both immediate and long term consequences on the health-related insurance products and governmental insurance programs. With this in mind, the North American Actuarial Council's (NAAC) Collaborative Research Group ("Group") is interested in an exploration of the effect of changing health expectancy on insurance organizations and governmental programs in North America in terms of products, risks, and stakeholders.

Research Objective

The NAAC Collaborative Research Group is seeking researchers to examine the impact of changing health expectancy on insurance companies and governmental programs in North America. Specifically, this request for proposals is looking to address the following issues:

- How should health expectancy best be defined; what is its current measure; and expected measure for the future?
- What is the financial impact of changing health expectancy on health-related insurance products sold in North America and governmental programs?
- How does the impact of changing health expectancy differ among marketplaces in the U.S., Canada and Mexico? What are the commonalities?
- What strategies can be implemented by insurance organizations to quantify and address the risks posed by changing health expectancy?
- How should insurance organizations best communicate the impact of changing health expectancy to their stakeholders (shareholders, policyholders, regulators, etc.)?
- What lessons can be learned from the experiences of companies and programs outside of North America?

Proposals should state which questions will be addressed by the research team and how they intend to do so. Given the broad scope of this effort, the organizers of this request for proposals are interested in thoughts about additional questions that could be addressed as well as follow-up work. Respondents are encouraged to outline such thoughts in their submissions.

Proposal

To facilitate the evaluation of proposals, the following information should be submitted:

- a. Resumes of the authors, including any graduate student(s) expected to participate, indicating how their background, education, and experience bear on their qualifications to undertake the research. If more than one author is involved for each report, a single individual should be designated as the lead researcher and primary contact. The person submitting the proposal must be authorized to speak on behalf of all the authors as well as for the firm or institution on whose behalf the proposal is submitted.
- b. An outline of the approach to be used and issues to be reviewed. Details should be given regarding the manner in which appropriate published material will be identified and evaluated, search techniques to be used, collateral material to be consulted, and possible limitations of the review and analysis. Suggestions for survey revisions or expansions should be included.
- c. Cost estimates for the research, including computer time, salaries, report preparation, research costs, etc. Such estimates can be in the form of hourly rates, but in such cases, time estimates should also be included. Any guarantees as to total cost should be given and will be considered in the evaluation of the proposal. While cost will be a factor in the evaluation of the proposal, it will not necessarily be the decisive factor.
- d. A schedule for completion of the research, identifying key dates or time frames for research completion and report submission.
- e. Other related factors that give evidence of a proposer's capabilities to perform in a superior fashion should be detailed.

Selection Process

The NAAC Collaborative Research Group is responsible for the selection of the proposal to be funded. Input from other knowledgeable individuals may also be sought, but the NAAC Collaborative Research Group will make the final decision. The SOA's Research Actuary will provide staff actuarial support. A Project Oversight Group (POG) will be appointed to oversee the project upon selection of the proposal.

Questions

Any questions regarding this RFP should be directed by fax, or e-mail to: [Steven Siegel](#), SOA Research Actuary (ph: 847.706.3578, f: 847.273.8578).

Notification of Intention to Submit Proposal

If you intend to submit a proposal, please e-mail written notification by November 1 to: [Barbara Scott](#), Society of Actuaries, 475 N. Martingale Road, Suite 600, Schaumburg, IL 60173-2226 or (ph: 847.706.3592, f: 847.273.8592).

Submission of Proposal

Please e-mail a copy of the proposal to: [Barbara Scott](#).

Proposals must be received no later than November 15. It is anticipated that all proposers will be informed of the status of their proposal by December 15.

Note: Proposals are considered confidential and proprietary.

Conditions

The NAAC Collaborative Research Group reserves the right to not award a contract for this research. Reasons for not awarding a contract could include, but are not limited to, a lack of acceptable proposals or a finding that insufficient funds are available. The NAAC Collaborative Research Group also reserves the right to redirect the project as is deemed advisable.

The NAAC Collaborative Research Group intends to copyright and publish the results of this research. The research will be considered work-for-hire and all rights thereto belong to the NAAC Collaborative Research Group. However, appropriate credit will be given to the researcher(s).