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Pinnacle Actuarial Resources, Inc. is pleased to have the opportunity to provide the following comments in regards to US Qualification Standards.

Response to Seven Questions of Particular Interest

1. *Are there portions of the QS that have prevented otherwise qualified actuaries from practicing in certain areas? If so, how can the QS be modified to allow those actuaries to practice in certain areas while maintaining proper qualification standards?*

The current qualification standards do not prevent qualified actuaries from practicing in certain areas.

2. *Are there existing, new, or emerging practice areas that require new specific qualification standards to ensure that actuaries practicing in those areas are qualified to do so? If so, what are these areas and what particular standards should be added to any contemplated specific qualifications?*

The general qualification standards are appropriate for new and emerging practices.

3. *In the current QS, is it clear as to what qualifies as organized, other, professionalism and business activities? If not, what changes do you suggest that would clarify these categories of the QS?*

The current definitions of organized, other, professionalism and business activities are clear.

4. *Should there be a yearly cap on professionalism CEs? Currently there is a minimum number of professionalism CEs but no maximum. If capped, what maximum amount do you recommend?*

It is not necessary to cap the number of hours on professionalism.

5. *Currently, the QS only apply to actuaries issuing Statements of Actuarial Opinion in the United States, so actuaries providing Actuarial Services without a Statement of Actuarial Opinion are not required to comply with the QS. Should the QS be expanded to include all Actuarial Services as defined in the Code of Professional Conduct?*

All Actuaries performing Actuarial Services should be subject to the Qualification Standards.

6. *Section 3.1.1 addresses additional basic and continuing education requirements for actuaries providing NAIC statements of actuarial opinion. Sections 3.1.1.1 (Life), 3.1.1.2 (Property Casualty) and 3.1.1.3 (Health) each list specific topics for actuaries who issue NAIC opinions as shown in the table below. With regard to these specific qualification standards, should the topics be updated? If so, what topics do you recommend adding, deleting or changing?*

The specific topics for Property Casualty actuaries are appropriate.

7. *Are the carryover provisions of the QS understandable or do they need to be clarified? If so, what is confusing to you and what suggestions do you have in clarifying the requirements? In addition, should the maximum carryover be reduced so that an actuary will always need to earn some CEs in a given calendar year? Currently an actuary could carry over a full year's CE from the prior year resulting in no additional CEs for the current calendar year. For both of these questions, please address whether your comments apply to general carryover requirements or to specific, organized, professionalism or business requirements. The carryover provisions are understandable and do not need to be limited.*

Additional Comment

We agree with the Casualty Actuarial Society that consideration of revising Section 3.1.1.2 of the QS to include the SOA in the list of actuarial organizations that may administer exams that would allow actuaries to complete the courses necessary to sign a Statement of Actuarial Opinion for an NAIC Property and Casualty Annual Statement is premature. The SOA's general insurance track is not fully developed, and they have yet to offer a single general insurance exam. While the SOA has announced the syllabus for their exams and, in fact, provided a mapping to corresponding CAS exams, this only demonstrates that the planned content of their exams contains material that meets the requirements of Section 3.1.1.2. We believe that it is essential that the SOA demonstrate for a number of exam cycles that each of their planned exams meet the rigorous standards embodied in the CAS exams.

The comments above are the collected comments of the consultants employed or affiliated with Pinnacle Actuarial Resources, Inc.