



SOCIETY OF ACTUARIES

**Health Valuation Boot Camp
August 12- 13, 2009**

Session # 3b: Medicare Liabilities

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Medicare Product Reserves

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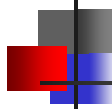
Types of Medicare Products

- Part C – MA and PD.
- Part D.
- Medicare Supplement.



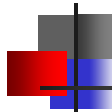
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Part C&D Potential Issue Areas

- Part D LIS.
- Part D Federal Reinsurance.
- MSP recoveries



Medicare Supplement Potential Issue Areas

- Medicare Supplement seasonality.
- Medicare Supplement premium refunds.
- New Medicare Supplement blocks of business.
- Closed blocks and coordinating old closed blocks with new blocks.
 - Exchanges allowed between blocks?





Medicare Supplement Potential Issue Areas (cont.)

- Variability in Clearing House Processing Times – Impact on IBNR
- Impact of Pending/Potential Regulatory Changes
 - Med supp plan design changes – 6/1/2010
 - Changes to Medicare reimbursement rates resulting from national health care proposals



Medicare Supplement Potential Issue Areas (cont.)

- ALR impact of plan changes
- Pricing strategy impacts – impact on PDRs
- Rate increase availability and timing

