



# Council Priorities for 2005

**M**ANY ACADEMY PROJECTS GOT STARTED last year—and many were completed—but a significant number are ongoing. That fact is reflected in the priorities of several of the Academy's practice councils as they identify key issues they will be pursuing in 2005.

Keeping tabs on implementation of the Medicare Modernization Act will still occupy the Health Practice Council, as will concerns about the long-term viability of the Medicare program. Similarly, the Pension Practice Council will continue to push for the revision of current funding rules for defined benefit pensions and to monitor administration proposals to reform Social Security. And the Life Practice Council expects to finally wrap up several ongoing projects for the NAIC this year, including a multiyear effort on statutory reserve and risk-based capital requirements for variable annuity products.

This doesn't mean the Academy won't be embarking on any new initiatives. Among those planned are a white paper by the Casualty Practice Council, exploring areas of enterprise risk management (ERM) where actuarial expertise is valuable, and the development of retirement security principles by a new Pension Prac-



tice Council task force.

The following are the top priorities for 2005 as identified by each council. (The July issue of the *Update* will include a progress report on the councils' work.)

### Casualty Practice Council

► The council plans to explore the actuary's role in the framework of ERM, with an eye toward developing a white paper on areas of ERM where actuarial skills would be most—and in some cases, uniquely—valuable.

► The council will continue to act as an unbiased source of information on the scope and nature of the asbestos liability problem. And it plans to explore whether an increase in asbestos reserves by insurers is causing a deterioration in insurers' environmental reserves for toxic waste cleanup.

► The council will continue to educate the public about the effect of terrorist attacks and other extreme events on the nation's casualty insurance system. Another Capitol Hill briefing on the topic for journalists, congressional staff, and other policy-makers is under consideration.

### Health Practice Council

► Projects related to implementation of the Medicare  
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## *A Talk with Academy President Robert Wilcox*

# Past Progress Primes Future Success

**L**AST YEAR WAS A productive time for the Academy.

Consider just a few of the highlights: a sold-out 2004 spring meeting, a network of Academy-sponsored initiatives for the NAIC, and a new paradigm for the Academy's annual meeting that has sparked exploratory discussions on strategic alliances with the Conference of Consulting Actuaries and other actuarial organizations.

Certainly, congratulations are in order. But success breeds success, and incoming Academy President Robert Wilcox wants to



keep the momentum going.

"This is a critical time," said Wilcox in a recent interview. "In 2005, we are continuing with the foundations that were built over the last year. We have to take what we've accomplished and keep it moving forward." At the top of the list is the expansion of Spring Meeting 2005: An Academy Forum,

which is slated for May 2-3 in Washington to showcase the work that the Academy is doing in many areas.

"We are working on what is truly the future of the profession," Wilcox

See **FUTURE SUCCESS**, Page 7

**JANUARY**

- 12-14 SOA longevity symposium, Orlando, Fla.
- 23-24 Academy Pension Practice Council meeting, New Orleans
- 23-26 SOA intercompany LTCI conference, Orlando, Fla.
- 26 Academy new board member orientation, Washington
- 27 Academy Board of Directors meeting, Washington
- 27-28 Los Angeles Benefits Conference (ASPA, Academy), Los Angeles
- 27-28 NASI conference on Medicare modernization, Washington
- 28 Academy Council on Professionalism meeting, Washington

**FEBRUARY**

- 8 Academy Life Capital Adequacy Subcommittee meeting, Orlando, Fla.
- 9-11 NAIC finance summit, Orlando, Fla.
- 17 Academy Social Insurance Committee meeting, Washington
- 28 Academy Pension Practice Council Capitol Hill visits, Washington

**MARCH**

- 10-11 CAS Ratemaking Seminar, New Orleans
- 12-15 NAIC spring meeting, Salt Lake City
- 17-19 ASPA 401(k) summit, San Diego
- 29-30 ASB meeting, Washington

**APRIL**

- 3 Professional standards seminar (Academy, ASPPA, CAS, SOA), Washington
- 3-6 Enrolled actuaries meeting (Academy, CCA), Washington
- 6 Small consulting firms and practices roundtable (Academy, ASPPA, CAS, SOA), Washington
- 6-7 Medicare prescription drug seminar (Academy, ASPPA, SOA), Washington
- 6-7 2005 pension symposium (Academy, ASPPA, SOA), Washington

**MAY**

- 2-3 Academy spring meeting, Washington
- 4 Academy Board of Directors meeting, Washington
- 23-24 SOA spring meeting (financial reporting, product development), New Orleans

**JUNE**

- 2-3 ASB meeting, Washington
- 6-7 CAS seminar on reinsurance, Hamilton, Bermuda
- 15-17 SOA spring meeting (health, pension), New Orleans

**WEB INTERFACE**

Links to documents underlined in blue are included in the online version of this issue at [www.actuary.org/update/index.htm](http://www.actuary.org/update/index.htm).

# Academy NEWS Briefs

## Schedule Some CE

IN THE FIRST FEW MONTHS OF 2005 ALONE, there are many interesting options for continuing education. Grab your calendar and take a moment to pencil some professional improvement into your schedule.

- ▶ **Jan. 27-28**—National Academy of Social Insurance 17th annual conference, “Medicare Modernization in a Polarized Environment: Facing the Challenges,” at the National Press Club, Washington. For more information and to register, go to [www.nasi.org](http://www.nasi.org) or call 202-452-8097 for a conference brochure.
- ▶ **April 3**—Professional Standards Seminar, focusing on retirement benefits, at the Washington Marriott Wardman Park Hotel in conjunction with the Enrolled Actuaries (EA) Meeting. For more information and to register, go to [www.ccactuaries.org](http://www.ccactuaries.org).
- ▶ **April 3-6**—30th annual EA Meeting, at the Washington Marriott Wardman Park Hotel. Sessions this year on saving private retirement, national retirement principles, case studies in pension accounting, and rulings affecting cash balance plans. For more information and to register, go to [www.ccactuaries.org](http://www.ccactuaries.org).

- ▶ **April 6**—Small Consulting Firms and Practices Roundtable, featuring discussions on running and marketing a small business, at the Washington Marriott Wardman Park Hotel in conjunction with the EA Meeting. For more information and to register, go to [www.ccactuaries.org](http://www.ccactuaries.org).
- ▶ **April 6-7**—Medicare Prescription Drugs Seminar, focusing on the design and actuarial aspects of the Medicare Modernization Act’s impact on employer plans, at the Washington Marriott Wardman Park Hotel in conjunction with the EA Meeting. For more information and to register, go to [www.ccactuaries.org](http://www.ccactuaries.org).
- ▶ **April 6-7**—2005 Pension Symposium on pension funding reform at the Washington Marriott Wardman Park Hotel in conjunction with the EA Meeting. For more information and to register, go to [www.ccactuaries.org](http://www.ccactuaries.org).
- ▶ **May 2-3**—Spring Meeting 2005: An Academy Forum, showcasing Academy projects such as C-3 Phase 2, valuing stock options, and P/C loss reserve opinion issues. To be held in Washington. Look for further information in coming issues of the *Update* and on the Academy website.

**CASUALTY NEWS**



The P/C Risk-Based Capital Committee [commented](#) to the

NAIC on proposed changes in P/C risk-based capital charges for preferred stock holdings.

- ▶ **Dennis Fasking**, a senior actuary with Allstate Insurance Co. in Northbrook, Ill., is the new chairperson of the Extreme Events Committee.
- ▶ **Anne Kelly**, chief casualty actuary with the New York State Insurance Department in New York, is the new chairperson of the P/C Products, Pricing, and Market Committee.
- ▶ **Scott Weinstein**, actuarial senior manager for KPMG in Atlanta, is the new chairperson of the Joint Casualty Loss Reserve Planning Committee.
- ▶ **Kay Cleary**, vice president actuarial for Aon Re in Dallas, is

the new chairperson of the P/C Risk-Based Capital Committee.

- ▶ **Nancy Watkins**, a principal and consulting actuary with Milliman in San Francisco, is the new chairperson of the Committee on Property and Liability Financial Reporting.

**HEALTH NEWS**



**Rowen Bell**, a consulting actuary with Ernst & Young in Chicago, is the new chairperson of the Health Practice Financial Reporting Committee. The new vice chairperson is **Donna Novak**, president and CEO of NovaRest Inc. in Fox Lake, Ill. Joining the committee is **Ker-**

- mitt Cox**, senior vice president and corporate actuary for Aflac Inc. in Columbus, Ga.
- ▶ **John Fleming**, president of Actuarial Associates of Omaha,

has joined the Association Health Plan Work Group and the Consumer-Driven Health Plans Work Group.

- ▶ **Jeffrey Nohl**, general manager of large group for Blue Cross Blue Shield of Wisconsin in Waukesha, has joined the Consumer-Driven Health Plans Work Group.
- ▶ **William Weller**, president of Omega Squared of Sedona in Sedona, Ariz., is the new chairperson of the Committee on State Health Issues.
- ▶ Joining the Medicare Steering Committee are the Academy’s former vice president for health issues, **Jan Carstens**; **Alice Rosenblatt**, executive vice president, international planning and implementation and chief actuary for Wellpoint Health Networks Inc. in Thousand Oaks, Calif.; and **John Wandishin**, an actuary with

the Centers for Medicare and Medicaid Services in Baltimore. **Lynette Trygstad**, a principal with Reden & Anders, Ltd. in Minneapolis, is the new committee vice chairperson.

► The new chairperson of the State Long-Term Care Task Force is **Robert Yee**, director of consulting services for Senior Health Management Corp. in San Rafael, Calif. Academy Immediate Past President **Barbara Lautzenheiser**, principal with Lautzenheiser Associates in Hartford, Conn., has joined the task force.

► Joining the Federal Health Committee are **Karen Bender**, a principal with Mercer Oliver Wyman in Milwaukee; **Patrick Collins**, vice president with American Re Healthcare in Princeton, N.J.; **Karl Madrecki**, senior actuary with the Blue Cross Blue Shield Association in Chicago; **Jim Murphy**, director of actuarial services and underwriting for Dean Health Plan in Madison, Wis.; **Robert Parke**, a consulting actuary with Milliman in New York; and **Thomas Tomczyk**, a principal with Mercer Human Resources Consulting in Pittsburgh.

#### LIFE NEWS



**Kory Olsen**, an actuary with Allstate Life Insurance Co.

in Northbrook, Ill., is the new chairperson of the Life Valuation Subcommittee.

► **Art Panighetti**, vice president of Northwestern Mutual in Milwaukee, is chairperson of the newly formed Tax Work Group. The vice chairperson is **Ed Robbins**, senior actuary for Allstate Life Insurance Co. in Northbrook, Ill. Other members are **Chris Desrochers**, senior vice president for Aon Consulting in Avon, Conn.; **Barbara Gold**, a vice president for tax with the Prudential Insurance Co. in Newark, N.J.; **Doug Hertz**, vice president of Aon Consult-

ing in Avon, Conn.; **Michael Holloway**, assistant director for tax planning for Northwestern Mutual in Milwaukee; **Kory Olsen**; **James Reiskytl** of Mequon, Wis.; **Dave Sandberg**, vice president and corporate actuary for Allianz Life Insurance Co. in Minneapolis; and **Bruce Schobel**, a vice president and actuary with New York Life Insurance Co. in New York.

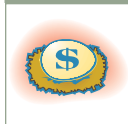
► **Andrew Erman**, a member of the Life Practice Council and an *Update* associate editor, and chief international actuary with Hartford Life Insurance Co. in Simsbury, Conn., is the chairperson of the newly formed Annuity Nonforfeiture Section 6 Work Group. Other members are **Noel Abkemeier**, a consulting actuary with Milliman in Williamsburg, Va.; **Thomas Berry**, an actuary with ING U.S. Financial Services in West Chester, Pa.; **Eric Carlson**, second vice president and marketing actuary for Transamerica Reinsurance in Charlotte, N.C.; **Jack Gies**, a consulting actuary with Actuarial Strategies Inc. in Bloomfield, Conn.; **Richard Greer**, managing actuary for Aegon USA Inc. in Cedar Rapids, Iowa; **Kitty Kennedy**, assistant vice president and associate actuary at National Western Life Insurance Co. in Austin, Texas; **Jean Liebmann**, an actuary with Symetra Life Insurance Co. in Redmond, Wash.; **Richard Moore**, an actuary with Northwestern Mutual in Milwaukee; **Carol Salomone**, vice president of Allianz Life Insurance Co. in Minneapolis; and **Chris Trost**, senior actuary with Northwestern Mutual in Milwaukee.

► Joining the Universal Life Work Group are **Jeff Beckley**, a consulting actuary in Carmel, Ind.; **Keith Dall**, a consulting actuary for Milliman in Indianapolis; **Elinor Friedman**, a consultant with Towers Perrin in St. Louis; **Michael Palace**, vice president and actuary for Transamerica Occidental Life

in Los Angeles; and **Carolyn Stontz**, managing principal for Actuarial Resources Corp. in San Clemente, Calif.

► **Randy Freitag**, senior vice president for Jefferson Pilot Financial in Greensboro, N.C., has joined the Standard Valuation Law 2 Work Group.

#### PENSION NEWS



New members of the Stock Options Task Force are **Carrie Du-**

**arte**, a director of PricewaterhouseCoopers in Boston; **John Luff**, experience studies actuary for the SOA; and **Larry Rubin**, a principal with PricewaterhouseCoopers in New York.

#### PROFESSIONALISM NEWS



Former Academy President **Larry Johansen**, chief actuary

for the New York State Teachers' Retirement System, is the new vice chairperson of the Council on Professionalism and the new chairperson of the Committee on Actuarial Public Service.

► New Council on Professionalism members are **Neil Parmenter**, former SOA president and a consulting actuary in Des Moines, Iowa; and **Kevin Russell**, the incoming chairperson of the Life and Health Qualifications Seminar Task Force and a principal with Mercer Human Resource Consulting in Phoenix.

► Joining the Life and Health Qualifications Seminar Task Force are **Craig Morrow**, assistant vice president and actuary with the Hartford Life Insurance Cos. in Hartford, Conn., and **Joeff Williams**, a consultant with Actuarial Management Resources Inc. in Winston-Salem, N.C.

► **William Falk**, a principal with Towers Perrin in Chicago, is the new chairperson of the Actuarial Board for Counseling and Disci-

pline. New board vice chairpersons are former ABCD Chairperson **Frank Irish** and **Larry Johansen**. New board members are **Linda Bell**, Pinehurst, N.C.; **Richard Robertson**, a former Academy president and former chairperson of the ASB from Fort Wayne, Ind.; and **Carol Sears**, a principal and consulting actuary with Actuarial Consulting Group Inc., with offices in Illinois and New York.

#### IN THE NEWS

**Cecil Bykerk**, a member of the ASB, a former member of the Academy's Board of Directors, and president of CD Bykerk Consulting in Omaha, Neb., and **Ronald Bachman**, a member of the Academy's Mental Health Parity Work Group and a partner in the health care practice of PricewaterhouseCoopers in Atlanta, were quoted in an Oct. 23 *New York Times* article on government reinsurance of excessive health insurance costs.

#### ON THE MOVE

**Randall Boushek** has been appointed chief financial officer for Thrivent Financial for Lutherans in Minneapolis. He will continue as senior vice president and treasurer, positions he held prior to his appointment as CFO.

► **Arnold Dicke**, senior manager for KPMG in New York, wrote a chapter entitled "The Economics of Risk Selection" for the book *Genetics and Life Insurance: Medical Underwriting and Social Policy*, edited by Mark Rothstein and published in May by the MIT Press.

► **Thomas Weidman** has been appointed group chief actuary for Alea Group Holdings (Bermuda) Ltd. He was formerly executive vice president and actuary for XL Global Services.

► **Andrew Erman**, a member of the *Update* editorial review board, had been named chief international actuary for Hartford Life in Simsbury, Conn. ▲

# 2004 YEAR IN REVIEW

## CAPITOL HILL VISITS

In February and March, more than 30 Academy members representing the Casualty, Health, and Pension Practice Councils joined Academy staff for annual visits with congressional offices, representatives from the White House, the Departments of Treasury and Labor, the Pension Benefit Guaranty Corp., the General Accounting Office (now the Government Accountability Office), the Congressional Research Service, and the Congressional Budget Office.



## CAPITOL HILL BRIEFINGS

The Academy hosted seven Capitol Hill briefings this year, beginning with a February briefing on retirement needs and risks, held in conjunction with the Society of Actuaries. The Academy also held briefings in April and May on Social Security reform, briefings in May on association health plans and on asbestos litigation, and briefings in June on insurance speed-to-market and price-control issues and on the Terrorism Risk Insurance Act and workers' compensation.



## EXPERT TESTIMONY

Ken Kent, the Academy's vice president for pension issues, [testified](#) on pension reform in April before the House Education and the Workforce Subcommittee on Employer-Employee Relations. The Academy also developed more than 30 reports and comments on NAIC-related projects over the course of the year. And it took the lead for the profession in May when it briefed the Public Company Accounting Oversight Board on the role actuaries play in the audit process for publicly traded companies.



## PUBLICATIONS

The Academy developed [election guides](#) on Social Security reform, Medicare, and Americans without health insurance, which were sent to the candidates, members of Congress, federal agencies, policy-makers, journalists, and other interested parties. In November, the Academy published [The 2004 Record](#), its second annual report to the members.



## MEDIA RELATIONS

Academy media relations efforts in 2004 resulted in more than 250 stories, interviews, and contacts, generating more than 46 million media impressions (combined circulation figures for all media outlets mentioning the Academy) on a wide range of actuarial issues. Highlights include stories in the *New York Times*, the *Washington Post*, the *Wall Street Journal*, and the *Economist*. The Academy continued to offer media training sessions for Academy leaders and in December updated its communications guide for volunteers, *Winning in the Public Eye*.



**PROFESSIONALISM**

Members of the Professionalism Council participated in a number of presentations, including sessions at the Enrolled Actuaries Meeting, the Academy's spring meeting, spring meetings of the Society of Actuaries and of the Casualty Actuarial Society, and the joint annual meeting of the Academy and the Conference of Consulting Actuaries, as well as sessions at smaller regional meetings.



**SPRING MEETING 2004: AN ACADEMY FORUM**

Kayla Gillan, one of four founding members of the Public Company Accounting Oversight Board, was the keynote speaker at the sold-out Spring Meeting 2004: An Academy Forum. Held in the Ronald Reagan Building and International Trade Center, the meeting featured 31 sessions devoted to exploring those areas where actuarial practice, professionalism, and public policy intersect.



**ACADEMY ANNUAL MEETING**

Robert Wilcox became the Academy's 40th president at the October annual meeting in Hawaii. Held jointly with the Conference of Consulting Actuaries, the vastly expanded Academy meeting reflected a new working relationship between the two organizations. Possibilities for further joint ventures are being explored in a Joint Task Force on Strategic Alliances that was formed in the fall.



**ACADEMY AWARDS**

At Spring Meeting 2004: An Academy Forum, A. Haeworth Robertson, former Social Security chief actuary, received the 2004 Robert J. Meyers Award, given annually to an actuary who has made an outstanding public service contribution. W.H. Odell, a former member of the Academy's Board of Directors and chairperson of the General Committee of the Actuarial Standards Board, received the Jarvis Farley Award for his multiple contributions to the profession at the Academy's annual meeting.

Modernization Act and the long-term viability of Medicare are high priorities for the council. The council expects to continue its dialogue with the Centers for Medicare and Medicaid Services as proposed implementing regulations are finalized. A practice note will also be developed on the actuarial equivalence requirements under the new law. The Medicare Steering Committee expects to update an issue brief on Medicare's financial situation and is considering holding a Capitol Hill briefing on Medicare's long-term financing.

► The council will focus on ways to provide health care coverage to the uninsured, including health care tax credits, individual accounts such as health savings accounts, and expanding public programs.

### 2004 Property/Casualty Loss Reserve Manual

Now accepting orders at [www.actuary.org/pcmanual.htm](http://www.actuary.org/pcmanual.htm).

- **Book:** PRICE \$400

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- **Single-User License (CD-ROM):** PRICE \$200

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- **Single-User-Access License Subscription (Web access):** PRICE \$175

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- **Group-Access License Subscription (Web access):** PRICE: \$1,000

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- **Multiple-User License (CD-ROM):** PRICE \$1,010

### 2005 Life & Health Valuation Law Manual

Now accepting orders at [www.actuary.org/lhmanual.htm](http://www.actuary.org/lhmanual.htm).

- **Book:** PRICE \$590

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- **Single-User License (CD-ROM):** PRICE \$470

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- **Single-User-Access License Subscription (Web access):** PRICE \$420

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- **Group-Access License Subscription (Web access):** PRICE: \$2,000

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- **Multiple-User License (CD-ROM):** PRICE \$2,010

For more information, please contact Kasha Shelton by e-mail ([shelton@actuary.org](mailto:shelton@actuary.org)). Prices for Academy members only.

The council plans to update a related issue brief, *Health Coverage Issues: The Uninsured and the Insured*. The Consumer-Driven Health Plans Work Group will be working on a paper that looks at the emerging experience of these kinds of health plans.

► Working closely with the Risk Management and Financial Reporting Council, the council plans to study risk management and solvency protection pertaining to health entities.

#### Life Practice Council

► The council will continue to maintain a strong relationship with the NAIC on issues such as risk-based capital, valuation, and product development. Ongoing projects include developing statutory reserve and risk-based capital requirements for variable annuities, revising the standard nonforfeiture and valuation laws, and monitoring financial services modernization.

► In addition to working with professional and legislative bodies, such as Congress, the National Conference of Insurance Legislators, and the International Actuarial Association (IAA), the council plans to improve contacts with regulatory agencies, including the Treasury Department and the Internal Revenue Service.

► Working with the Risk Management and Financial Reporting Council, the council will prepare a monograph on purchase GAAP (generally accepted accounting principles) and comment on related initiatives.

► The council will continue to update and create new practice notes on such topics as asset adequacy analysis, reinsurance reserve credits, Financial Accounting Standard 133, Statement of Position 03-1, and variable annuities (capital and reserves).

#### Pension Practice Council

► During the year, the council plans to discuss its principles for revising current pension funding rules with congressional staff, regulatory agencies, and employee benefit organizations. Other plans include a Capitol Hill briefing on pension funding reform and joint sponsorship with the Conference of Consulting Actuaries of an April 6–7 funding reform symposium following the Enrolled Actuaries Meeting.

► The Social Insurance Committee plans to update various Social Security issue briefs

and continue educational efforts on Social Security reform that build on last year's Capitol Hill briefings. As the White House floats Social Security reform proposals, committee members will work closely with Bush administration officials and congressional staff to explore critical elements.

► The council has established a task force to develop principles for overall retirement security, including broader-range issues such as changes to the retirement age, obstacles to phased retirement programs, and criteria for renewed support for a sound defined benefit pension system.

#### Risk Management and Financial Reporting Council

► The council will continue to focus on financial reporting and risk management issues affecting multiple areas of actuarial practice, and it intends to increase interaction with organizations, regulators, legislators, standards setters, and other groups involved with these topics.

► Along the same lines, the council plans to strengthen its relationships with financial reporting standards setters, and will work to affect projects relating to the actuarial profession. Particularly, the council plans to release a white paper on best estimates for claim liabilities and address accounting issues for insurance contracts.

► The council will continue to provide input on risk management efforts at the NAIC, IAA, International Association of Insurance Supervisors, and other organizations. The council plans to form a Joint Enterprise Risk Management Task Force, with participation from several actuarial organizations, to communicate activity on enterprise risk management to the profession.

#### Council on Professionalism

► The council will work on establishing a board of speakers trained to present professionalism sessions at local and national meetings and conferences of actuarial organizations.

► The council will work on establishing a continuing education program specifically designed to meet the needs of government actuaries.

► The council is planning its first continuing education webcast that will focus on an update of its discussion paper on peer review. ▲

said. "Most of the membership doesn't know what we do and how cutting-edge it is."

A good example is the ongoing work of Academy volunteers on the C-3 Phase 2 project. The NAIC continues to move toward a year-end effective date for Academy recommendations on statutory reserves and risk-based capital for variable annuities. As with other NAIC projects that the Academy is working on, the C-3 Phase 2 project moves actuarial work away from a reliance on formulas for determining reserves and places more responsibility on individual actuarial judgment.

For this to happen successfully, however, working actuaries need continuing education to bring them up to speed. In addition to sessions at the 2005 spring meeting, Wilcox sees the development of more seminars on individual topics involving U.S. practice (such as last fall's sellout C-3 Phase 2 seminar in Boston) and the expansion of the Academy's annual meeting as a logical next step. While the Academy will not duplicate what other organizations are doing, Wilcox said the Academy has a responsibility to facilitate the discussion of new concepts and to provide preparation for actuaries seeking to comply with new regulatory requirements.

"Meetings really have to fit into the broader context of qualifications—of our members' efforts to be qualified to do the work that they are doing," Wilcox said.

Actuarial qualification is much on Wilcox's mind these days. As the Academy's president-elect and a former member of the Actuarial Standards Board (ASB), Wilcox coordinated the American profession's responses to questions from the Morris Commission, which is reviewing the British actuarial profession in the wake of the failure of Equitable Life to pay out on some of

its annuities as anticipated by policyholders. As a result, Wilcox sees merit in exploring the possibility of establishing an independent board composed of actuaries and other professionals to provide an independent view of the work of the Actuarial Board for Counseling and Discipline and the ASB. "The misperception that has thus far come out of the criticism in the U.K. is that the regulation of actuaries by actuaries is a variation of the old black box problem—not only do people not understand what we do, but we don't want them to understand what we do," said Wilcox. "Nothing could be further from the truth. But while we have an outstanding system of professional governance, its credibility will be enhanced if we can say that this process and our actuarial standards of practice have been looked at not only by actuaries but also by people of other professions."

Along the same lines, Wilcox would like to facilitate peer review, particularly for actuaries working on assignments that require greater use of professional judgment. While obtaining peer review for one's work product has long been a tenet of the profession, as a practical matter it always has been more difficult for actuaries who don't work in large corporate settings. Noting that the CCA has an excellent system in place for individual consultants seeking peer review, Wilcox suggested that allowing Academy members to participate in that framework is one of several benefits he would like to explore as part of a strategic alliance between the CCA and the Academy.

Wilcox admits that he has set himself an ambitious schedule for his presidential year. Fortunately, he won't have to do it alone. "There are a lot of people who have every bit as much interest in the profession as I do and who want us to get it right," Wilcox said. ▲

### Robert Wilcox

- ▶ Was born in Rexburg, Idaho, but has lived most of his life in Utah. He now resides in Alpine, Utah.
- ▶ Has been married for 45 years to Louise and is the father of three (an actuary, a prosthetist, and a musician) and the grandfather of two (both chemical engineers).
- ▶ Has served the Academy in a variety of positions, including as a vice president for life issues, as a member of the Academy's Board of Directors, as a member of its Financial Reporting and Health Practice Councils, and as chairperson of the Task Force on Valuation.
- ▶ Has served as a member of the ASB and as a member of the Board of Directors and as vice president for life issues for the CCA. He was the CCA and Society of Actuaries representative to the Insurance Regulation Committee of the International Actuarial Association and the chairperson of the NAIC Financial Condition (EX4) Subcommittee.
- ▶ Graduated in 1963 from Brigham Young University in Provo, Utah, with a B.S. in mathematics.
- ▶ Began his career as an actuarial student for Pacific Mutual Life in Los Angeles. He went back to Utah to work as a consulting actuary in the Salt Lake City office of Milliman & Robertson. (All in all, he was employed by Milliman & Robertson three times, serving finally as manager of the Salt Lake City office—a job that his daughter holds today.)
- ▶ Served as the Utah insurance commissioner from 1993 to 1996. From 1997 to 1999, he was the national director of insurance regulatory consulting for Deloitte & Touche. Since 1999, he has been a consulting actuary with R.E. Wilcox & Co. in Alpine.
- ▶ Enjoys gardening in his spare time and taking care of his 25-acre spread in Alpine, which is frequented by local wildlife including elk, deer, wolves, mountain lions, and bobcats.

## NOMINATIONS SOUGHT FOR MYERS SERVICE AWARD



### DO YOU KNOW AN ACTUARY WHO HAS MADE AN OUTSTANDING PUBLIC SERVICE CONTRIBUTION?

The Academy is looking for nominations for the 2005 Robert J. Myers Service Award, to be presented at the Academy's Washington luncheon in May.

**THE AWARD** is named for the former chief actuary of Social Security. It recognizes candidates who are Academy members and have:

- ▶ Demonstrated their commitment to professionalism
- ▶ Made an extraordinary contribution to the public good through service to the government or other organizations in the public sphere, even when subject to political pressure
- ▶ Been an inspiration to practicing actuaries

▶ Commanded respect within and outside of the profession.

All members of the Academy are eligible to receive the award. For former Academy presidents, past service to the public is the only service considered during the selection process.

You may send in a nomination by filling out and mailing or faxing the form below. **Or e-mail your nomination to Tom Griffin, the Academy's senior staff attorney (griffin@actuary.org).** All nominations are due March 1, 2005.

### I nominate the following actuary for the 2005 Robert J. Myers Public Service Award:

How did this individual's public service make outstanding contributions to the public good? (Use a separate sheet of paper if necessary.)

Please print your name and telephone number (optional). Thank you.

Name \_\_\_\_\_ Work phone \_\_\_\_\_

#### MAIL YOUR NOMINATION TO:

American Academy of Actuaries, Attn: Myers Award, 1100 17th Street, NW, 7th Floor, Washington, DC 20036  
Or fax it to: 202-872-1948



# Mark Your Calendars!

## May 2-3, 2005

## SPRING MEETING 2005: AN ACADEMY FORUM

### At the Washington, DC Convention Center

Join us for 2 days of sessions on a wide range of topics covering current issues in every area of practice.

#### SESSIONS WILL BE HELD ON:

- ✓ P/C Loss Reserve Opinion Issues
- ✓ C-3 Phase 2: Risk-based Capital and Reserving Requirements on Variable Annuities
- ✓ IRS Annuity Value Calculation
- ✓ Disease Management: Can It Reduce Overall Health Costs?
- ✓ Actuarial Equivalence Certifications Under the Medicare Modernization Act
- ✓ Valuing Stock Options
- ✓ Mortality Assumptions for Pension Plans
- ✓ Phased Retirement
- ✓ Will Social Security Reform Be Realized?
- ✓ Actuaries in a Global Profession: The Implication of the UK's Morris Review
- ✓ Eight Principles for Pension Funding Reform
- ✓ Expanding Health Insurance Coverage for the Uninsured
- ✓ Presentation of the Robert J. Myers Public Service Award (see above)



Keynote Speaker (invited):

**The Honorable Michael Leavitt,**  
Administrator of the U.S.  
Environmental Protection Agency  
and U.S. Secretary of Health and  
Human Services (Designee)

"I feel compelled to write this letter to commend the Academy on hosting a fine event. There is very little I can say to criticize the meeting. I enjoyed the venue, speakers and topics. Even smaller items such as meals had a touch of class not found in some other meetings."

Patrick Collins, MAAA, FSA  
Vice President, American RE Healthcare, Princeton, NJ

"The topics of discussion were very interesting & relevant. I look forward to seeing other meetings like this presented by the Academy in the future."

Rob Finkelman, MAAA, FSA  
Vista Healthplan, Inc., Hollywood, Fla.

"The programs were fresh and informative... your topic selection was very rich. The venue was excellent and your featured speakers were certainly topnotch and a huge draw. The Academy Spring meeting was an educational and artistic success."

Cynthia Ziegler, Executive Director  
Casualty Actuarial Society, Arlington, VA

Registration Packets will be sent to Academy Members in February.



## The Actuarial Update

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