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# Up Front With the SOA Staff Fellow

By Joe Wurzburger

**T**his issue of *Health Watch* roughly marks the halfway point of the year, which makes it a good time to reflect on some of the accomplishments of the Health Section so far while also spotlighting a few things still to come.

The conference report from Initiative 18|11 was released in early 2019. As you may recall, Initiative 18|11 is an effort focused on the issue of rising health care costs in the United States. The U.S. spends roughly 18 percent of its gross domestic product on health care, while comparable countries in the rest of the world spend closer to 11 percent (hence the name). The Society of Actuaries (SOA) partnered with the Kaiser Family Foundation for the inaugural event in March 2018, which was held in their conference facility in Washington, D.C.

While the report represented a significant accomplishment and was the culmination of a lot of work, it is much closer to the beginning of this impactful project than the end. The whole

point of this effort is to take action steps to make an impact, not just talk about the issues. With that in mind, three work streams are underway:

- **5/50 Research Project.** This research project will focus on the 5 percent of the population that generally accounts for roughly 50 percent of health care costs. The emphasis will be on determining how to predict who will fall into the 5 percent cohort and how to prevent or minimize the cost and variation associated with those people.
- **Pharmacy Strategic Initiative.** This group will provide a description of the pharmacy development and pricing process from the time a new concept is developed until a person picks up a prescription at the pharmacy. The goal will be to provide transparency and understanding to the process.
- **Managed Care 3.0 Strategic Initiative.** This initiative will focus on the future vision of managed care in the U.S. with the purpose of building out the concepts described in the conference report. Particular emphasis will be placed on understanding analytical and evaluation techniques.

The SOA is thrilled to continue its collaboration with the Kaiser Family Foundation for these next steps, as well as to welcome an additional partner in the Healthcare Financial Management Association. There are still opportunities for you to get involved. For more information, visit the Initiative 18|11 landing page at [www.soa.org/initiative1811](http://www.soa.org/initiative1811).



The mission of SOA Health Research is to advance knowledge of health benefit systems and enhance actuaries' ability to provide expert advice and relevant solutions for modeling and management of financial risk and contingent events within health benefit systems.

In the past, requests for research proposals were generated by the Health Section Research Committee (HSR) throughout the year on various topics of interest to health practitioners. A list of completed Health research is shown at <https://www.soa.org/research/topics/health-topic-landing/>.

For 2019, the HSR changed its process to better manage its financial resources. The committee implemented a general request for research proposals on Oct. 15, 2018, so that all proposals could be reviewed at one time. Proposals were due earlier this year, and several new research projects are underway.

I also want to call your attention to the SOA's 2019 Predictive Analytics in Health Care Trend Forecast. As the impact of predictive analytics in the health payer and provider space continues to grow, health care executives anticipate future changes to predictive analytics to reduce cost by increasing efficiency. Read more about this at [www.soa.org/2019-health-care-trend](http://www.soa.org/2019-health-care-trend).

As significant as Initiative 18111 has been for the Health Section, it is far from the only accomplishment from the first part of 2019. Some of you loyal listeners may have noticed that the Health Section's podcast has successfully implemented a regular release schedule. Now you are able to hear the latest episodes hosted by Jackie Lee and Dave Dillon every other Monday. If you haven't yet, be sure to check them out at [www.soa.org/health](http://www.soa.org/health) or subscribe using your favorite podcast app.

Not to be outdone, the Health Section's webcast team has been hard at work producing some high-quality content in the first part of 2019. Under the guidance of Kelsey Stevens, the Health Section has been proud to produce podcasts on several topics, including preparing actuarial memos, mental health parity, and updates to Actuarial Standards of Practice (ASOPs) 5 and 42. As a side note, so many of you attended the webcast on ASOP

updates that it broke the record for attendance at a Health Section webcast!

Many of you are reading this while attending the 2019 Health Meeting in Phoenix, so I'd be remiss if I didn't acknowledge the effort that went into creating so much high-quality content for this event. In what has turned into a good problem to have, the program committee had to sort out more than 170 session submissions to select the 100 that make up the final program. Many thanks to Rick Pawelski, Deana Bell and Ashlee Borcan for this arduous task. Be sure to share some kind words with them if you see them wandering the halls of the JW Marriott Desert Ridge Resort.

Looking ahead to the rest of 2019, we expect much more of what I've already described. Additionally, we will begin to look to the next leaders of the Health Section. As has been the case every year, there is an incredibly talented collection of Health Section members who are candidates for the council elections that will take place shortly. Those of you at the Health Meeting should take advantage of the opportunity to meet them in person. While there are many times you can bump into them while at the meeting, your best bet may be at the Health Section breakfast Wednesday morning.

And finally, as we near the end of the year, please consider attending the Health Boot Camps, which will take place this year Nov. 11–12 at the MGM Grand in Las Vegas. Whether you come yourself or you just share the idea with your friends or colleagues, it is sure to be another successful event in one of the country's hottest tourist destinations. Separate boot camps will once again be offered for advanced commercial pricing, Medicare Advantage and provider risk sharing. I'm looking forward to it and hope to see you there.

For more information about all of this, as well as many other Health Section activities that I simply ran out of space to share, check out the section's homepage at [www.soa.org/health](http://www.soa.org/health). ■



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