

Long-Term Care Valuation Results as of June 30, 2020

Finance and Administration Committee
September 14, 2021

Background

- Annual agenda item to go over the state of the LTC program
- All information is as of June 30, 2020
- Highlights key aspects of the report
- Full report available as an attachment

Overview

- The Margin is 1.3%
- The Funded Ratio is 101%
- Margin Reconciliation
 - Program Stabilization Effort
 - FY 2019-2020 Experience
 - 2020 Annual Experience Study Changes

Margin Reconciliation

	Change in Margin	Resulting Margin	Funding Status
Final 6/30/2019 Result		(85.5%)	69%
Rate Stabilization Effort			
Discount Rate Change	29.1%	(56.4%)	78%
Rate Increase	61.2%	4.8%	104%
FY 2019-2020 Experience			
2020 Demographic Update	2.1%	6.9%	106%
FY 19-20 Non-Investment Cashflow	-0.1%	6.8%	106%
FY 19-20 Investment Return	0.9%	7.7%	107%
2020 Annual Experience Study Changes			
Claim Utilization Rate Update	-7.2%	0.5%	100%
Morbidity Improvement	-1.1%	(0.6%)	99%
Other Assumption Updates	1.9%	1.3%	101%
Final 6/30/2020 Result		1.3%	101%

Questions?