



AMERICAN ACADEMY
of ACTUARIES

NEWS RELEASE

Immediate Release

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Actuaries Agree With HHS Concerns on CLASS Program

WASHINGTON – 14 Oct. 2011 – In response to a new report from the Department of Health and Human Services (HHS) regarding the Community Living Assistance Services and Supports (CLASS) program, the **American Academy of Actuaries** released the following statement from **Steve Schoonveld**, the co-chairperson of the Joint American Academy of Actuaries and Society of Actuaries CLASS Act Task Force.

Schoonveld statement:

“Our analysis of the CLASS Act legislation and our assessment of the program after the law was enacted both raised serious actuarial concerns about the program’s design and benefit structure. An initial review of this report appears to validate our concerns that without considerable restructuring of the program, the CLASS program would have remained highly vulnerable to adverse selection and ultimately would have been unsustainable. While we are pleased that we were able to provide an actuarial perspective on the program, we recognize the critical need for Americans to have affordable long-term care financing solutions. As actuaries we will continue to work with policymakers to help provide consumers with robust financing options for long-term care services and supports.”

For more information, please see the actuarial analysis that was performed by a joint work group of the American Academy of Actuaries Federal Long-Term Care Task Force and the Society of Actuaries Long-Term Care Insurance Section Council. It is available at:

http://www.actuary.org/pdf/health/class_july09.pdf

For more information or to arrange an interview with Steve Schoonveld, contact Andrew Simonelli, assistant director of communications for the American Academy of Actuaries, at 202.785.7872. For more information on the Academy, please visit: www.actuary.org.

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The American Academy of Actuaries is a 17,000-member professional association whose mission is to serve the public and 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.