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Dear Commissioners Fowler & Humphreys,

Thank you for taking the time to meet with ACLI to discuss our concerns over the request for proprietary materials in the draft survey on the use of criminal convictions in life insurance underwriting. We appreciate your continued collaboration with us on this important topic and consideration of our feedback. We understand that this survey is meant to gather information on how criminal convictions are considered in the overall context of life insurance underwriting. As previously stated, ACLI continues to be concerned with the request for proprietary materials in connection with such a survey.

Our understanding is that the driver of the survey is to confirm that a correlation exists between *prior* incarceration and mortality and morbidity. We understand that there is strong interest in data and studies that show an increase in mortality and morbidity continues after an individual is no longer incarcerated. We appreciate the opportunity to answer this question. At a minimum, the attached information shows that an increase in mortality and morbidity does exist after incarceration and precludes the need to provide proprietary materials.

ACLI has worked with member companies to provide the issue brief attached to this letter that includes recent and historical studies from credible third-party sources that show a relationship exists between incarceration and mortality and morbidity. These studies also show that the relationship exists after an individual is released from prison. The issue brief also notes the actuarial standards of practice that actuaries must adhere to when analyzing and applying studies like the ones outlined below. These studies are all publicly available should regulators wish to examine them. As a result, we do not believe further questioning is necessary.

As the Special Committee on Race & Insurance and the Life Workstream have been disbanded and are transitioning their work to the appropriate committees, we will be happy to provide this information to the committee that will take up this topic and will work with regulators as appropriate moving forward. We would like to thank you for your time and consideration.

Sincerely,

American Council of Life Insurers | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133

The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.



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Cc: Judith French, Doug Ommen, Carter Lawrence

Data Sources Supporting Higher Mortality or Morbidity Risks Associated with Prior Incarceration - Public Policy Issue Brief

Overview

Recent and historical studies illustrate a strong correlation between prior incarceration and increased mortality and morbidity risks. Actuaries tasked with assessing risk must use credible, reliable data sources while adhering to Actuarial Standards of Practice (ASOPs) No. [12](#) and [23](#), which focus on Risk Classification and Data Quality.

Recent Data Sources

- NIHCM (2023) – "[Incarceration: A Public Health Crisis](#)"
 - This study reveals long-term health challenges for formerly incarcerated individuals, including higher risks of chronic conditions like cardiovascular disease and mental health disorders. It suggests that stress and limited healthcare access contribute to premature mortality and heightened morbidity.
 - Actuaries can utilize this data to model morbidity and mortality rates, ensuring compliance with ASOP 12 by objectively applying these factors into the risk classification process.
- NIH - "[The Consequences of Incarceration for Mortality in the United States](#) " (published in Demography 2021)
 - Estimates the long-term association between imprisonment and mortality in the US over a period of nearly 40 years.
 - Estimates point to an association between incarceration and mortality, with relative risks ranging between 1.7 to 2.7. These mortality excesses translate into losses of life expectancy at age 45 of about 4-5 years.
- American Journal of Public Health (2024) "[Postrelease Risk of Overdose and All-Cause Death Among Persons Released From Jail or Prison: Minnesota, March 2020–December 2021](#)"
 - Using linked prison, jail, and death records, this study followed 99,065 people who were released from Minnesota jails and prisons between March 1, 2020, and December 31, 2021. The study explores differences between jail and prison exposures regarding mortality using standardized mortality ratios.
 - The study concluded that drug overdose was the leading cause of death for people reentering their communities from both jail and prison in Minnesota—with opioids being the leading cause of overdoses. Overdose death relative to the general population was double the estimates from earlier studies among people leaving prison.
- Yale School of Medicine (2023) - [How Incarceration Raises Risk of Cancer Diagnosis and Death—Even After Release](#)"
 - The study highlights that individuals recently released from prison face significantly higher mortality rates, particularly due to cancer and drug overdoses. The first 12 months post-release are particularly dangerous, with mortality rates much higher than the general population.
 - The delay in diagnosis and fragmented healthcare during and after incarceration contribute to these higher risks.

Older Data Sources

- National Library of Medicine - "[The Health and Health Care of U.S. Prisoners](#)" (2009)
 - Highlights chronic diseases, infectious diseases, and mental health issues in incarcerated populations, with higher morbidity rates relative to the general public.
 - The data provides a historical foundation for actuarial models on morbidity, aligning with ASOPs by documenting risk characteristics tied to incarceration.
- National Library of Medicine - [The Dose-Response of Time Served in Prison on Mortality](#), Evelyn J Patterson, American Journal of Public Health, March 2013, Vol 103, No. 3.
 - Incarceration reduces life span. Each additional year in prison produced a 15.6% increase in the odds of death for parolees, which translated to a 2-year decline in life expectancy for each year served in prison. The risk was highest upon release from prison and declined over time. The time to recovery, or the lowest risk level, was approximately two thirds of the time served in prison.
- National Library of Medicine - [Release from prison – a high risk of death of former inmates](#), Binswanger et al, New England Journal of Medicine, 356(2), 157-165. Doi:10.1056/NEJMsa064115 (PubMed: 17215533).
 - Former prison inmates were at high risk for death after release from prison. Interventions are necessary to reduce the risk of death after release from prison.

Use of Data Sources and Drawing Conclusions

Studies used by insurers serve as one part of a comprehensive evaluation process, and our actuarial assessments are grounded in the principles of fairness, diligence, and professional judgment.

It is important to note that while some studies may not explicitly state a direct or causal relationship between prior incarceration and higher mortality or morbidity, they provide valid actuarial insights into this correlation. Actuaries, governed by strict ASOPs, use professional judgment, reasonable assumptions, and rigorous methods to interpret data and establish reasonable relationships between risk characteristics and outcomes.

As previously stated, insurers' underwriting process is not solely based on prior incarceration but considers the broader context, such as the nature of the crime, time since conviction, parole status, employment, and other relevant factors. The ASOPs emphasize taking "reasonable" steps in evaluating risks, ensuring that actuaries use careful, data-supported reasoning to guide their conclusions. These standards allow actuaries to draw reasonable, well-supported inferences from available data, even if the results might vary across individuals or if non-actuaries may interpret the same studies differently.