

# Long-Term Care From My Lens

By Juliet Spector



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**T**his newsletter marks many exciting firsts for me: first time volunteering with the Society of Actuaries, first time on the LTC section council, and first time editing the newsletter. When Bob Hanes brought the idea of editing the newsletter to me during my first few weeks on the council, I was ready to dive in head first.

As a consulting actuary, I have had the opportunity to wear many hats and do different types of work both inside and outside the LTC industry. One of the hats that I have enjoyed wearing is that of an LTC valuation actuary. Given the large number of LTC blocks currently in existence, it is a hat much of our readership wears. Inforce LTC insurance blocks of business present not only actuarial challenges, but many managerial challenges as well. As such, we have two articles focused on existing blocks. One article written by Ginger Darrough focuses on the challenges and strategies around managing an LTC run off block. And the other written by Ben Keslowitz is on the long dormant, but now brewing LTC transactional market.

All actuaries, pricing and valuation, can benefit from sharpening understanding of emerging modeling techniques. Bruce Stahl and Elizabeth Dinc's article on Monte Carlo simulation discusses one such technique. And it is a nice continuation of a topic that was first introduced by last year's LTC research on volatility.

Another challenge facing our industry involves the future financing of LTC for the aging U.S. population. We look halfway around the world to Japan to see what we can learn from their long-term care market with an article by Dianne Kujubu Belli. We also have exciting initiatives right here in the United States, as John Cutler reports back from the National Academy of Social Insurance (NASI) roundtable. This particular roundtable focused on the link between retirement security and long-term care. I found this article and topic personally relevant. My father has been disabled since the age of 60 with Parkinson's disease. My family has been fortunate enough to be able to finance his long-term care through his disability payments (under 65) and now his pension payments (now that he has turned 65). We have found over the last year that institutionalized care aggravates his lewy body dementia and he is best taken care of in his home. He attends adult day care three days a week and also has home health care. He does not have 24 hour home health care as my Mom is a registered nurse and takes care of him a portion of the time, given the substantial cost of 24 hour care. Our family frequently discusses and considers the implications of this arrangement and how it may jeopardize my Mom's health. Because caretaking is an overwhelming responsibility, my Mom has not been able to work in the past couple of years and has thus not made contributions to her 401(k). My Mom had purchased a group long-term care policy a while ago though and thus has protection for her own long-term care needs in the future, should they arise. In many respects my family has been lucky to have financial means to pay for necessary long-term care (albeit it seems insufficient at times). However, sometimes we feel that we are battling impossible odds with the amount of paperwork, research and due diligence that needs to be done to attend medical appointments, interview caregivers, monitor pensions, fill out tax returns, etc. It feels like one wrong move or memory lapse will start a domino effect. It's hard to believe that other families are dealing with these same struggles with fewer resources available to them. The roundtable article shows that the NASI, SOA and the Academy are starting to dive into these additional issues that my family and other families are experiencing.

In other news, the section council will be launching a new "Cognitive Corner" that Sharon Reed and Siusanne Nichols introduce. We have our first contribution to the "Cognitive Corner" with an article on pseudo-dementia by Jane Mattson.

I would like to thank all of the writers that have contributed to this edition of the newsletter and shared their experience with their peers. Lastly, I leave you with Aristotle's statement in Politics that "a feast to which many contribute is better than a dinner provided out of a single purse." As always, please continue to share your ideas and research in articles for the LTC Section newsletter. ■