

PUBLIC POSITION: ACTUARIAL SCIENCE AND MEDICARE

Concerns about the long-term cost of Canada's healthcare system are at the forefront as governments consider both funding levels and potential reforms to determine their sustainability. To date, the application of actuarial science has been absent from these deliberations.

The CIA has long advocated the involvement of the actuarial profession in forecasting and managing costs of healthcare more broadly. The CIA has sponsored a study for the New Brunswick Health Council of cost drivers in healthcare in that province. As part of the study, a model has been produced which generates forecasts of costs for budgeting purposes. As well, the CIA co-sponsored research projects with the Society of Actuaries on the sustainability of the Canadian healthcare system and the funding of public health insurance plans in Canada and other Organisation for Economic Co-operation and Development countries.

The CIA believes that applying proven actuarial science to healthcare cost forecasting and planning by governments at federal and provincial levels will help secure a sustainable, affordable, and effective publicly-funded healthcare system for Canadians.