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## Pre-Pandemic Challenges and Opportunities

### **The Pandemic Reduces Social Security's Solvency**

Bob Carlson Senior Contributor

**Forbes**

**April 22, 2020**

The coronavirus pandemic is going to have some serious, long-term effects on Social Security's solvency. The trust fund that helps pay benefits to non-disabled Social Security beneficiaries is scheduled to run out of money in 2034, according to the latest annual report from the Trustees of Social Security released April 22. That date is unchanged from the 2019 report.

About 76% of promised benefits will be payable from payroll taxes after the trust funds are exhausted. In 2021, the total annual income of the program is expected to be less than the annual cost for the first time since 1982. That gap is expected to continue for the next 75 years, which is the maximum period the trustees forecast.

But the estimates are based on a number of assumptions. Several key assumptions no longer are viable because of the recent sharp reduction in economic activity, which isn't factored into the report. Now, the trust fund is likely to run out of money before 2034.

*Please Note: Most graphics in this document are linked to the source of the graphic.*

At the end of 2019, political and policy concerns about three social insurance issues - access to and the cost of health care; the solvency of Social Security, and the underfunding of large public pension funds - were all making the news.

Other systemic problems, including the erosion of the rural economy; student debt; educational achievement gaps; workforce shortages; and income disparity, were also in the headlines. None of these issues were addressed, let alone resolved, in the first quarter of 2020. And, when the COVID-19 pandemic has run its course, all of these issues will have been exacerbated, which is why it is necessary to consider what, if anything, can be done to continue the work that was being done and to alert policymakers and pandemic managers to the need to be sensitive to how their decisions affect these concerns.

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***“Between 2008 and 2016, Medicaid costs increased from \$0.55 to \$0.67 of every federal dollar going to states and local governments. The demand on state revenues increased as well and now claims about 20% of all state revenues collected. These increases affected state and local spending on other priorities including education and infrastructure.” CAUS***

Just to put the relevance of this exercise in context, it is worth noting that policymakers around the globe were warned regularly for at least the past two years by respected organizations, institutions, and individuals that they needed to prepare for an “apocalyptic pandemic.”

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**VOICE**

**The World Knows an Apocalyptic Pandemic Is Coming  
But nobody is interested in doing anything about it.**

BY **LAURIE GARRETT** | SEPTEMBER 20, 2019, 12:48 PM



World Health Summit  
2018: Pandemic  
Preparedness in the .

World Health Summit  
YouTube - Oct 23, 2018



Pandemic and  
Biosecurity Policy  
Summit, Part 1 | C-  
SPAN.org

C-Span - May 20, 2019



World Health Summit  
2018: Pandemic  
Preparedness in the .

World Health Summit  
YouTube - Oct 23, 2018

## 2018 WORLD INFLUENZA CONFERENCE 7th - 10th September 2018

Beijing Conference Center  
88 Laiguangying West Road, Chaoyang District, Beijing, China

This year marks the centenary of the first recorded influenza pandemic with devastating mortality globally in 1918. We had also experienced three subsequent influenza pandemics with the latest in 2009. Many lessons were learnt and influenza pandemic preparedness plans were revised and improved. However, many challenges remain and the 2018 World Influenza Conference was aimed at addressing the question on whether we are prepared for the next one.

The 2018 World Influenza Conference was hosted by the Chinese Association of Preventive Medicine (CPMA), China Center for Disease Control and Prevention (China CDC), Chinese Academy of Medical Sciences (CAMS), and the Asia-Pacific Alliance for the Control of Influenza (APACI). The conference was organized in collaboration with the European Scientific Working group on Influenza (ESWI), the National Adult and Influenza Immunization Summit (NAIIS) and the International Society for Influenza and other Respiratory Virus Diseases (isirv).

### Leveraging Existing Informational Resources:

Over the past decade, individuals, groups, organizations, and governments have spent a great deal of time and money exploring how best to address the social insurance and other issues that adversely affect public and economic wellbeing. At a minimum, some effort should be made to encourage the leaders of these various initiatives to



collaborate on an effort to make their major findings and recommendations more visible and accessible to policymakers and other relevant audiences.



***“Prices for crops this year are expected to drop by as much as 10% and prices of livestock by as much as 12% as a result of the coronavirus pandemic, according to a report from the Food and Agricultural Policy Research Institute at the University of Missouri. The net income for farmers is expected to decline \$20 billion. “In the past month, it’s become probably one of the worst years in history for agriculture,” says Edelburg. Time. April 21, 2020***



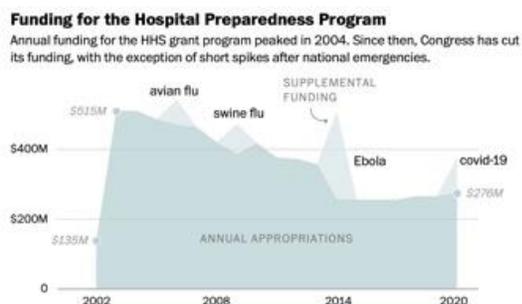
## Key Takeaways

At a minimum, some effort should be made to encourage the leaders of these various initiatives to collaborate on an effort to make the public more aware of their major findings and recommendations. **More to the point, the current pandemic experience makes painfully and expensively clear that concern, expertise, study, publication, and even media coverage, while essential, don't get the job done. Consequently, the interested, affected, and concerned need to concentrate not just on making their work more visible and accessible, but also considerably more urgent and economically and politically relevant to policymakers and other relevant audiences.**

## Avoiding Further Damage:

Most crisis management experts believe that the best emergency management is the management that takes place before a crisis occurs, that is the identification, mitigation and/or hazard management of risks. That opportunity with the coronavirus has passed.

## Boom-and-bust federal funding after 9/11 undercut hospitals' preparedness for pandemics, Washington Post, May 2, 2020



"The urgency dissipated and unfortunately, this is always how Congress works," Del. Eleanor Holmes Norton (D-D.C.) said. "I can only hope we now focus on how this pandemic changes the way we look at preparing for the unthinkable."



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## Here's How The Small Business Loan Program Went Wrong In Just 4 Weeks, NPR, May 4, 2020



Signs are displayed in the window of a store in Grosse Pointe Woods, Mich. The Paycheck Protection Program, aimed at helping small businesses survive the coronavirus crisis, has been beset by problems.  
Paul Sancyo/AP

### **Key Takeaways**

Most elected officials don't make policy mistakes because they are stupid, evil or uncaring. Like most people, they make mistakes when they're operating under pressure and lack the experience, information and/or time they need to make good decisions. Right now our elected officials are experiencing unprecedented pressure and grappling with an information deluge plagued by a lack of information and uncertainty about the information that is available. In this sort of environment, they will act and they will make mistakes. Given all of that, **we must make sure that those grappling with the day to day tactical demands of the pandemic - elected officials and others - are alerted to what NOT TO DO in terms of these critical issues.**



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### **Finding the Resources to Fund Critical Change:**

Addressing major systemic issues will require funding. Money - governmental, personal, corporate and philanthropic - will be short everywhere as the nation comes out of the pandemic. Consequently, the identification of opportunities to recognize and monetize the value of changes in behavior will become an essential tool in the efforts to move forward.

***Were Keynes alive today, he would have much to say not just about what to spend on what but about how to manage the financial burden efficiently and fairly.***

### **Key Takeaways**

In the world we live in today, changed almost beyond recognition by scientific breakthroughs, unprecedented technological advances, demographic shifts and now threatened by a global pandemic and vast economic challenges and dislocations, certain conclusions are inescapable. First, the economic, health and social wellbeing of our citizens is at risk. Second, what we've been doing is has not proved sufficient to deal with the challenges we face. Third, we need to find new ways forward. And fourth, time is not on our side. **If helping societies and people thrive and prosper is the goal. Defining, finding, quantifying, expanding on and increasing accessibility to "value" is one of the most important new ways forward to that goal.**



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ISSUE BRIEF

# Improving Community Health by Strengthening Community Investment

## Roles for Hospitals and Health Systems

***Hospitals and health systems have an array of non-clinical assets—from their ability to make loans to expertise in real estate, financial, and project management to significant property holdings—that can be leveraged not only for the benefit of the community but for their own benefit as well.***



**Social Impact Investment: Building the Evidence Base**  
December 2015

This publication provides a framework for assessing the social impact investment market and focuses on the need to build the evidence base. It highlights the importance of further international collaborations in developing global standards on definitions, data collection, impact measurement and evaluation of policies. In a fast-evolving new area, experience sharing between players in the market is also vital. International organisations such as the OECD can play an important role in facilitating these collaborations as well as conducting further analysis and data collection.

The report follows an overview paper on SII, ["New Investment Approaches for Addressing Social and Economic Challenges"](#), published by the OECD in July 2014.

[The next phase of work](#) will expand to include a broader set of countries, including developing ones.

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