

**Title of Exposure Draft: Proposed Revision of Actuarial Standard of Practice No. 3  
Continuing Care Retirement Communities and At Home Programs**

**Comment Deadline: February 1, 2021**

Instructions: Please review the exposure draft, and give the ASB the benefit or your recommendations by completing this comment template. Please fill out the tables within the section below, adding rows as necessary. Sample for completing the template provided at the following link: <http://www.actuarialstandardsboard.org/email/2020/ASB-Comment-Template-Sample.docx>

Each completed comment template received by the comment deadline will receive consideration by the drafting committee and the ASB. The ASB accepts comments by email. Please send to [comments@actuary.org](mailto:comments@actuary.org) and include the phrase 'ASB COMMENTS' in the subject line. Please note: Any email not containing this exact phrase in the subject line will be deleted by our system's spam filter.

The ASB posts all signed comments received to its website to encourage transparency and dialogue. Comments received after the deadline may not be considered. Anonymous comments will not be considered by the ASB nor posted to the website. Comments will be posted in the order that they are received. The ASB disclaims any responsibility for the content of the comments, which are solely the responsibility of those who submit them.

**I. Identification:**

Name of Commentator / Company
Jim Haynes, President/National Continuing Care Residents Association (NaCCRA)

**II. ASB Questions (If Any). Responses to any transmittal memorandum questions should be entered below.**

Question No.	Commentator Response

**III. Specific Recommendations:**

Section # (e.g. 3.2.a)	Commentator Recommendation (Please provide recommended wording for any suggested changes)	Commentator Rationale (Support for the recommendation)

**IV. General Recommendations (If Any):**

Commentator Recommendation (Identify relevant sections when possible)	Commentator Rationale (Support for the recommendation)
1 The ASB should consult, and ideally should include on its ASOP No. 3 Task Force, CCRC residents. Residents are major stakeholders in CCRCs and should be represented as directly as practical.	Actuaries to the CCRC industry are usually consultants employed by the CCRC managements. Typically, actuaries do not have an opportunity to learn the needs of elderly residents, who invest a major part of their savings in a CCRC with the expectation of being cared for through end of life. Unlike CCRC managements and bondholders, if the CCRC fails to meet its obligation to residents, it is generally too late in their lives to recover the loss and move on. Residents have the greatest need for the assurances of a well-prepared actuarial report.

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2. Actuarial studies should be prepared for an audience which includes state regulators and residents, who have a need to know that the CCRC is in actuarial balance.

In a Hearing on “Life Care Communities: Promises and Problems” before the Special Committee on Aging, U.S. Senate, Washington, D.C.; May 25, 1983, pp. 10–14, the Senate Committee learned from Howard E. Winklevoss, Ph.D., actuary about the need for actuarial studies

In a Hearing on “Continuing Care Retirement Communities (CCRCs): Secure Retirement or Risky Investment?” before the Special Committee on Aging, U.S. Senate, Washington, D.C.; July 21, 2010, p. 69, the Committee Investigation “... put together a checklist for state regulators who wish to implement a new CCRC law or update/strengthen an existing CCRC law.” The list included under Licensing “Actuarial Study.”

3. NaCCRA will do its part of advising its members to look for and read actuarial reports. The ASOP No. 3 Task Force needs to do its job of making actuarial studies meet the needs of residents.

NaCCRA is the only national association representing the interests of CCRC residents.

NaCCRA includes among its dues paying members:

**Connecticut Continuing Care Residents Association (ConCCRA)**

No Internet site.

**Florida Life Care Residents Association (FLICRA)**

<http://www.flicra.com/>

**Maryland Continuing Care Residents Association (MaCCRA)**

<https://maccra.org/>

**Massachusetts Life Care Residents’ Association (MLCRA)**

<https://www.mlcr.org/>

**North Carolina Continuing Care Residents Association (NorCCRA)**

<https://www.norccra.org/>

**Organization of Residents Association of New Jersey (ORANJ)**

<https://www.oranjccrc.org/>

**Pennsylvania Alliance of Retirement Community Residents (PARCR)**

<https://www.parcr.org/>

**Virginia Continuing Care Residents Association (VaCCRA)**

<https://www.vaccra.org/>

**Washington Continuing Care Residents Association (WACCRA)**

<http://www.waccra.org/home.html>

In addition to the foregoing state associations of residents’ councils, NaCCRA has 1,580 individual members.

**V. Signature:**

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Commentator Signature

Date

January 30, 2021

A handwritten signature in black ink, appearing to read "J. M. Haynes Jr.", is written over a light gray rectangular background.