

**Date Submitted: July 27, 2013**

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***Re: 2013 Qualification Standards Request for Comments***

To the Members of the American Academy of Actuaries, Committee on Qualifications:

I am writing in response to request to comments on the existing U.S. qualification standards. My comments reflect my experience as the Chief Actuary, Health and Productivity Practice, for my firm, but these comments represent my own opinion, rather than the view of Buck Consultants, LLC.

I wish to comment on what is considered to be organized activity. In most discussions of the Qualification Standards, an actuary can participate in an organized activity at a distance, such as a webcast, but it is generally understood that the attendance has to be contemporaneous with the original presentation of the activity. For example, the slides for a March 2012 webcast offered by the Academy said “Examples of organized activities include, but are not limited to, conferences, seminars, **live webcasts**, in person or online courses involving interaction, or committee work that is relevant CE” (emphasis added). Yet the actual Qualification Standards (section 2.7.7) has the following language which does not specifically include the word “live”:

“Organized activities” include, but are not limited to, conferences, seminars, webcasts, in-person or online courses, or committee work that is directly relevant to the area of practice of the subject of the Statement of Actuarial Opinion. In-house meetings can satisfy the requirement of interaction with actuaries or professionals working for different organizations by using outside speakers.

I personally recommend that the Qualification Standards be modified to clarify that webcast attendance need **not** be live. I do not believe that live attendance adds anything significant to the experience. The vast majority of attendees at a webcast do not make use of the opportunity to ask a question. Even if they attendee asks a question, there is no guarantee that the question actually will be answered by the speaker. A repeat of a previously recorded webcast includes the queries of various attendees at the live session, and does provide the sort of interaction that I believe should be considered to meet the education required.

In this regard, I wish to point out that the Society of Actuaries does not require live attendance at a webcast in order for continuing education to count as “structured”, a concept similar to organized activities for Academy qualification purposes. In particular, the Q&As from the Society’s website say:

SC6. When are online courses considered to be structured credit, and when are they self-study credit?

An online course can provide (at least some) structured credit if there is an opportunity for interaction. For example, if there are "live" sessions where the instructor and students can

interact, similar to a traditional classroom, these live sessions are the equivalent of classroom time and count as structured credit.

Or, the presence of an online discussion forum as part of an online course would provide participants the opportunity for interaction, allowing (at least some of) that course to be considered for structured credit. An online course with no opportunity to interact with the instructor or other participants would not earn structured CPD credit, but it would be eligible for self-study credit.

SC7. How can I earn structured credit by "listening to an audio recording, viewing a video recording or reading a transcript of the event?"

There are two ways to achieve credit from an organized activity where participants have the opportunity to interact. First, live participation in the event (e.g. attend a seminar, participate in a webcast). Secondly, members can earn structured credit if they relive the live experience through some recorded means: audio recordings, video recordings or transcripts of the event. The audio, video or transcript must be of an event where there was an opportunity for interaction.

The Joint Board for Enrollment has issued regulations including the concept of formal continuing education, which involve having 3 individuals attend together and having access to a qualified instructor. But formal education does allow for cases where the original presentation had been recorded earlier.

These examples do suggest a few potential criteria for webcasts to potentially count as "organized" (assuming the webcast does involve professionals from different organizations). Live attendance, of course, but also listening to the interaction of others on the recording. Or possibly access to some sort of blog, or other chat experience. Or the ability to send a question to the original presenter, or perhaps some other qualified instructor. Any of these options make it much easier for the actuary to partake of organized activity when the actuary has time.

I also wish to note that, in my experience, requiring live attendance at webcasts increases the recordkeeping burden for a continuing education sponsor such as Buck. We have to keep track not only of the characteristics of continuing education sessions offered but the characteristics when it is viewed.

Given the rapid expansion of means of effective means of communication, and the potential extra burden of contemporaneous viewing, "live" attendance just does not seem very valuable in this web based world.