



SOCIETY OF ACTUARIES

Article from:

Long-Term Care News

December 2014 – Issue 37

Another Strong Year

By Jim Berger

The role of the Long Term Care Section of the SOA is to promote research and education with respect to long-term care insurance. The section council has been focused on these goals in its monthly phone conference.

Members of the council organize sessions for several SOA meetings throughout the year as well as additional activities at the Intercompany Long Term Care Insurance conference. Sessions have been planned for the 2014 Health Meeting, the LIMRA/LOMA DI/LTCI conference, and the 2014 SOA Annual Meeting and Exhibit. Additionally, three webcasts were held in 2014 with a fourth scheduled by the end of the year.

Another facet of the education mandate is found in the newsletter. The articles are drawn not only from actuaries but from experts in fields such as claims, underwriting and marketing covering insurance-specific and non-insurance-specific topics. The newsletter's distribution goes to more than simply actuaries—it is a valued source of industry information. Thanks to Sheryl Babcock for editing this edition.

The research mandate has seen work related to volatility recently. A link to the technical paper “Understanding the Volatility of Experience and Pricing Assumptions in Long-Term Care Insurance” by Roger Loomis and his colleagues at Actuarial Resources Corp. can be found on the Long Term Care Section webpage. Its companion paper, “The Volatility in Long-Term Care Insurance” by Rachel Brewster and Sam Gutterman is descriptively focused. Also on the webpage is the Delphi study “Land This Plane” which searches for solutions to the LTC funding issue and was previously highlighted in this newsletter.

The section council has extended funding to other educational and research projects and is developing research proposals on brain exercises and their potential impact on LTCI claims, and current net premium levels compared to past levels (have we seen rates increase to a point of stability?). As LTCI is not just a U.S. issue, a dialogue between the SOA and the French Institut des Actuaire is occurring to learn what each country can teach the other about LTCI.

The council has entertained regulatory interactions on the topics of sex-distinct pricing and on the principles-based approach. And then there is the marketing of the section—sections are part of the glue that holds the SOA together.

To close, thanks goes out to three council members who have completed three years of service: Siva Desai, Missy Gordon, and Heather Majewski. And congratulations go to three new council members: Bob Yee, Juliet Spector, and Rebecca Tipton. The LTCI council is different from the typical section council in that it includes three non-actuaries with three-year terms: Sharon Reed, Joe Furlong, and Paul Gribbons. These three council members add valuable perspective to the work that is done. And to round out the roll-call, the other council members are Sheryl Babcock, Bob Hanes, Julie Flaa, Rachel Brewster, and Vince Bodnar. As the new council year begins at the annual meeting, the chairmanship moves to Bob Hanes with Vince Bodnar as the vice-chair. As a second-year chair, I remain on the council. Finally, appreciation goes to John Nigh, the SOA board partner, Mike Boot, the SOA staff partner, and Leslie Smith, the SOA section liaison. Thanks to all of these people and the service they give to the section. ■



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