

Soundbites from the American Academy of Actuaries Health Practice Council

by Heather Jerbi and GERALYN TRUJILLO

What's New

In October, the Consumer Driven Health Plans Work Group released a new issue brief, *FAQs on HSAs*, which uses currently available data to answer some of the more common policy questions regarding enrollment experience with HSAs, the socioeconomic characteristics on HSA/HDHP enrollees, key actuarial concerns related to adverse selection in HSAs, employer and employee contributions to the accounts, and the impact of the plans on health care costs and health care providers.

In late September, the Mental Health Parity Work Group sent a letter to policymakers encouraging them to balance the concerns of the public, health plans and health insurance affordability while considering current mental health parity legislation. With their comment letter, the work group included an updated version of its 2004 issue brief, *Mental Health Parity: Often Separate, Usually Unequal*. The comment letter and updated issue brief can be found online at: http://www.actuary.org/pdf/health/menhealth_sept07.pdf.

The Academy's Disease Management Work Group has completed its work on their practice note. The final version will be available electronically by the end of the first quarter of 2008.

In November, the Medicare Steering Committee of the American Academy of Actuaries' Health Practice Council released a new practice note for public comment. The exposure period for the Actuarial Equivalence for Prescription Drug Plans and Medicare Advantage Prescription Drug Plans under the Medicare Drug Program practice note will end on December 31st. The note can be found online at: http://www.actuary.org/pdf/practnotes/health_partd_nov07.pdf.

Ongoing Activities

The Academy's Health Practice Council has many ongoing activities. Below is a snapshot of some current projects.

Consumer Driven Health Plans Work Group

(David Tuomala, Chairperson) – This work group is developing a paper analyzing emerging CDHP data.

Health Practice Financial Reporting Committee (Darrell Knapp, Chairperson) – The committee continues to work on updating several practice notes (Small Group Certification, Large Group Medical, and General Considerations). An exposure draft practice note on Medicare Part D accounting will be available for comment in early January.

Individual Medical Market Task Force (Mike Abroe, Chairperson) – This task force continues to work on a monograph related to how the current individual market operates. Issues examined in the paper relate to affordability and barriers in the individual medical insurance market.

State Mandated Coverage Task Force (Kevin Borchert, Chairperson) – This task force will be developing a discussion paper in 2008. The paper will help state policymakers evaluate proposals by providing considerations and implications of the various mandate options.

Uninsured Work Group (Cathy Murphy-Barron, Chairperson) – One subgroup is looking at issues related to the fundamental principles of insurance and the characteristics of health insurance, and a separate subgroup is looking at issues related to drivers of health care costs.

NAIC Projects


The Committee on State Health Issues and the Health Practice Financial Reporting Committee continue to work with the NAIC on topics, including LTC, health insurance issues, Medicare Part D, principles-based methodologies, Medigap modernization, etc.

Upcoming Activities and Publications

Several documents are slated for publication in

late 2007 and early 2008, including the paper on individual market issues, health care coverage, disease management practice note, and Medicare. The Health Practice Council is also developing a strategic plan to address health care reform issues as they pertain to the 2008 presidential election. This plan will include the development of policy statements and factsheets on relevant issues;

outreach to policymakers through annual Hill visits and new Hill briefing series; and media outreach through op-eds and letters to the editor.

If you want to participate in any of these activities or you want more information about the work of the Academy's Health Practice Council, contact Heather Jerbi at Jerbi@actuary.org or GERALYN Trujillo at Trujillo@actuary.org 

8th Annual Intercompany LTC Conference, March 16-19, Jacksonville, FL

The 2008 ILTCI Conference will bring together the industry's leading talent to address the many elements critical to responding and assuring that the Pace - continues to - Pick Up. For many carriers, sales are trending up again, and Long Term Care Distribution teams are working to leverage their evolving expertise towards the improvement of processes and profitability. We hope that you will join us and actively participate as we focus on these issues and challenges, through the varied viewpoints, expertise, and live polling sessions offered in our ten track lineup. We know you will also enjoy the networking opportunity always integral to the ILTCI's annual conference.