



AMERICAN ACADEMY of ACTUARIES

Casualty Practice Council Cycle Report
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CASUALTY PRACTICE COUNCIL HIGHLIGHTS

- In June, the Casualty Practice Council responded to a request for [testimony](#) from the U.S. Senate Committee on Environment and Public Works' hearing concerning S. 3305, the "Big Oil Bailout Prevention Liability Act of 2010."
- On June 30, the Committee on Property & Liability Financial Reporting (COPLFR) issued a [comment letter](#) to the Actuarial Standards Board (ASB) on the second exposure draft of Actuarial Standard of Practice (ASOP) No. 36.
- Also in June, at the request of the Property & Casualty Risk-Based Capital (RBC) Working Group of the National Association of Insurance Commissioners (NAIC), the Academy's P/C RBC Committee provided an [updated report](#) to the Working Group and the Capital Adequacy Task Force as a follow-up to the Committee's March 2010 update of the property/casualty RBC underwriting factors.
- In May, the Opinion Seminar Subcommittee issued a [survey](#) to casualty opinion-signers to aid in its development of the 2010 Opinion Seminar.
- Also in May, the P/C RBC Committee provided [follow-up comments](#) to the Property & Casualty RBC Working Group of the NAIC in response to comments from the reinsurance industry concerning the Committee's March 2010 update of the property/casualty RBC underwriting factors.

In addition to the items set forth above, the CPC is actively pursuing the integration of the public policy initiatives outlined in the Academy's strategic plan.

OPERATIONAL PLAN HIGHLIGHTS:

2.3.1 Members as target audience (education and training program for our members, to facilitate their participation in the public policy debate)

Priority: 1

In May, the Opinion Seminar Subcommittee issued a survey to casualty opinion-signers to aid in its development of the 2010 Opinion Seminar.

2.2.2 Identify key bodies with which the Academy should establish meaningful relationships and establish priorities. (Review and evaluation of the policy-making bodies we should target for an awareness campaign.)

Priority: 2

In June, COPLFR issued a comment letter to the ASB on the second exposure draft of ASOP No. 36.

On June 9, the Casualty Practice Council responded to a request for [testimony](#) from the U.S. Senate Committee on Environment and Public Works’ hearing concerning S. 3305, the “Big Oil Bailout Prevention Liability Act of 2010.”

Also in June, at the request of the Property & Casualty RBC Working Group of the NAIC, the Academy’s P/C RBC Committee provided an [updated report](#) to the Working Group and the Capital Adequacy Task Force as a follow-up to the Committee’s March 2010 update of the property/casualty RBC underwriting factors

In May, the Academy’s P/C Risk-Based Capital (RBC) Committee provided [follow-up comments](#) to the Property & Casualty RBC Working Group of the National Association of Insurance Commissioners (NAIC) in response to comments from the reinsurance industry concerning the Committee’s March 2010 update of the property/casualty RBC underwriting factors.

The CPC has formed a Deferred-Tax Asset Work Group to respond to a charge from the NAIC’s Capital Adequacy Task Force. The Work Group is being chaired by Jim Hurley.

The Flood Insurance Subcommittee is finalizing its work on a monograph that will discuss the origins, structure, and purpose of the National Flood Insurance Program (NFIP). It will also address the ongoing viability of the NFIP and provide recommendations for its continued efficacy in light of the program’s looming expiration and need for overhaul.

The NAIC has asked the P/C RBC Committee to revisit its comments regarding a possible trend test for property/casualty risk-based capital. That project is ongoing.

PUBLICATIONS

The following Casualty Practice Council publications have recently been issued:

<u>Publication</u>	<u>Audience</u>	<u>Publication Date</u>
Comment letter by COPLFR on the second exposure draft of ASOP No. 36	ASB	June 30, 2010
P/C RBC Committee’s follow-up to its March 2010 update of the property/casualty RBC underwriting factors	Property & Casualty RBC Working Group and Capital Adequacy Task Force of NAIC	June 22, 2010

Casualty Practice Council testimony concerning S. 3305, the “Big Oil Bailout Prevention Liability Act of 2010”	U.S. Senate Committee on Environment and Public Works	June 9, 2010
Opinion Seminar Subcommittee survey distributed to aid in its development of the 2010 Opinion Seminar	Casualty opinion-signers	May 28, 2010
Follow-up comment letter by the P/C RBC Committee regarding the Committee’s March report	Property & Casualty RBC Working Group of NAIC	May 18, 2010
Comment letter by the Casualty Practice Council on the exposure draft of ASOP No. 41	ASB	March 31, 2010
P/C Loss Reserve Law Manual survey distributed by Law Manual Subcommittee of COPLFR	All casualty actuaries	March 10, 2010
Report from the P/C Risk-Based Capital Committee providing updated risk-based capital factors to NAIC	NAIC’s Property Risk-Based Capital Working Group	March 4, 2010
Comment letter from the Medical Professional Liability, Workers’ Compensation, Auto Insurance, and Property and All Other Lines Subcommittees to House sponsors of the “Health Industry Fair Competition Act”	Reps. Betsy Markey and Tom Perriello	February 16, 2010
Comment letter from the Workers’ Compensation Subcommittee to the California Commission on Health and Safety and Workers’ Compensation concerning a paper by Frank Neuhauser advocating for the integration of workers’ compensation into the group health model	California Commission on Health and Safety and Workers’ Compensation	February 16, 2010