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Contact: David Mendes

Phone: 202-384-2075

Email: mendes@actuary.org

Academy Issue Brief Identifies Seven Critical Areas That Long-Term Care Financing Reform Needs to Address

WASHINGTON—As Americans' long-term care (LTC) needs increasingly outpace their capacity to finance them, and policymakers explore ways in which to make coverage for care more affordable, the American Academy of Actuaries has published a new [issue brief](#) outlining critical issues to be addressed in comprehensive LTC financing reform.

“The number of Americans who will require long-term care is expected to substantially grow,” said Bruce Stahl, chairperson of the Academy’s Long-Term Care Criteria Work Group, which developed the issue brief. “Addressing the gap between needs and care will require an examination and reform of both the existing public and private LTC insurance (LTCI) systems. To help policymakers as they consider new approaches, the Academy drew from its actuarial expertise, in the public interest, to identify the critical areas LTC financing reform efforts need to address.”

[Essential Criteria for Long-Term Care Financing Reform Proposals](#) identifies seven areas that should be considered in any discussion of reform:

- Coverage, with respect to how many individuals are covered by the reform.
- Comprehensiveness of benefits.
- Quality of care.
- Program design that provides consumers with comprehensible choices based on needs, benefits, and costs.
- Affordability.

(MORE)

- Risk management, including pre-rollout and ongoing evaluations of risks to LTC programs, and cost controls that align the interests of all stakeholders.
- The financial soundness and sustainability of programs.

The Academy's continuing work on LTC issues includes testimony that will be presented before the House Oversight & Government Reform's Subcommittee on Government Operations on Nov. 30, 2016. Laurel Kastrup, chairperson of the Academy's Health Financial Reporting and Solvency Committee, will be a panelist for the subcommittee's hearing on "Federal Long-Term Care Insurance Program: Examining Premium Increases."

Read the [issue brief](#) and learn more by visiting the "Public Policy" section at actuary.org.

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The American Academy of Actuaries is an 18,500+ member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted 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.