



NEWS RELEASE

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Academy Launches Health Cost/Quality of Care Initiative with Release of Models of Care Delivery Report

WASHINGTON—A new initiative of the American Academy of Actuaries points to several promising areas of focus for policymakers seeking to sustain and extend the slowdown in health cost increases that the United States has experienced in recent years. They include delivery system reform that focuses on better patient care coordination, financial incentives that reward value not volume, value-based insurance design, comparative-effectiveness research, and wellness and disease-management programs.

At an April 7, 2014, Capitol Hill briefing, Audrey Halvorson, MAAA, FSA, chairperson of the Academy's Health Care Costs Work Group, promoted the new analysis that the Academy will offer through its [Health Cost/Quality of Care](#) (HC/QC) initiative.

"Notwithstanding a recent slowdown in health spending growth, it is crucial to explore options that could help sustain that slowdown and further reduce cost growth," Halvorson said. "The Affordable Care Act included some provisions to address health care costs, but there is more to do to address cost growth." The Office of the Actuary at the Centers for Medicare & Medicaid Services has projected that, by 2022, health spending will reach 19.9 percent of U.S. gross domestic product.

The HC/QC initiative kicked off with an overview of the drivers of health care costs, such as technological advances and payment systems that reward volume rather than value, and will apply actuarial insights and analyses to identify options that balance high-quality health care with lowering costs. The Academy is publishing its analysis in a series of foundational papers, "[Examining the Health Care Equation: Actuarial perspectives on cost and quality](#)." Susan Pantely, MAAA, FSA, chairperson of the Academy's Models of Care Delivery Subgroup, unveiled the first paper in the series, "[New Models of Care Delivery](#)," at the April 7 Hill briefing. The Academy also has entered into a [public policy research partnership](#) with the Health Care Cost Institute.

For more information, visit www.actuary.org/healthcosts. Learn more about the Academy at www.actuary.org.

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The American Academy of Actuaries is an 18,000-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.

Media Only: To set up an interview with Academy Senior Health Fellow Cori Uccello, contact David Mendes, assistant director of communications, public affairs, at mendes@actuary.org or 202.384.2075.