

# American Academy of Actuaries Health Practice Council—Fall 2022 Updates

**Dec. 5, 2022—National Association of Insurance Commissioners (NAIC)  
Health Actuarial (B) Task Force (HATF) Meeting in Lieu of Fall National Meeting**

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# About the American Academy of Actuaries <sup>2</sup>

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

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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

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- 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

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- Issue Briefs:
  - ▣ *Data Collection for Measurement of Health Disparities* (forthcoming)
  - ▣ [Health Care and Health Insurance System Risk Assessment and Risk Adjustment in the Context of Health Equity](#) (August 2022)
- Comment Letters:
  - ▣ [Comment letter](#) to CMS on Medicare Advantage, focused on the health equity aspects of the questions posed within the CMS's [RFI](#). (August 2022)
- Presentations:
  - ▣ [Presentation to the NAIC Special \(EX\) Committee on Race and Insurance, Workstream Five](#) by Annette James (August 2022)

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

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- Articles:
  - ▣ Colby Schaeffer, *Contingencies*, [“The Great Unwinding: What happens when the public health emergency associated with COVID-19 ends?”](#) (May/June 2022)
- Webinars:
  - ▣ [“Health Spending Projections in the Wake of COVID-19”](#) (May 2022)

# Health Insurance Coverage

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- Issue Briefs:
  - [\*Drivers of 2023 Health Insurance Premium Changes\*](#) (and [\*infographic\*](#)) (June 2022)
  - [\*Medicaid Managed Care State-Directed Payments\*](#) (September 2022)
- Comment Letters:
  - [\*Comments on Cost-Sharing Reduction Premium Load Factors\*](#) (September 2022)
  - [\*Comments on Family Glitch Proposed Rules\*](#) (June 2022)
- Virtual Briefings, Webinars, and Presentations:
  - [\*“Considerations for Calculating Cost-Sharing Reduction Load Factors”\*](#) (November 2022)
  - [\*Academy Annual Meeting Breakout Session, “Regulating the Affordable Care Act: What’s New for 2023?”\*](#) (November 2022)
  - [\*“Drivers of 2023 Health Insurance Premium Changes”\*](#) (July 2022)

# Long-Term Care Insurance (LTCI)

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- Issue Brief:
  - ▣ *Value of Reduced Benefit Options in Long-Term Care Insurance Rate Increases* (LTC Actuarial Equivalence) (June 2022)
  
- Webinar:
  - ▣ “*Value of Reduced Benefit Options in Long-Term Care Insurance Rate Increases*” (LTC Actuarial Equivalence) (June 2022)



# Medicare Sustainability

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- Issue Brief:
  - ▣ [Medicare's Financial Condition: Beyond Actuarial Balance](#) (June 2022)
- Essential Elements:
  - ▣ ["Medicare's Long-Term Sustainability Challenge"](#) (June 2022)
- Capitol Forum Webinar:
  - ▣ ["Social Security and Medicare Trustees' Reports: A Deep-Dive Discussion With the Programs' Chief Actuaries"](#) (June 2022)

# Payment and Delivery Reform

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- Issue Briefs:
  - *Addressing High Insulin Spending: Moving Beyond Copay Caps* (forthcoming)
  - *Issue brief on Gene Therapy Drug Costs* (forthcoming)
  - *Implications of Hospital Price Transparency on Hospital Prices and Price Variation* (March 2022)
  
- Webinars and Presentations:
  - Annual Meeting Breakout Session, “Health Care Workforce Shortages” (November 2022)
  - “Hospital Prices: Can Greater Price Transparency Drive Lower Prices and Reduce Price Variation?” (April 2022)
  - “Health Spending Projections in the Wake of COVID-19” (May 2022)

# Climate Change and Health

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- 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 is organized under the Risk Management and Financial Reporting Council (RMFRC).
  - The task force has submitted numerous comment letters to federal agencies on climate-related disclosures and financial risks.
- Presentations:
  - [Annual Meeting Session](#), “Climate Change and Health” (November 2022)

# HPC NAIC Workstreams—HATF

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- Group Life Waiver Valuation Table Work Group—submitted report on updating AG 44 for the NAIC ([Report](#))([Tables](#)). (June/July 2022)
  - ▣ Joint project between the Academy and Society of Actuaries Research Institute (SOARI).
  - ▣ [Presentation](#) to NAIC HATF in May 2022.
  - ▣ Status: The revised AG 44 and associated tables have been adopted by B Committee and will now be considered for adoption by Executive & Plenary at the NAIC Fall National Meeting (final step).

# HPC NAIC Workstreams—HRBC

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- 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—next update is scheduled to the NAIC HRBC at the Fall National Meeting.

# HPC NAIC Workstreams—LTCAWG

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- 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 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).

# Academy 2022 Annual Meeting

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- [“Envision Tomorrow: 2022 Annual Meeting”](#) in Washington, D.C.
- November 2–3, 2022
- Health-specific [breakout sessions](#):
  - Health Care Workforce Shortages
  - Climate Change and Health
  - Regulating the Affordable Care Act: What’s New for 2023?

# Health Practice Council— Key Policy Priorities for 2023

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- ❑ 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



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access Academy:

- ▣ Comments and letters
- ▣ Issue briefs
- ▣ Policy papers
- ▣ Presentations
- ▣ Reports to the NAIC
- ▣ Testimony



# Thank You

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## Questions?

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