

# Academy Annual Meeting and Public Policy Forum Set for Next Week

*Hybrid Event Will Feature Timely Topics, High-Profile Speakers*

**T**HERE'S STILL TIME to register for the Academy's [Annual Meeting and Public Policy Forum](#), to be held Nov. 4–5 at the Fairmont Hotel in Washington, D.C.

The hybrid event will feature several well-known and high-profile speakers, address current public policy and professionalism topics, and offer the opportunity to earn valuable continuing education. New this year—attendees may register for single sessions.

Agenda highlights include:

- ▲ Robert Costa, co-author with Bob Woodward of the bestselling book *Peril*, will kick off the meeting with a look at the current political landscape, and a look ahead to the 2022 and 2024 elections, in a Nov. 4 opening session exclusively for in-person attendees. The remainder of the plenary sessions are open to all attendees; see the full [plenary session lineup here](#).
- ▲ Cathy O'Neil, author of the bestseller *Weapons*



*of Math Destruction: How Big Data Increases Inequality and Threatens Democracy*, will open the professionalism plenary session, discussing the risks of embedded bias and potential ethical challenges they pose, followed by a panel discussion.

▲ National Association of Insurance Commissioners (NAIC) Vice President, NAIC Special (EX) Committee on Race and Insurance co-vice chair, and Missouri Insurance Director Chlora Lindley-Myers will open “Diversity, Equity & Inclusion (DE&I)—Engaging the Public Policy Discourse Over Insuring Against Inequities.” Dora Hughes, senior advisor at the U.S. Department of Health and Human Services’ Center for Medicare and Medicaid Innovation, and Social Security Administration Acting Commissioner Kilolo Kijakazi also will speak, followed by a panel discussion.

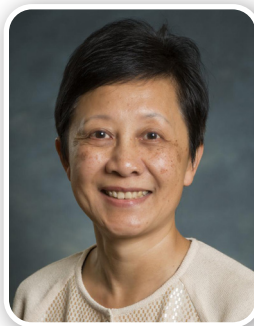
SEE **ANNUAL MEETING**, PAGE 5

## Selection Committee Makes ASB, ABCD Appointments

**T**HE SELECTION Committee made member and leadership appointments to the Actuarial Standards Board (ASB) and the Actuarial Board for Counseling and Discipline (ABCD), which will take effect on Jan. 1, 2022. Member appointments to both bodies are for three-year terms; chairperson and vice chairpersons are one-year appointments.

ASB reappointments are Chairperson Darrell Knapp and Vice Chairperson Rob Damler, and current ASB member Kevin Dyke will become a vice chairperson. New ASB member appointments are Laura Hanson (life) and Christopher Noble (pension). Member Patrick Woods (casualty) was reappointed to a second three-year term.

At the ABCD, Chairperson David Driscoll was reappointed, while current ABCD members Al Beer and John Schubert were appointed vice chairpersons. New member appointments are Shawna Ackerman (casualty), April Choi (health), and Tammy Dixon (pension).



Choi



Hanson

Rolling off the ASB are Vice Chairperson Kathy Riley and member Cande Olsen. Departing the ABCD will be vice chairpersons Deborah Rosenberg and Alice Rosenblatt, and member Ken Kent.

Academy President Tom Campbell thanked the Selection Committee—established in the Academy

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## 2021

### NOVEMBER

**4-5** [Annual Meeting and Public Policy Forum](#), Washington, DC. (hybrid event; up to 11.4 CE credits)

**11** ["Self-Regulation and the Actuarial Profession,"](#) professionalism webinar (1.8 CE credits)

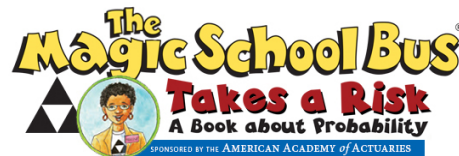
**15-18** [Life and Health Qualifications Seminar](#), Arlington, Va. (in-person event; up to 27 CE credits)

### DECEMBER

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

# 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.

Offering grade-school children an introduction to the work actuaries do, and sharing how math can take them on amazing journeys, the book is a means to reach traditionally

underrepresented populations and introduce them to the profession at a young age to educate them on what it means to be an actuary.

[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 Cande Olsen

**T**HE LATEST EPISODE of the [Actuary Voices](#) podcast features Cande Olsen, who will receive the Jarvis Farley Service Award on Nov. 4 at the Academy's Annual Meeting and Public Policy Forum. Olsen, who is a past vice president, life, has been a member of the Council on Professionalism and is finishing up six years of service on the Actuarial Standards Board. She talks about the start of her actuarial career going back to her upbringing in New Jersey as the daughter of an actuary, the importance of math brainteasers at the dinner table, and her education at Williams College under famed actuarial professor C. Wallace Jordan. [Listen to the podcast or download it to your favorite device.](#) ▲



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

**T**HE SUMMER/FALL ISSUE of [The Retirement Report](#) looks at multiemployer plan issues that arose as part of the American Rescue Plan Act of 2021, with a Q&A featuring several members of the Multiemployer Plans Committee. Also in the issue, a preview of the Annual Meeting and Public Policy Forum's pension sessions; the new issue brief, *The 80% Pension Funding Myth*; Sherry Chan is set to become the Academy's next pension vice president; and recent state and federal legislative and regulatory activity.

THE  
RETIREMENT  
REPORT



The Fall [Casualty Quarterly](#) covers recent property/casualty work on cyber risk issues, including an August webinar and a *Cyber Risk Toolkit*. Also in the issue, a preview of Annual Meeting and Public Policy Forum P/C breakout sessions; Senior Casualty Fellow Rich Gibson is featured in a recent episode of the "Actuary Voices" podcast; the Academy presented at the Virtual Casualty Loss Reserve Seminar and Workshops on the scalars research paper released earlier this year; and recent state and federal legislative and regulatory activity. ▲

# Academy NEWS

## Professionalism Webinar, ‘Self-Regulation and the Actuarial Profession,’ Set for November

**J**OIN THE ACADEMY for next month’s professionalism webinar, “[Self-Regulation and the Actuarial Profession](#),” in which you can learn why self-regulation is important to the actuarial profession and what you can do to help ensure it continues. Members of the Committee on Professional Responsibility (COPR) will discuss the importance of upholding the profession’s standards of conduct, qualification, and practice, as well as how to explain the requirements—and benefits—of actuarial professionalism to principals.

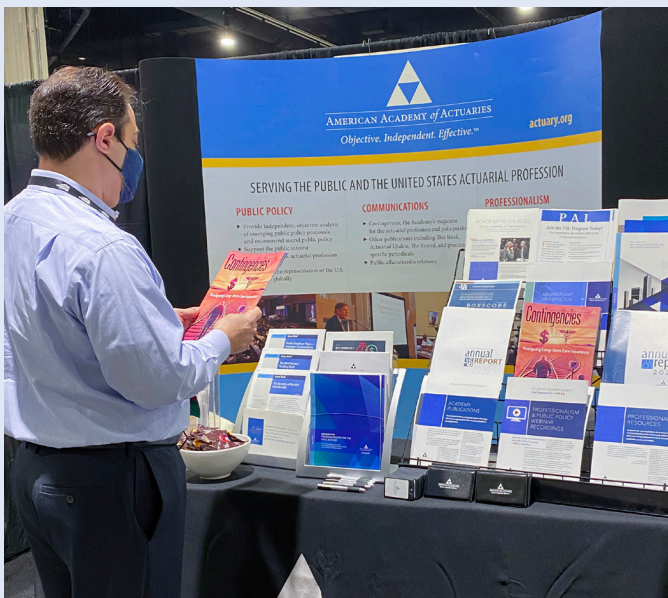
Presenters will be COPR Chairperson Nancy Behrens, COPR Past Chairperson Audrey Halvorson, and COPR member Kathy Wong. Attendees will have the opportunity to obtain 1.8 hours of organized and professionalism CE credit, as well as 1.8 core ethics continuing professional education (CPE) credit under Joint Board for the Enrollment of Actuaries (JBEA) rules. The webinar will be held on Thursday, Nov. 11, from noon to 1:30 p.m. EST.

[Register today.](#) ▲



## Academy Representatives Attend Conferences

**T**HE ACADEMY HOSTED a booth at the American Society of Pension Professionals & Actuaries (ASPPA) [annual conference](#) in National Harbor, Md., just outside of Washington, D.C., in late October. The Academy appreciated the opportunity to be an exhibitor at this local conference. It allowed actuaries and other pension professionals to view various issue briefs and Academy publications including *Professionalism For the Solo Actuary*, *The Security of Pension Plan Benefits*, *The 80% Pension Funding Myth*, *Actuarial Update*, and other recently released public policy materials. ▲



An ASPPA attendee at the Academy’s booth

### International Outreach

At the invitation of the Actuarial Association of Europe (AAE), International Secretary Tom Wildsmith and Academy Director of Public Policy Craig Hanna represented the Academy from Sept. 29 to Oct. 1 in Sursee, Switzerland, attending committee meetings and the general assembly during the AAE Annual Meeting. The meeting afforded opportunities for engagement on regulatory and professionalism issues of mutual interest. ▲



Wildsmith (left) with incoming AAE Chairperson Mária Kamenárová





## Member Spotlight

### Janice Duff

**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 Janice Duff, a life actuary and a member of the Actuarial Standards Board's Life Committee.

#### **What led you to become an actuary?**

##### **And what attracted you to the profession?**

In college, I knew I loved my math classes even though I didn't declare my major until my sophomore year. During a Mathematical Sciences Career Night, I learned about the actuarial profession and was intrigued. I enjoyed school and learning, and so I thought a career in which I could advance by taking exams would be rewarding. Although I had a few exam failures along the way, it turned out to be an excellent career choice for me. I stayed with The Baltimore Life Insurance Company my entire career, becoming its first female vice president. I worked with wonderful people who cared as deeply as I did about the company.

##### **Describe a professionalism-related challenge that you have faced in your career. How did you handle it?**

In my valuation role, I was told by my superiors that they slept better at night knowing I was in charge. I considered that not only a compliment to me and the staff but a testament to the integrity of us all. Although we didn't always see eye-to-eye, I didn't hesitate to express my opinion in a professional way when it differed from that of others.

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

Recognize the importance of a work-life balance. I focused so much on exam progression and career advancement that at times I missed out on other valuable things.

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

In the beginning of my career, I worked on product development, pricing, and implementation. I loved the ability to create something that could benefit both the customers and

the company. We soon realized the collaboration between the company's sales and marketing areas and the outside marketing organizations needed to expand, so I became the company's first marketing actuary and was the lead contact for several marketing organizations.

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

I recently retired, and looking back on my nearly 35 years with the company has made me realize how blessed I was to work with truly talented and caring people. Yes, they were my coworkers—but they were and still are my friends. The expression "we are all in this together" has grown in use in the last few years, but truthfully it was the way we worked all along. So my biggest lesson would have to be this: Never underestimate the power and satisfaction of collaboration.

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

I have served on the Life Committee of the Actuarial Standards Board since 2017 and recently became the chair of a newly formed task force. The experience has been wonderful—once again because of the care and talent of the people with whom I volunteer. Chances are good if you volunteer, you will have the same experience.

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

I love creating things. I am thinking about opening a craft business, making shadow boxes and other items to preserve memories of loved ones and significant events. I also enjoy baking and spending time with my family, friends, and my sweet 9-year-old rescue dog, Misty.

- ▲ International Association of Insurance Supervisors Deputy Secretary General Romain Paserot; Tom Sullivan, senior associate director, Board of Governors of the Federal Reserve System; and NAIC Assistant Director of International Relations and Policy Ryan Workman will share cutting-edge developments during the “Level Up? The Progression of Insurance Regulation Spanning the International, Federal, and State Levels” plenary session.
- ▲ A panel of experts will speak at the plenary session, “COVID-19: A Prognosis of the Pandemic’s Implications Based on Lessons Learned Thus Far.”
- ▲ Health, life, pension, and property/casualty sessions will look at a wide variety of issues including the Affordable Care Act, index-linked variable annuities (VA), multiemployer pension plans, and automobile insurance. See the full [practice-area breakout sessions here](#).
- ▲ Maryellen Coggins will succeed outgoing Academy President Tom Campbell during the Academy’s presidential transition.
- ▲ The Academy’s annual service awards will be presented. Join your fellow actuaries in congratulating Jarvis Farley Service Award recipient Cande Olsen, Robert J. Myers Public Service Award recipient Eli Donkar, and Outstanding



Costa



Lindley-Myers

Volunteerism Award recipients Dorothy Andrews, Joe Hicks, Annette James, and Karen Rudolph.

Members also will have the opportunity to meet new Academy Executive Director Bill Michalisin. The Academy is committed to following local health guidelines. Learn more about the Fairmont Hotel’s commitment to health and safety [here](#). Join your peers and connect with Academy members and leadership by attending the Academy’s premier annual event. [Register today](#). ▲

## Public Employment Opportunity

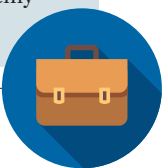
**THE STATE OF INDIANA** is looking for an actuary to join the Department of Insurance. This role reviews and analyzes property and casualty insurance rates to determine that they are not excessive, unfairly discriminatory, or inadequate. In addition to being a member of the Academy, the candidate must be a fellow or associate of the Casualty Actuarial Society or the Society of Actuaries. For more information please visit the [Work for Indiana website](#).

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

[ThinkAdvisor](#) and [Property Casualty 360](#) reported on new Academy Executive Director Bill Michalisin.

A [ThinkAdvisor](#) column on improving understanding of the potential length of retirement periods cited the [Actuaries Longevity Illustrator](#), jointly sponsored by the Academy and the Society of Actuaries.



## PROFESSIONALISM NEWS

### Professionalism Outreach

**ACTUARIAL STANDARDS BOARD (ASB)** Vice Chairperson Rob Damler presented virtually on “Professionalism and Selected ASOP Topics” to the St. Louis Actuaries Club on Oct. 4. He reviewed the ASB’s structure and standards-setting functions and discussed recent developments and selected topics in actuarial standards of practice (ASOPs) including reliance, documentation, and disclosure. Damler also highlighted the Academy’s many professionalism resources.

Actuarial Board for Counseling and Discipline (ABCD) Staff Attorney Ed Lee delivered a virtual presentation providing an overview of the ABCD to the Columbus Actuarial Club on Oct. 20. The session included an engaging Q&A period during which Lee answered attendees’ counseling and discipline questions. ▲



# ProfessionalismFirst

Your one-stop shop for the latest news and perspectives on professionalism.



## Listen

Listen to **Actuary Voices**, the Academy's podcast series, to hear from our always-interesting Academy members about how and why they chose their actuarial careers.

## Explore

Explore our resources, which answer your frequently asked questions about professionalism, the USQS, and more.

## Read

Read our **Member Spotlights** which introduce you to actuaries who share glimpses about their professional lives and some insight into their personal lives.



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# ASOP Language—What’s Behind Some Recent Modifications?

BY CANDE OLSEN

Member, Actuarial Standards Board

**T**HE ACTUARIAL STANDARDS BOARD (ASB) has opened dozens of actuarial standards of practice (ASOPs) for revision in addition to drafting several new ASOPs in the last few years. While reviewing drafts, the ASB has focused on improving the clarity of the language and improving consistency across ASOPs. In addition, the comment letters received on these drafts have revealed common questions and misperceptions, leading to further efforts to clarify language.

### “Should Take into Account” vs. “Should Consider”

Most of the guidance in ASOPs is written using the phrase “an actuary should/may/must.” These terms are defined in ASOP No. 1, *Introductory Standard of Practice*. As discussed in ASOP No. 1, the phrase “should consider” is often used to suggest potential courses of action and is generally followed by a verb, for example, “The actuary should consider performing stochastic analysis.” In ordinary writing, “should consider” or “should take into account” may have the same meaning. But in ASOPs, consistent with the apparent intent of ASOP No. 1, “should consider” is normally used when the actuary is given some latitude in deciding how to think about the guidance.

As stated in ASOP No. 1, “If after consideration, in the actuary’s professional judgment, an action is not appropriate, the action is not required.” For example, “The actuary should consider performing stochastic analysis” requires the actuary to consider but not necessarily perform stochastic analysis. In contrast, “should take into account” suggests the actuary should always follow the guidance. For example, “The actuary should take into account the terms and conditions of the reinsurance program” requires the actuary to incorporate the terms and conditions of the reinsurance program into the analysis. The ASB is moving toward greater use of “take into account” to make its intent clearer.

### Documentation vs. Disclosure

The ASB has noticed that actuaries sometimes use the terms “documentation” and “disclosure” interchangeably. But although the terms are related, ASOPs do not use them in the same way. “Documentation” refers to items the actuary records and keeps in their work papers. If there are questions later about how the work was performed, or another actuary takes over the assignment, the documentation can be consulted to show what the actuary did. Section 3 of each ASOP contains a subsection on documentation that allows actuaries to use professional

judgment when preparing documentation and notes that documentation may vary with the complexity and purpose of the actuarial services being rendered.

In contrast, “disclosures”—what must be communicated to the actuary’s principal or other stakeholders—appear in the actuarial report itself. Section 4 of each ASOP lists items pertinent to the subject of the ASOP that must be disclosed in the actuarial report. Examples of items commonly included in a list of disclosures are methods, models, assumptions, and reliance.

### Documentation—Required or Optional?

The ASB recognizes that different circumstances and work products require different levels of documentation. In most standards, the actuary “should consider preparing documentation.” But in some standards, particularly those that address regulatory requirements, documentation is required. Even in standards where documentation “should be considered,” other subsections of section 3 may require the actuary to document items specific to the subject matter of the ASOP.

### More Guidance on Reliance

ASOPs issued in the last few years have included more reliance language than previous ASOPs. While ASOP No. 41, *Actuarial Communications*, addresses reliance in some instances, the ASB believes more guidance for specific circumstances in individual ASOPs is helpful. Recent ASOPs may include sections on reliance on data or other information supplied by others, reliance on assumptions or methods selected by another party, reliance on another actuary, or reliance on experts.

### Your Feedback Is Important

Comments received from actuaries on ASOP exposure drafts have spurred ASB thinking and played a role in some of these clarifications and changes. We encourage you to submit comments whenever a draft in your area of practice is exposed for comment. ▲



## Appointments, continued from page 1

bylaws, the committee is composed of the presidents and presidents-elect of the Academy, the Casualty Actuarial Society, and the Society of Actuaries—and the exiting members of both bodies.

“Kathy and Cande did an outstanding job in their time at the ASB, as evidenced by Kathy’s previous two-year tenure as chairperson, and Cande’s service on the ASB since 2016,” Campbell said. “At the ABCD, Deborah, Alice, and Ken brought extensive professionalism experience to their responsibilities in their time there.

“The Academy is grateful to the Selection Committee for choosing Shawna, April, and Tammy to join the ABCD, and for adding Laura and Chris to the ASB, and looks forward to their continuing contributions to the profession in their new roles,” he said.

### New Members

Incoming ASB member Hanson is wrapping up a two-year term as the Academy’s vice president, life, and has served on a variety of Life Practice Council committees since 2015 and as chairperson of the ASB’s Actuarial Standard of Practice (ASOP) No. 22 Task Force. Noble is a past member and chairperson of the ASB’s Pension Committee.

New ABCD member Ackerman is a past Academy president

(2018–2019), past casualty vice president, and is chief actuary of the California Earthquake Authority. Choi, who received an Outstanding Volunteerism Award in 2015, served on many Health Practice Council committees and task forces. Dixon, a former member of the ASB’s Pension Committee, has been an Academy pension webinar presenter.

### Outgoing Members

Riley, a pension actuary, has been on the ASB since 2016. She was chairperson in 2019 and 2020, bookended by single years as vice chairperson in 2018 and 2021.

Olsen, who has also been on the ASB since 2016, has served as vice president, life, and has been a member of the Council on Professionalism. She will receive the 2021 Jarvis Farley Service Award—a lifetime achievement award that honors a member whose volunteer efforts have made significant contributions to the advancement of the profession—at the Academy’s Annual Meeting and Public Policy Forum on Nov. 4.

Rosenberg joined the ABCD in 2016 and served as a vice chairperson since 2017. Rosenblatt joined the ABCD in 2019, serving as vice chairperson this year. Kent, who also joined the ABCD in 2019, is slated to become the Academy’s next president-elect at the Annual Meeting and Public Policy Forum. ▲

## CASUALTY NEWS

# In-Person P/C Loss Opinion Seminar Early Rates Still Available

**T**HERE IS STILL TIME to register for an early discounted rate for in-person attendance at the 2021 [Seminar on Effective P/C Loss Reserve Opinions](#), to be held Dec. 6–7.

In-person early registration deadline has been extended through Nov. 15. This annual event, being offered in a hybrid format this year, is designed for property/casualty actuaries who prepare or assist with preparing NAIC annual statements of actuarial opinion on P/C loss reserves.

The in-person event, conveniently located at the Hilton Chicago O’Hare Airport hotel, will offer onsite attendees exclusive access to a closing Q&A session with faculty. Join us in December—[register today](#). ▲



# P/C RBC Committee Presents to NAIC on Premium Risk

**D**AVID TRAUGOTT, chairperson of the Academy’s Property and Casualty Risk Based Capital (P/C RBC) Committee, [presented an update](#) on premium risk and Investment Income Adjustment on Oct. 25 to the NAIC’s P/C RBC (E) Work Group. ▲

# COPLFR Update Comments to NAIC Blanks Group

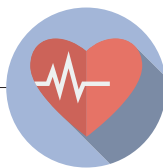
**T**HE COMMITTEE ON PROPERTY and Liability Financial Reporting (COPLFR) sent an [update of its comment letter](#) to the NAIC Blanks (E) Working Group on proposed changes to P/C annual statements pertaining to the Exhibit of Premiums and Losses. It offers changes to improve the proposals, including on definitions, credibility and quality, and potential inconsistency with underlying policies. ▲

### CASUALTY BRIEFS

- ➔ **Ishmealina Boye, Bobby Jaegers, Kayla Greeson, Denis Guenther, Derek Jones, Charles Merz, Trevor Mooneyhan, Reese Mularz, and Thomas Struppeck** joined the Cyber Risk Task Force.
- ➔ **Tom Botsko and Jacob Fetzner** joined the Property and Casualty Risk-Based Capital Committee.







## Health Equity Work Group Releases Discussion Brief on Population Health

**T**HE HEALTH EQUITY WORK GROUP (HEWG) released a discussion brief, [Health Equity from an Actuarial Perspective: Managing Population Health](#). This discussion brief is the final in the HEWG's series of discussion papers designed to provide more context on health equity issues raised in the initial discussion brief, [Health Equity from an Actuarial Perspective: Questions to Explore](#).

The new discussion brief looks at questions such as:

- ▲ How do algorithms that are designed to identify enrollees for disease management, care management, or wellness programs—and the proxy data underlying the algorithms—affect disparities?
- ▲ When designing care management programs for specific populations, how are factors other than those directly related to health care considered, and how does applying the same rules and methods to different populations and markets affect health disparities?
- ▲ Does the focus on a one-year time horizon for program costs and benefits perpetuate disparities?
- ▲ Are financial metrics, such as return on investment, aligned with the goal of improved health outcomes in under-served or under-resourced groups, and do they widen or narrow health disparities?

The discussion paper series was undertaken by the [HEWG](#) to lay the groundwork for future exploration and research into health disparities. See more on the Academy's [Diversity, Equity & Inclusion webpage](#). ▲

## LTC Reform Subcommittee Comments to NAIC

**T**HE LONG-TERM CARE Reform Subcommittee sent a [comment letter](#) to the NAIC's Long-Term Care Insurance (EX) Task Force regarding the exposure drafts of the operational and actuarial sections of the Long-Term Care Insurance Multi-State Rate Review Framework released Sept. 10 and Sept. 15.

### HEALTH BRIEFS

- ➔ **Rob Edwards** joined the Health Practice International Committee.
- ➔ **Ryan Link** joined the Medicaid Committee.
- ➔ **Marshall Forest** and **William Olaprath** joined the Health Equity Work Group.

## HEWG Issues Request for Information

**T**HE HEALTH EQUITY WORK GROUP (HEWG) issued a [request for information](#) (RFI) to solicit input to its work assessing whether and how health actuarial practices and methods affect health disparities. Health actuaries often partner with other professionals in many different aspects of the health care and health insurance systems, including those related to administration, financing, and care management.

The HEWG has identified four areas in which health actuaries are involved that may affect health disparities, either by contributing to disparities or by mitigating disparities: health insurance benefit design, provider contracting and network development, premium pricing, and managing population risk. The work group is also exploring data collection issues. More information about the HEWG's work and its publications thus far is available [here](#).

The HEWG is seeking articles, links, and other input, information, and existing or ongoing research in these areas from anyone with relevant information or perspectives, including, but not limited to: health economists and health services researchers, actuaries, health plans and other payers, health care providers, health care consumers, policymakers, and other health policy experts or stakeholders. This information will be used to better understand the effects of actuarial practices on health equity and to identify gaps in knowledge.



The HEWG will use what it learns from this RFI to inform future papers on this topic and research proposal requests to further explore the areas of interest. Respondents will be recognized as contributors to this work. In addition, the HEWG plans to hold a health equity symposium and respondents may be invited to attend and/or to present their work or perspectives.

Learn more about the RFI [here](#). Comments should be submitted by Jan. 14, 2022, via email to [healthequityRFI@actuary.org](mailto:healthequityRFI@actuary.org). Please include the phrase "HEWG Request for Information" in the subject line and do not password-protect any attachments. Comments may be sent via conventional mail to: Health Equity Work Group, American Academy of Actuaries, 1850 M Street NW Suite 300, Washington, DC 20036. ▲



## Academy Hosts Successful PBR Boot Camp Mini-Seminar

**T**HE ACADEMY PRESENTED a successful virtual interactive PBR Boot Camp on Oct. 13, held as a two-hour mini-seminar with a focus on sharing the regulatory perspective.

Presenters—who included officials from the insurance departments of California, Illinois, and Ohio—covered a range of issues relevant to principle-based reserving (PBR), including lessons learned through implementation of VM-20, mortality, variable annuities, long-term care, and state regulatory issues.

Highlights included:

- ▲ Elaine Lam, senior life actuary with the California Department of Insurance, shared findings from PBR reserve reporting including on mortality and mortality aggregation, simplified issue, accelerated underwriting, mortality improvement, lapses, expenses, assets, and reinvestment strategy.
- ▲ California Department of Insurance members Rodney Haviland, senior life actuary, and Thomas Reedy, chief systems actuary in the department's PBR office, elaborated on the Actuarial Guideline 51 review process, which focuses on PBR reserve issues for long-term care insurance companies.
- ▲ Vincent Tsang, an actuary with the Illinois Department of Insurance, provided insight from the perspective of a domestic regulator and explained the charges of the NAIC's Valuation Analysis Working Group



Lam in the Q&A session

- ▲ Pete Weber, chief life actuary with the Ohio Department of Insurance, provided an update on VM-21 Reserves and provided an overview of various VA reporting pitfalls and recommendations to fix them.
- ▲ In a concluding Q&A session led by Donna Claire, chairperson of the PBR Implementation Work Group, participants engaged directly with regulators.

**PBR in Practice Webpage:** Looking for a one-stop shop for your PBR-related questions? The Academy's [PBR in Practice webpage](#) contains helpful materials to assist actuaries and regulators in their practice and oversight of PBR for life insurance and variable annuities, including a toolkit that provides resources to support actuaries on PBR valuations. ▲

## This Month in SOCIAL MEDIA



On LinkedIn, our #FactFriday reminded our followers about our Public Policy practice notes available online.



On Twitter, we pointed to the Life Illustrations Work Group's update to its Practice Note to reflect current practices actuaries use when complying with ASOP No. 24.



On Facebook, we encouraged our followers to become more tech savvy on cyber security and insurance during Cybersecurity Awareness Month by checking out the Academy's Cyber Risk Toolkit.

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.



## Market Risk Benefits Work Group Publishes White Paper Exposure Draft

**THE LIFE FINANCIAL REPORTING** Committee's Market Risk Benefits Work Group published an exposure draft of a white paper, [Considerations in Market Risk Benefits](#). The

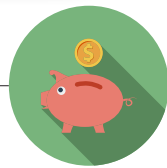
paper, which addresses capital market risk, nominal risk, and utilization assumptions, is exposed for public comment through Dec. 6. Comments may be submitted to [lifefinanalyst@actuary.org](mailto:lifefinanalyst@actuary.org). ▲

### LIFE BRIEFS

- ➔ **Angela McShane** joined the Life Practice Council, the Life Valuation Committee, and the Life Reserves Work Group.
- ➔ **Dylan Strother** joined the Life Practice Council and the Life Valuation Committee.
- ➔ **David Carlson** joined the Life Capital Adequacy Committee.

- ➔ **Jill Garofalo** joined the Life Financial Reporting Committee.
- ➔ **Surekha Patel** joined the C2 Mortality Risk Work Group.
- ➔ **Jaime Mosquera** joined the Variable Annuity Reserves and Capital Work Group.
- ➔ **Xiangxiang Luo** joined the PBR Implementation Work Group.

## PENSION NEWS



## Committees Comment to ASB on ASOP No. 4

**THE PENSION COMMITTEE**, Multiemployer Plans Committee, and Public Plans Committee [submitted comments](#) to the Actuarial Standards Board regarding the third exposure draft of Actuarial Standard of Practice No. 4, *Measuring Pension Obligations and Determining Pension Costs or Contributions*. ▲

### PENSION BRIEFS

- ➔ **Maria Kirilenko** joined the Pension Committee.
- ➔ **David Pazamickas** joined the Intersector Group.

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**The Academy recognizes the importance of a diverse, inclusive profession.**

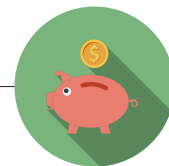
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## PPC Releases '80% Pension Funding Myth' Issue Brief

**T**HE PENSION PRACTICE COUNCIL (PPC) published an issue brief, *The 80% Pension Funding Myth*, an update of the 2012 issue brief of the same name, with updated citations and references, including a new appendix. It looks at pension funding basics, possible origins of the 80% myth, and the funded ratio as a concept and in context.

"While the funded ratio of a pension plan is certainly a useful measure, its reporting of 80% funding—or any other funded ratio percentage—simply doesn't provide enough information to accurately gauge its financial

health," said Academy Senior Pension Fellow Linda K. Stone.

"While the funded ratio is a useful measure and important aspect of a pension plan's financial condition, it is most meaningful when viewed in the context of other relevant information," Stone said. "A plan that is funded at 80% at a single point in time could be anywhere in the spectrum from excellent to poor financial condition, depending on other factors."

*California Broker, Chief Investment Officer*, and *PlanSponsor* reported on the issue brief, citing highlights from the Academy's [news release](#). ▲

## RSAP Releases Retirement Policy, Risk Sharing Issue Briefs

**T**HE RETIREMENT SYSTEM Assessment and Policy (RSAP) Committee released two new issue briefs this month.

▲ *Retirement Policy: Potential for Changing Roles of Employers in Retirement Programs*, considers aspects of "decoupling"—shifting retirement plan responsibilities and related

liability to a third-party entity and away from employers.

▲ *New Retirement Plan Designs: Degrees of Risk Sharing* examines issues pertaining to newer and novel plan designs as they relate to risk sharing between plan sponsors and participants. ▲

### RISK MANAGEMENT BRIEFS

➡ **Qamar Islam** joined the Solvency Committee.

## Academy Resumes In-Person Office Operations



Academy staff returned to the Academy's Washington, D.C., office on Oct. 4, after more than 18 months of primarily remote operations. The Academy is following CDC and local guidelines in relation to masking, social distancing, and vaccinations.