



SOCIETY OF ACTUARIES

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## Section Highlights

# LAND THIS PLANE



**AS THE BABY BOOMER GENERATION** continues to retire, the need to find a way to finance and provide the long-term care (LTC) services they will need is becoming more and more urgent. So far, the solution hasn't been found. Neither consumers nor insurance companies are very interested in private LTC insurance as it currently exists: private LTC insurance has enrolled only about 10 percent of the market, and only about 10 percent of the carriers who were selling LTC insurance 10 years ago still sell it today. The government has been grappling with the issue, first by passing the CLASS Act as part of the Affordable Care Act, and then repealing it and establishing a commission to study the issue as part of the American Taxpayer Relief Act of 2012. The commission's report was published in September of 2013, and although it has some good ideas, it doesn't directly address the funding issues.

The difficulties of the issue seem insurmountable, but the problem isn't going

away. Could a diverse panel of LTC experts including actuaries, regulators, marketing and sales leaders, public policy experts, and insurance company executives have a productive conversation and come to a consensus about what America ought to do in order to deal with these issues?

This was the goal of the project "Land This Plane," sponsored by SOA's Long-Term Care Insurance Section and Forecasting and Futurism Section. Using the Delphi method, an expert panel of 45 experts was iteratively asked a series of detailed questions so that they could propose ideas, consider the ideas of the other panel members, reconsider their opinion, and hopefully come to a consensus. The study and subsequent projects will play a key role in the national policy discussion. **A**

Questions or comments can be directed to **Jim Berger**, chairperson of the Long Term Care Insurance Section at [James.Berger@ge.com](mailto:James.Berger@ge.com) or **Alberto Abalo**, chairperson of the Forecasting and Futurism Section at [Alberto.Abalo@oliverwyman.com](mailto:Alberto.Abalo@oliverwyman.com).

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