

# Academy Issues Revised U.S. Qualification Standards

New USQS take effect Jan. 1

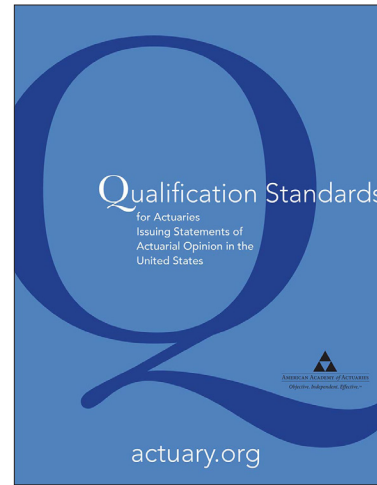
THE ACADEMY, which sets standards for qualification, practice, and conduct for actuaries practicing in the United States, has revised the standards defining the qualifications of actuaries who issue statements of actuarial opinion (SAOs) in the United States. The revised [Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States](#) (USQS) will replace the existing qualification standards as of Jan. 1, 2022.

“This update is the result of a comprehensive public exposure process and review of the USQS by the Academy’s Committee on Qualifications (COQ) as an integral

part of the Academy’s professionalism mission. The revisions will help to ensure that actuarial qualifications in the United States remain appropriate and clear both to actuaries and to the public,” said Academy President Maryellen Coggins.

“Actuaries who plan to issue SAOs in the United States in 2023 or after should take time to familiarize themselves now with the updated standard because it includes a new continuing education (CE) requirement actuaries will need to satisfy during the course of 2022 and thereafter,” she said.

Changes to the USQS include a new requirement for one CE hour of bias education annually, important



clarifications regarding qualifying to issue SAOs in particular subject areas, and changes related to non-U.S. actuaries and to Enrolled Actuaries issuing SAOs in the United States.

The Academy Board of Directors approved the updated USQS on Nov. 1, 2021, after the COQ publicly

SEE USQS, PAGE 5

# Academy Hosts Successful Annual Meeting and Public Policy Forum

THE ACADEMY’S [Annual Meeting and Public Policy Forum](#), held Nov. 4–5 in the nation’s capital in Washington, D.C., as a hybrid event, covered current public policy and professionalism topics and featured plenary and breakout sessions on issues such as diversity, equity & inclusion; COVID-19 responses and paths forward; insurance regulation; and the emerging role of big data.

The two-day annual event also included presentation of the Academy’s annual service awards—the Jarvis Farley Service Award and the Robert J. Myers Public Service Award, as well as the annual Outstanding Volunteerism Awards—and included the presidential transition of Maryellen Coggins succeeding Tom Campbell as the Academy’s 57th president. New members of the Academy’s Board of Directors also began their terms.



The Academy was pleased to see so many of our members in person at the onsite event, as well as to welcome those joining remotely. See full coverage in the [Actuarial Update supplement](#). ▲

3

President’s Letter Marks Opening of Membership Renewal Period

3

Council on Professionalism Adds ‘Education’ to Charge

8

‘Professionalism Counts’—More About ASOPs

12

Issue Paper Looks at Big Data & Algorithms



## 2021

### DECEMBER

**6–7** [Seminar on Effective P/C Loss Reserve Opinions](#), Chicago, Ill. (hybrid event; CE available)

**7** [“What’s the Deal With Low Interest Rates? Are They Harming the U.S. Retirement System?”](#) pension webinar (1.8 CE / CPE credits)

**16** P/C Public Policy Webinar (CE available; registration will open soon)

**17** [“More Tales From the Dark Side,”](#) professionalism webinar (1.8 CE/CPE credits available)

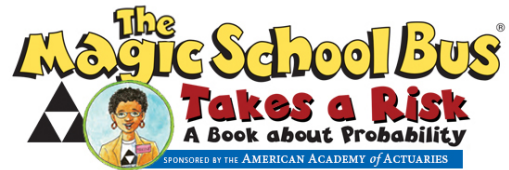
**20** [“Revised USQS Special Webinar,”](#) (registration will open soon)

# Academy NEWS Briefs

## ‘Magic School Bus’ Book Is Available for Order

**T**HE ACADEMY’S [The Magic School Bus Takes a Risk: A Book about Probability](#) is back in stock and available for order. The Academy worked with Scholastic to create this custom-designed story that aims to support math education in schools and diversity in the actuarial profession.

[Place your order today.](#) Bulk orders are available, as are sponsorship opportunities for



organizations that would like to share this inspirational story within their own communities.

Questions? Email: [msb@actuary.org](mailto:msb@actuary.org). ▲

## New ‘Actuary Voices’ Features Christian Benjaminson

**T**HE LATEST EPISODE of the [Actuary Voices](#) podcast features Christian Benjaminson, a pension volunteer and chairperson of the Pension Practice Council’s (PPC) Multiemployer Plans Committee. He discussed his Academy volunteer service, which has allowed him and PPC committees help Congress and federal policymakers understand some of the challenges multiemployer plans face, and the adjacent role of the Pension Benefit Guaranty Corporation. “I love the Academy’s role of educating stakeholders,” said Benjaminson, who received an Outstanding Volunteerism Award from the Academy in 2020. A Washington, D.C., area native, he also talks about the challenges of being a D.C. sports fan in Philadelphia, where he now lives. [Listen to the podcast or download it to your favorite device.](#) ▲

**Editor’s Note:** Academy volunteers are invited to contact [David J. Nolan](#) if they are interested in participating in future episodes.



For a list of all previous and upcoming Academy events, please visit the Academy’s [Events Calendar](#).

### Review Your Membership Profile

To continue receiving *Actuarial Update*, *Contingencies*, and other Academy publications on time, please make sure the Academy has your correct contact information.

Academy members can update their member profile, subscribe to Academy alerts, pay their dues, and review archived professionalism and public policy webinars at the [member login page](#).

## Recently Released

**I**N THE NOVEMBER/DECEMBER issue of [Contingencies](#), the cover feature story “The Great Hunt” tells the fascinating tale about how early actuaries learned how to price nascent automobile risk. Also in the issue, “Using Data for Good” tells how published mortality data can provide a settlement annuitant with valuable information in a factoring negotiation; and the appropriately named “An Adventure” is an original work of fiction by our actuarial author, Leo Apilash. Plus, a President’s Message from Academy President Tom Campbell on rising to the challenge, a Tradecraft selection on the Academy’s new 80% pension funding myth issue brief, and an Up to Code article on where, exactly, you practice.



# Academy NEWS

## President's Letter to Members Features Meaning of Membership, Announces 2022 Membership Renewal Open

**A**CADEMY PRESIDENT Maryellen Coggins' [letter to members](#) announced the opening of the Academy's 2022 membership renewal period and includes a link to "[The Meaning of Your Membership](#)," which highlights the many mission-critical aspects of the Academy's work undertaken in 2021. The Academy continues to enhance its service to members, delivering resources focused on elevating professionalism and strengthening standards surrounding the U.S. actuarial profession. Learn more about how the Academy's efforts in professionalism and public policy enhance and deepen member service and value.

Membership dues are due January 1 annually. To renew your Academy

membership online today, please [log in to the Academy's website](#).

### Requirements Amended for New Member Applicants

At its last meeting, the Academy Board of Directors approved the following additional requirements for new membership applicants, effective from this point forward:

- ▲ All new membership applicants must attest to necessary knowledge of U.S. laws and practices in their practice area with due consideration given to Precept 1 of the Code of Professional Conduct.
- ▲ Applicants must further attest that they have completed prescribed readings

and attest to their understanding of articles IX and X of the Academy bylaws, the Code, the U.S. Qualification Standards, and actuarial standards of practice (ASOPs) and Applicability Guidelines relevant to their area(s) of actuarial practice.

- ▲ Applicants must submit the name and contact information of an Academy member—or another actuary who is subject to the Code—who can confirm the applicant's work and knowledge of applicable U.S. laws and practices.
- ▲ The requirement that new residents and nonresidents submit a letter from their supervisor about their knowledge of U.S. laws and practices is removed. ▲

## Council on Professionalism Adds 'Education' to Its Charge

**T**HE ACADEMY'S BOARD at its last meeting made several administrative changes to the Council on Professionalism (COP), which going forward will be renamed the Council on Professionalism and Education (COPE) and be composed of the Academy's vice president for professionalism, chairpersons of the committees within the COPE's structure, and liaisons from the Academy's public policy practice councils.

A new Actuarial Professionalism Liaison Committee (APLC) will carry out the current COP's liaison function and will include the vice president for professionalism, public policy practice council liaisons, Actuarial Standards Board (ASB) and ABCD liaisons; and representatives from the other U.S.-based actuarial organizations. The director of professionalism will participate in APLC meetings.

A new Committee on Education will support future Academy educational efforts, including the creation and development of any necessary education related to U.S.-based professionalism topics, policy issues, laws and regulations, and to aid staff in monitoring the quality and consistency of the Academy's education programs. The Life and Health Qualifications Seminar Committee is now a subcommittee within the committee's structure, as is the new Pension Actuaries Continuing Education Task Force.

These changes reflect a renewed focus on education that aids actuaries in upholding the U.S.-based professionalism standards and compliance with U.S.-based laws and regulations as a vital function of the Academy. ▲

## Academy Hosts In-Person LHQ Seminar



**T**HE ACADEMY'S annual Life and Health Qualifications Seminar returned as an in-person event this year. Held Nov. 15–18 in Arlington, Va., the highly regarded and well-attended LHQ Seminar featured sessions on topics including professionalism, actuarial opinions, and cash flow, and interactive case-study breakout sessions that have long been highly valued by attendees—many return every few years to brush up on skills.

Attendees gained required basic education and continuing education to be qualified to sign NAIC Life and Health annual statements of actuarial opinion, and a range of topics were discussed, including principle-based reserving, risk adjustment data validation, and risk-based capital. David Dillon was a new member of the LHQ Seminar faculty, and Actuarial Standards Board Chairperson Darrell Knapp chaired the subcommittee that organized this year's seminar. ▲





## Member Spotlight

### Bruce Friedland

**E**ACH MONTH, the Academy has been introducing you to an actuary who shares insights about their professional lives, as well as a glimpse into their personal lives. Visit the [Member Spotlight page](#), part of the Academy's "Professionalism First" hub. This month's Member Spotlight profiles Bruce Friedland, a life actuary and a member of the Life Practice Council's Annuity Reserves & Capital Work Group.

#### **What led you to become an actuary, and what attracted you to the profession?**

When I was in high school, my mother worked at an insurance company. She knew I liked math, so she suggested becoming an actuary. I had never heard of an actuary before, so I looked into what an actuary was and what they do. I thought it sounded interesting. I went to college planning to be an actuary and was able to have an internship after my junior year, which helped solidify my desire to go into the profession. I was intrigued by the idea of using math for practical purposes like pricing insurance products.

#### **What advice do you wish you were given when you were at the beginning of your career?**

Do not ignore the soft skills. Technical training and exams can get you a long way up the corporate ladder, but only so far. After that, skills like strong communication, emotional intelligence, and understanding human behavior and building strong relationships become more important.

#### **Tell us about a time where your actuarial expertise influenced an important decision in your workplace.**

A former company entered a new distribution channel. We tracked experience by distribution channel and saw results from the new channel that varied materially from our pricing and other channels. The company decided to exit the new channel.

#### **What is one of the biggest lessons you've learned in your career?**

As I stated above, the soft skills are very important. As actuaries we need to be able to communicate in a way that our audience understands us. We need to spend our energy on building strong relationships with people.

#### **Would you like to share anything else with aspiring or new actuaries, or those interested in volunteering for the Academy?**

I have been an Academy volunteer for many years. Volunteering allows me to give back to the actuarial profession. It also enables me to be involved with influencing the direction of new regulations and to understand the context behind the decisions that are ultimately made. Understanding context makes it much easier to work with new regulation than simply reading the words.

#### **Share a little about yourself. What are some of your hobbies or other personal interests?**

I am married and have five children and stepchildren in a blended family. My wife is the love of my life and my anchor. My kids are all very different and are taking their own paths to success and are really great people. For fun I play ice hockey and enjoy sailboat racing. I really like to play chess, although I have not played in tournaments for a few years. I also study Jewish religious texts. ▲

*If you are an Academy volunteer and would like to be considered for a future Member Spotlight, [please complete this questionnaire](#).*



exposed proposed changes in 2020 and again in 2021. The COQ reviewed 188 comment letters in total that were received during the exposure periods.

The Board directed the COQ to review and recommend appropriate changes to the USQS after the National Association of Insurance Commissioners (NAIC) in 2019 amended the instructions and definitions related to the qualifications for an Appointed Actuary signing an NAIC Statement of Actuarial Opinion, Property and Casualty Annual Statement.

Comments received on, and changes reflected in, the updated USQS relate to both the NAIC's changes in Appointed Actuary qualifications and other qualification issues raised during the exposure process.

This document supersedes in its entirety the *Qualification Standards (including Continuing Education Requirements) for Actuaries Issuing Statements of Actuarial Opinion in the United States* that took effect Jan. 1, 2008.

All members of U.S. actuarial

organizations governed by the Code of Professional Conduct are subject to the USQS—whether they are members of the Academy or not—so the Academy is undertaking a robust communications effort to spread the word about these new standards.

#### Webinar planned for December:

The Academy will host a webinar Dec. 20 to look at the revised USQS—what's new, what's changed, and what you need to know. [Registration will open soon.](#) ▲

## Public Employment Opportunity at GAO

**T**HE U.S. Government Accountability Office (GAO) has an opening for a senior actuary, to be located either in GAO's headquarters in Washington, D.C., or in GAO's Atlanta or Seattle field offices. Primary practice area should be retirement; experience in multiple practice areas is welcome but not required. The application deadline is Dec. 13; learn more about the position and how to apply via [USA Jobs](#).

The Academy has long supported government employers that are seeking to hire qualified actuaries. For more information, see our [Public Employment Opportunity Posting Policy](#). ▲

### IN THE NEWS

[Insurance Journal](#) reported on Maryellen Coggins taking office as Academy president.

[ThinkAdvisor](#) published an in-depth [retrospective](#) on the Academy's Annual Meeting and Public Policy Forum.

[Employee Benefit News](#)

referenced the Academy's Health Equity Work Group in a story about health inequities.

In a story about longevity assumptions, [Financial Advisor](#) cited charts drawing from the [Actuaries Longevity Illustrator](#), jointly developed by the Academy and the Society of Actuaries.

## This Month in SOCIAL MEDIA



On Facebook, we thanked our followers and our members for being essential parts of fulfilling our collective mission.



On Twitter, we shared our request for information that is seeking input on whether or how health actuarial practices and methods affect health disparities.



On LinkedIn, our #FactFriday pointed to the Individual and Small Group Markets Committee's issue brief that examines the drivers of 2022 health insurance premiums.

Make sure you're a part of the conversation online by following us on [Facebook](#), [Twitter](#), and [LinkedIn](#). Like what you see? Help spread the word by liking and sharing our updates.



# Professionalism Webinar Examines Self-Regulation

**T**HE ACADEMY'S professionalism webinar "[Self-Regulation and the Actuarial Profession](#)" held Nov. 11 discussed why self-regulation is important to the actuarial profession, the Academy's role in supporting it, and what you can do to help ensure self-regulation continues.

Committee on Professional Responsibility (COPR) Chairperson Nancy Behrens, COPR past Chairperson Audrey Halvorson, and committee member Kathy Wong discussed the importance of upholding standards of conduct, qualification, and practice. Academy General Counsel and Director of Professionalism Brian Jackson moderated.

Jackson discussed Precept 1 of the Code of Professional Conduct, which requires actuaries to "act honestly, with integrity and competence," to fulfill the profession's responsibility to the public, and to uphold the reputation of the actuarial profession. He noted that the profession's ability to self-regulate and the ethical standards contained in the Code were what drew him to work at the Academy.

Continuing the Precept 1 discussion, Halvorson said, "it is important to remember that over 330 million people live in the U.S. Most are covered by some form of insurance, pension, Social Security, Medicaid, or Medicare, so we have a huge responsibility to the public."

Wong discussed Precept 2, stressing that the U.S. Qualification Standards (USQS) apply to actuaries who are members of any of the five U.S.-based actuarial organizations. "I'm aware that some actuaries mistakenly believe that if they're not a member of the Academy, then they don't need to meet the qualification standards, and that is not true," she said.

Wong noted that where your opinion is being rendered determines whether the USQS apply. "An actuary working for an international organization, in Asia, for example, but issuing an opinion that will apply in the U.S., is subject to the USQS," she said. "On the other hand, if you are issuing an opinion outside the U.S., it is your responsibility to understand and follow the qualification standards in the venue in which you are rendering the opinion."

She also noted that the absence of a qualification standard in a jurisdiction does not relieve an actuary of the duty to comply with Precept 2, saying that if you—an actuary subject to the Code—issue an opinion in a jurisdiction that does not have qualification

standards, you must still be qualified to do the work. "In this case, it may be even more important that you document the education and experience that you feel makes you qualified to do the work," she said.

Halvorson discussed Precept 3 and the actuarial standards of practice (ASOPs). "ASOPs apply to all actuaries, whether issuing actuarial certifications, or actuarial reports, as well as those actuaries being relied upon," she said. "Don't assume that because you are not the one issuing the report or certification that you don't have to be aware of and comply with the ASOPs."

Behrens presented on Precept 13, which she said "is very important for maintaining self-regulation. The profession must be able to rely on members to monitor compliance—and then, when actuaries who are found to have violated the Code, impose appropriate discipline."

"Our responsibility to preserve self-regulation is to do what all of you are doing today—continually looking to understand actuarial professionalism, exemplifying the behavior covered in the [Web of Professionalism](#), participating in the actuarial community, and monitoring and mentoring other actuaries," Behrens said. "Monitoring actuaries by pointing out potential violations can be hard and uncomfortable, but this is what makes self-regulation work."

[Slides and audio](#) are available free to logged-in Academy members. For more on this topic, see the COPR's paper, [Self-Regulation and the Actuarial Profession](#).

## Discussion Paper Released; Professionalism Webinar Set for December

### 'Explaining Professionalism to Principals' Discussion Paper

Related, the COPR also released a new discussion paper, [Explaining Professionalism to Principals](#), which is intended to help actuaries think proactively about professionalism and how to explain its importance to the work they do and the stakeholders they serve.

### 'Dark Side' Professionalism Webinar Set for December

Mark your calendar for the Academy's next professionalism webinar. "[More Tales From the Dark Side](#)," will look at ABCD requests for guidance and related ethical issues. The webinar will be held on Dec. 17 from noon to 1:30 p.m. EST; registration will open soon. ▲

# Professionalism and Public Policy Outreach Results in Greater Member & Professional Engagement

**W**ITH MANY ACTUARIAL clubs and employers of actuaries holding year-end meetings, professionalism experts from the Academy have been busy speaking to many groups to deliver the latest news of professionalism and public policy developments and providing information

to help actuaries continue to meet their professional responsibilities.

▲ On Nov. 18, Vice President of Professionalism Al Bingham provided a look at key professionalism developments and resources in-person at the annual meeting of the Southeastern Actuaries Conference in Charleston,

S.C. Resources highlighted included the applicability guidelines, ASOPs, the Academy's professionalism webpage, COPR discussion papers, and Academy webinar recordings.

▲ On Nov. 16, Actuarial Standards Board (ASB) member Kevin Dyke

CONTINUED ON PAGE 7

presented virtually to the Middle Atlantic Actuarial Club, providing a detailed look at the ASB's structure and standards-setting process, as well as an update on soon-to-be effective and revised ASOPs in different stages of development. He also discussed key concepts in ASOPs such as documentation and disclosure.

- ▲ Also on Nov. 16, Academy Multiemployer Plans Committee Chairperson Christian Benjaminson provided an overview of multiemployer pension plans at a breakout session of the Actuaries Club of Philadelphia's virtual meeting. The overview included a comprehensive look at the structure and financial condition of multi-employer plans and a retrospective of recent legislation and regulation related to multiemployer plans.
- ▲ Committee on Qualifications (COQ) member and Academy Past President Tom Terry also presented to the Philadelphia club's virtual meeting. His presentation, "Emerging Professionalism Issues in 2022," included an extensive discussion of the rationale, operation, and responsibilities involved in the U.S. actuarial profession's self-regulation, the resilience of the U.S. professionalism framework,

and emerging professionalism challenges. He presented the topics at the Nov. 9 Actuaries' Club of the Southwest virtual meeting as well.

- ▲ On Nov. 9, Council on Professionalism and Education (COPE) member Mike Ward presented virtually to the Actuaries' Club of Boston. Ward provided a professionalism overview and update, including highlights of recent COPR discussion papers [Self-Regulation and the Actuarial Profession](#) and [Professionalism for the Solo Actuary](#), and polled attendees on selected professionalism topics.
- ▲ On Nov. 10, COQ Vice Chairperson Lisa Slotznick and ASB member Cande Olsen—the latter of whom received the Academy's 2021 Jarvis Farley Service Award this month—co-presented virtually to Prudential's annual actuarial ethics seminar, providing an overview of the U.S. actuarial professionalism framework housed in the Academy and highlighting new and emerging ASOPs.
- ▲ On Nov. 16, Terry presented to the Actuaries Club of Philadelphia's virtual meeting. He presented on "Emerging Professionalism Issues in 2022."
- ▲ On Nov. 17, Committee on Professional Responsibility (COPR) Chairperson Nancy Behrens presented



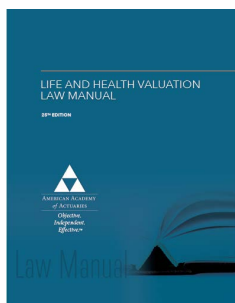
"Professionalism and You" as the opening general session of the virtual annual meeting of the Actuary Society of Greater New York. Behrens reviewed the professionalism infrastructure housed in the Academy, discussed self-regulation and Precept 13 of the Code of Professional Conduct, the disciplinary and request for guidance processes of the Actuarial Board for Counseling and Discipline, and professionalism resources available from the Academy.

- ▲ ABCD member Al Beer presented and guided a virtual discussion for the Casualty Actuaries of the Mid-Atlantic Region on Nov. 4 on illustrative case studies of matters on which a property/casualty actuary might [request guidance from the ABCD](#), and the professionalism considerations involved in each case study. ▲

## COMING SOON

THE ACADEMY'S ANNUAL

# Law Manuals

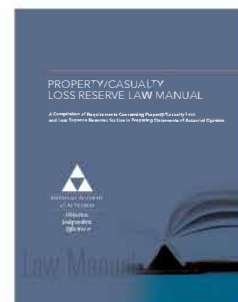


### The Life and Health Valuation Law Manual

is designed to help appointed actuaries know the requirements of the NAIC model Standard Valuation Law and the Model Actuarial Opinion and Memorandum Regulation.

### The P/C Loss Reserve Law Manual

contains useful information to help appointed actuaries know the National Association of Insurance Commissioners (NAIC) Annual Statement requirements for Statements of Actuarial Opinion (SAOs).



Both manuals are available in a variety of formats, allowing you to pick the version that best suits your needs.

**ACTUARY.ORG**





# More About ASOPS—Disclosures, Notable Changes, and Handling of Comments

BY CANDE OLSEN

Member, Actuarial Standards Board

**L**AST MONTH, I explained [recent changes to language](#) in actuarial standards of practice (ASOPs). This month, I'll take a closer look at several other ASOP sections—section 4 (disclosures), the transmittal memo, and the appendixes.

### Section 4: Communications and Disclosures

Section 4 of each ASOP sets out the items the actuary must disclose. In the past year or two, the Actuarial Standards Board (ASB) has changed its approach to the first part of this section. Previously, section 4.1 had been titled “Actuarial Communication” in most ASOPs, and the terminology used in this section varied across ASOPs, with some ASOPs referring to disclosures in an actuarial communication, and others referring to disclosures in an actuarial report. If you are wondering about the difference between an actuarial communication and an actuarial report, ASOP No. 41, *Actuarial Communications*, defines these terms:

**Actuarial Communication:** A written, electronic, or oral communication issued by an actuary with respect to actuarial services.

**Actuarial Report:** The set of actuarial documents that the actuary determines to be relevant to specific actuarial findings that is available to an intended user.

Because an actuarial communication can be broader than an actuarial report, in more recent ASOPs, section 4.1 is titled “Required Disclosures in an Actuarial Report” and the guidance has been updated to use “actuarial report” consistently.

Several other changes in section 4 are aimed at making the ASOPs easier to use. For example, all disclosures are now found in section 4, which ties each disclosure to the relevant part of section

3 with a reference. (In rare instances, a disclosure may also be mentioned in section 3 for emphasis. One way of thinking about the difference between sections 3 and 4 is that section 3 tells the actuary what to do, while section 4 tells the actuary what to disclose.) Finally, section 4 reminds actuaries to review the disclosure requirements for any other ASOP referred to in section 3, as well as ASOP No. 23, *Data Quality*; ASOP No. 41, and ASOP No. 56, *Modeling*, as these three ASOPs apply to nearly all actuarial assignments.

### Transmittal Memo

In addition to the guidance contained in sections 1-4 of an ASOP, the ASOP document includes two other important sections: the transmittal memo and the appendixes. The transmittal memo comes before the body of the ASOP. One of the more important sections of the transmittal memo is the notable changes section, which helps actuaries understand where substantive revisions were made. Most exposure drafts and new ASOPs now have two notable changes sections, one with changes from the previous draft and one with a high-level summary of cumulative changes from the existing ASOP. The list of cumulative changes is especially helpful when an ASOP has been adopted and an actuary wants to know what changes they may need to make in their practice.

The transmittal memo also contains a section on the history of the standard, which discusses the development of the standard from its inception, including any relevant regulatory changes, changes in actuarial practice, or changes to other

ASOPs that require a new or revised standard. In exposure drafts, the transmittal memo contains instructions and a deadline for submitting comments.

### Appendixes

Two appendixes usually appear after section 4 of the ASOP. The first appendix, titled “Background and Current Practices,” gives historical context for the development of the standard and information about current practices in that specific subject area.

The second appendix, which appears in second and higher exposure drafts and final ASOPs, provides insight into the types of comments the ASB received on the last exposure draft and how they were handled. This appendix contains a summary of each substantive comment received and the ASB's response. The ASB and its committees and task forces spend a significant amount of time considering each comment and how to respond. Though some comments are addressed quickly, others provoke lengthy discussions.

### Keeping Up With the ASOPs

The ASB has revised several ASOPs in recent years and is in the process of revising many more. Some of these ASOPs were last revised 10 or 20 years ago, and the changes are substantial. I encourage you to participate in the revision process by commenting on exposure drafts in your area of practice and to keep up with ASOPs by staying informed about changes and reading newly adopted ASOPs closely. One of the best ways to stay informed is signing up for [Boxscore](#), the ASB's newsletter. ▲

# BOARD OF DIRECTORS, 2021–2022



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(2022)



AMERICAN ACADEMY of ACTUARIES

*Objective. Independent. Effective.™*



## P/C Loss Reserve Opinion Seminar Registration Ends Dec. 2

**T**HE ACADEMY'S [2021 Seminar on Effective P/C Loss Reserve Opinions](#) will be held Dec. 6–7 as a hybrid event. The in-person portion is at the Hilton Chicago O'Hare Airport, and the two-day event is designed for property/casualty actuaries who prepare or assist with preparing NAIC annual statements of actuarial opinion on P/C loss reserves. In-person attendees will have exclusive access to a closing Q&A session with faculty. Both virtual and in-person registration are open through Dec. 2. [Register today.](#) ▲

## Climate Task Force Comments to Treasury Department RFI

**T**HE CLIMATE CHANGE Joint Task Force [sent comments](#) to the U.S. Department of the Treasury and the Federal Insurance Office's (FIO) request for information (RFI) regarding FIO's future work relating to the insurance sector and climate-related financial risks. The letter addresses insurance supervision and regulation, insurance markets and mitigation/resilience, and insurance sector engagement. ▲



## P/C Public Policy Webinar Set for Dec. 16

**M**ARK YOUR CALENDAR to join the Casualty Practice Council (CPC) on Thursday, Dec. 16, for a CPC public policy webinar. Details will follow and registration will open soon. ▲

### CASUALTY BRIEFS

- ➔ **Roosevelt Mosley** joined the Casualty Practice Council.
- ➔ **Jennifer Balester, Betsy Branagan, and Meg Glenn** joined the Committee on Property and Liability Financial Reporting.
- ➔ **Benjamin Kosofsky and Benjamin Turner** joined the P/C Racial Equity Task Force.

## HEALTH NEWS



## Medicaid Committee Releases COVID-19 Issue Paper

**T**HE MEDICAID COMMITTEE released an issue paper, [Considerations for Reflecting the Impact of COVID-19 in Medicaid Managed Care Plan Rate Setting](#), that explores key components of rate setting during or shortly after the COVID-19 pandemic, including data, assumptions and adjustments, risk mitigation, and communication. ▲

## Health Solvency Committee Updates NAIC

**T**HE HEALTH SOLVENCY Subcommittee provided an update to the NAIC Health Risk-Based Capital (E) Working Group on the working group's call on the H2 Underwriting Risk Review request. ▲

## LTC Mortality Study

**T**HE LONG-TERM Care Valuation Work Group released a major report, the [Long-Term Care Insurance Mortality and Lapse Study](#), resulting from a 2016 request from the NAIC's Health Actuarial (B) Task Force regarding replacing the mortality and lapse bases for statutory minimum reserves. The study was completed jointly by the Academy and the Society of Actuaries Research Institute. The work group [presented an update](#) on the study to HATF in late November. ▲



### HEALTH BRIEFS

- ➔ **Jason Karcher** joined the Health Practice Council.





## Risk Sharing Subcommittee Comments to CCIO on Exposure Draft of Risk Adjustment Technical Paper

**T**HE RISK SHARING Subcommittee sent a [comment letter](#) to the Centers for Medicare & Medicaid Services' Center for Consumer Information and Insurance Oversight on the [HHS-Operated Risk Adjustment Technical Paper on Possible Model Changes](#), which was exposed for comment in late October. ▲

## Academy Presents to HATF on HPC's 2021 Activities

**H**EALTH PRACTICE COUNCIL (HPC) Vice Chairperson Barb Klever [provided an update](#) on the HPC's 2021 activities to the HATF. The presentation covered the HPC's priorities including the COVID-19 pandemic's implications for health care utilization and spending; health insurance coverage and the Affordable Care Act; health equity; long-term care; and Medicare sustainability. ▲

## LIFE NEWS



## C-2 Work Group Presents to NAIC

**T**HE C-2 MORTALITY WORK GROUP [presented](#) on its [report](#) to the NAIC's Life Risk-Based Capital Working Group on recommendations for updated C-2 factors. The presentation was made by work group chairperson Chris Trost and vice chairperson Ryan Fleming. ▲

## Task Force Comments to ASB on ASOP No. 24

**A**LIFE PRACTICE COUNCIL task force [submitted comments](#) to the ASB on the exposure draft of ASOP No. 24, *Compliance with the NAIC Life Insurance Illustrations Model Regulation*. ▲

### LIFE BRIEFS

- ➔ **Paul Navratil** is chairperson of the Life Capital Adequacy Committee.
- ➔ **Craig Morrow** joined the Life Practice Council.
- ➔ **Angela McShane** and **Ross Zilber** joined the Life Financial Reporting Committee.
- ➔ **Terry Long**, **Stephen O'Brien**, and **Jim Thompson** joined the Non-Guaranteed Elements Work Group.
- ➔ **Ricardo Trachtman** joined the Lifetime Income Risk Joint Committee.
- ➔ **Alexander Esche** joined the Life and Health Valuation Law Manual Review Task Force.

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## Actuarial Update

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## PENSION NEWS

# Pension Webinar Will Delve Into Monetary Policy, Interest Rates

**R**EGISTER NOW for December's "[What's the Deal With Low Interest Rates? Are They Harming the U.S. Retirement System?](#)"—a pension webinar that will discuss the implications of low interest rates and recent monetary policy. The webinar will look at how low interest rates of the past decade have been driven by systemic factors such as low growth,

aging demographics, and an economic shift toward technology and services, as well as aggressive monetary policy, which has been a key driver of both low rates and high capital asset values. Presenters will be Evan Inglis and Jerry Mingione; Academy Senior Pension Fellow Linda K. Stone will moderate. The webinar will be held on Tuesday, Dec. 7, from noon to 1:30 p.m. EST. [Register today.](#) ▲

### PENSION BRIEFS

- ➔ **Susan Boyle** and **Scott Hittner** are vice chairpersons of the Pension Practice Council and the following are members of the council: **Grace Lattyak** and **Claire Wolkoff**.
- ➔ **Elena Black** is chairperson and **Grace Lattyak** is vice chairperson of the Pension Committee and the following are members of the committee: **Dave Gustafson** and **Maria Moliterno**.
- ➔ **Claire Wolkoff** is chairperson of the Retirement System Assessment and Policy Committee.
- ➔ **Brent Banister**, **Koren Holden**, **Scott Preppernau**, and **Mark Schulte** joined the Public Plans Committee.

## RISK MANAGEMENT & FINANCIAL REPORTING NEWS

# Issue Paper Looks at Big Data & Algorithms

**T**HE DATA SCIENCE AND ANALYTICS Committee released a major issue paper, [Big Data and Algorithms in Actuarial Modeling and Consumer Impacts](#). The purpose of this paper is to provide a framing for understanding how developments in big data and artificial intelligence (AI) may impact insurance offerings and their oversight; education for actuaries, regulators,

legislators, and other interested stakeholders on the evolving impacts of big data and AI technologies on the oversight, accessibility, and sustainability of insurance since the publication of the Academy's [Big Data and the Role of the Actuary](#) monograph; and education for a framework on algorithmic accountability and considerations specific across different lines of insurance. ▲

### RISK MANAGEMENT BRIEFS

- ➔ **Lisa Slotznick** is chairperson and **Michelle Young** is vice chairperson of the new Climate Change Joint Task Force and the following are members of the work group: **Leslie Bosniack**, **Sandra Callanan**, **Shiraz Jetha**, **Steve Kolk**, **John Kollar**, **Stuart Mathewson**, **Ron Ogborne**, **Peter Ott**, **Rebecca Owen**, and **Navid Zarinejad**.
- ➔ **Shawna Ackerman**, **Mary Pat Campbell**, **Boon-Yi Cheah**, **Joseph Dorocak**, **Alexander Esche**, **Yi Fan He**, **Bobby Jaegers**, **Charles Letourneau**, **Paul Meixler**, **Reese Mularz**, **Belinda Nguyen**, **Michael Payan**, **Andrew Provines**, **Spencer Sadkin**, **Andreea Savu**, **Paula Schwinn**, **Miles Williams**, **Michelle Sun**, **Denis Kapylou**, and **Aron Chun** joined the Data Science and Analytics Committee.
- ➔ **Paul Heffernan** joined the ERM/ORSA Committee.
- ➔ **Kristin Schaefer**, **Paul San Valentin**, and **Jeremy Williams** joined the Financial Reporting Committee.
- ➔ **David Carlson**, **Joonghee Huh**, and **Jeffrey Murr** joined the Solvency Committee.
- ➔ **Charles Merz**, **Michelle Sun**, and **Rebecca Williams** joined the Climate Related Financial Disclosures Work Group.
- ➔ **Ross Zilber** joined the IFRS 17 Work Group.