



New Academy President Seeks Member Involvement

YOU ARE A MEMBER of the American Academy of Actuaries. Congratulations! You've worked hard to get to this place, and you should feel honored.

But don't rest on your laurels. Barbara Lautzenheiser, the Academy's new president, wants to see you get involved. Members need to recognize "that the Academy is your academy — that the American Academy of Actuaries is you," said Lautzenheiser in a speech at the Academy's annual meeting, held Oct. 27 in Orlando, Fla. But with ownership comes responsibility. Lautzenheiser, who succeeds Bob Anker as president, urged the audience to take greater advantage of the many opportunities to volunteer through the Academy.

By working on Academy projects, Lautzenheiser said, actuaries can help the profession while enhancing their own career options. Collaborating on a group project as a volunteer can provide valuable experience and mentoring opportunities, she added. "By volunteering for the Academy, you are actually improving yourself. You're increasing career opportunities," she said.

Lautzenheiser pointed to herself as an example of how involvement in the Academy can help actuaries raise



Academy President Barbara Lautzenheiser receives the gavel from Immediate Past President Bob Anker at the annual meeting.

their sights. "I was afraid to talk to my shadow when I started in this business, but I realized the way to be nothing is to do nothing," she said.

A principal of Lautzenheiser and Associates in Hartford, Conn., Lautzenheiser is a former Academy vice pres-

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Actuarial UPDATE

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FINAL REPORT

AS 2003 WINDS DOWN, each of the Academy's practice councils is busy wrapping up work on a number of fronts.

As we reported in the July *Update*, many of the year's activities were not completely predictable in January when each council identified key issues for 2003. As federal action on Medicare and pension funding reform moved forward on a faster track, the Academy kept pace, providing analysis and testimony as needed. The Academy also hosted Capitol Hill briefings to provide congressional staffers and other policymakers with background on the actuarial equivalence of House and Senate Medicare drug proposals, and on pension funding and aspects of the yield curve.

Which is not to say that other issues were neglected. Academy experts also testified before congressional committees and other groups on other topics such as medical liability reform and asbestos litigation.

And the Academy continued to work with the NAIC in a number of areas. Highlights include two opinion readers' and writers' symposia on the P/C statement of actuarial opinion that the Academy cosponsored with the Casualty Actuarial Society at the fall NAIC meeting, and an informational session on professionalism and the ABCD process, led by members of the Academy's Council on Professionalism, at the same meeting.

For a full accounting, and a look ahead to projects that are pending, turn to the Academy report card on Page 4.

Read the *Update* online at www.actuary.org to link instantly to all the documents highlighted in the report card.

DECEMBER

1-2 Academy Executive Committee meeting, Washington

3 ABCD meeting, Williamsburg, Va.

4-5 Underwriting seminar (Academy, CCA, SOA), Tempe, Ariz.

5-10 NAIC winter meeting, Anaheim, Calif.

7-10 SOA asset liability management seminar, Phoenix

11 Academy Life Financial Reporting Committee meeting, Chicago

11 Academy Social Insurance Committee meeting, Washington

15-16 ASB meeting, Washington

JANUARY

21 Academy Committee on Qualifications meeting, Washington

23 Academy Board of Directors meeting, Washington

28 Health Rate Filing Task Force meeting, Orlando, Fla.

FEBRUARY

1-2 Academy Pension Practice Council meeting, Miami

18-19 Global Conference of Actuaries meeting, New Delhi, India

19-20 SOA underwriting seminar, San Diego

19-21 Council of Presidents meeting, Puebla, Mexico

23 Academy Pension Practice Council Capitol Hill visits, Washington

MARCH

8-9 Applied actuarial research conference (CAS, SOA), Orlando, Fla.

10-12 CAS ratemaking seminar, Philadelphia

21-24 Enrolled Actuaries meeting (Academy, CCA), Washington

25-26 ASB meeting, Washington

APRIL

16 CIA pension seminar, Montreal

22 Academy Executive Committee meeting, Washington

27-29 IAA international health colloquium, Dresden, Germany

MAY

5 Academy Board of Directors meeting, Washington

6-7 Academy spring meeting, Washington

16-17 Academy Pension Practice Council meeting, Boston

16-19 CAS spring meeting, Colorado Springs, Colo.

19-21 SOA spring meeting (health, pension), Anaheim, Calif.

JUNE

3-5 IAA council and committee meetings, Stockholm, Sweden

6-10 ASTIN 2004, Bergen, Norway

14-16 SOA spring meeting (financial reporting, product development), San Antonio

16 CIA professionalism workshop, Calgary, Alberta, Canada

17-18 CIA annual meeting, Victoria, B.C., Canada

WEB INTERFACE

Links to documents underlined in blue can be found at www.actuary.org/update/index.htm.

Academy NEWS Briefs

Cartoon Commentary

In the October *Update*, we sought comments on a cartoon depicting a smart-looking storefront with a sign over the door proclaiming the establishment as “Easy Street Rare Antiques” and a paper tacked in the window reading “We buy your old junk.” Has the store manager, we asked, violated the principle of Precept 11, which warns actuaries not to engage in false or misleading advertising?

Mike Sturm, a consulting actuary with Milliman USA in Brookfield, Wis., suggested the following: “The



George Engel, senior staff actuary for Thrivent Financial for Lutherans in Appleton, Wis., referred to another cliché. “There’s the old saying: one man’s garbage is another man’s treasure.”

Academy Forum Save the date for the Academy’s new spring meeting, May 6-7 in Washington, highlighting the Academy’s work on current public policy and professionalism issues. General sessions will focus on the Sarbanes-Oxley Act’s effect on the profession, actuarial malpractice litigation, and data quality and ethical issues in the insurance industry. There will be six concurrent sessions in four separate tracks focusing on P/C, health, life, and pension issues. Topics will include casualty modeling, Medicare and Social Security reform, retiree health care, and risk-based capital C-3 Phase II. Within each track will be sessions on professionalism and financial reporting topics. Continuing education credit will be awarded. The meeting will conclude with the Academy’s annual Washington Luncheon and the presentation of the Robert J. Myers Public Service Award. Look for further information in your mailbox in January.

Library Upgrade The ASB recently updated the table of contents for the Standards Library.

The library, an essential resource for practicing actuaries, includes current actuarial standards of practice, actuarial compliance guidelines, exposure drafts, professional standards, and appendices. Best of all, it’s easily accessible on the ASB website.

To make sure your Standards Library is complete and up to date, go to www.actuarialstandardsboard.org/pdf/tableofcontents.pdf and download the October 2003 table of contents. If you find you are missing something, you can download documents from the website at www.actuarialstandardsboard.org/asopsintro.htm.

Global Health The International Actuarial Association is seeking individuals interested in joining its newly formed health section. Membership in the section is free for 2003 and open to observer members — including nonactuaries and actuaries who aren’t members of the IAA — who are interested in the activities of the new section. For more information, go to www.actuaries.org/public/en/IAAHS/index.cfm.

store owner is not engaging in false or misleading advertising. To slightly modify an old cliché, beauty, or lack thereof, is in the eyes of the beholder. The store manager is not opining on whether the furniture in the window is junk or a rare antique. He is simply brokering a deal between two people who have different views of the same object.”

Editorial Changes After many years of dedicated service, Michael Braunstein has decided to take a leave from his duties as a member of the *Actuarial Update*’s editorial board while he pursues new career options. He will be greatly missed.

Happily, Andrew Erman, vice president for annuity and health solutions with USAA Life Insurance Co. in San Antonio, has agreed to take his place, starting with this issue. Welcome, Andrew!

CASUALTY NEWS



Joining the Casualty Practice Council are

Stephen D’Arcy, a professor of finance at the University of Illinois in Champaign and president-elect of the CAS, **Mary Miller**, an actuary with the Ohio Department of Insurance in Columbus, and **Susan Pino**, a principal with Deloitte & Touche LLP in McLean, Va.

FINANCIAL REPORTING NEWS



The Financial Reporting Council submitted a comment [letter](#) to the International Accounting Stan-

dards Board (IASB) on Oct. 31 about the IASB's insurance contract exposure draft.

► **Tim Tongson**, senior vice president and chief actuary at Swiss Re Life and Health in Armonk, N.Y., is the new vice chairperson of the Financial Reporting Council.

HEALTH NEWS



Kelly Munger, vice president, actuary and controller for Allianz

Life Insurance Co. of North America in Minneapolis, has joined the Committee on State Health Issues.

LIFE NEWS



Tom Campbell, vice president and corporate actuary at Hartford

Life Insurance Co. in Simsbury, Conn., is a new vice chairperson of the Life Practice Council. New council members are **Mike Boerner**, a managing actuary with the Texas Department of Insurance in Austin, Texas, and **Sheldon Summers**, chief actuary and supervising life actuary of the California Department of Insurance in Los Angeles.

► **Paul Skalecki**, senior actuary with Northwestern Mutual in Milwaukee, is the chairperson of the newly created Practice Note Steering Work Group.

► **David Neve**, second vice president and corporate actuary for Principal Financial Group in Des Moines, Iowa, is the chairperson of the newly created Deficiency Reserves Work Group.

PENSION NEWS



The Pension Accounting Committee [commented](#) to the Financial

Accounting Standards Board

about a proposed statement on employers' disclosures about pension and other postretirement benefits.

► **Don Segal**, senior vice president and actuary at The Segal Co. in New York, is the new vice chairperson of the Pension Practice Council. **Carol Zimmerman**, a consultant with Towers Perrin in Pittsburgh, is the new chairperson of the Pension Committee and **Mark Beilke**, director of employee benefits research at Milliman USA in Vienna, Va., is the new chairperson of the Pension Accounting Committee.

► **Evan Inglis**, a consulting actuary at Watson Wyatt Worldwide in Washington, has joined the Joint Academy/SOA Task Force on Financial Economics and the Actuarial Model.

► **Jeff Petertil**, a consultant in Oak Park, Ill., and **Adam Reese**, a consulting actuary with the Hay Group in Arlington, Va., are the cochairpersons of the newly reconstituted Joint Committee on Retiree Health. Joining the committee are former members of the Health Practice Council's Retiree Health Insurance Work Group, as well as **Marilyn Oliver**, principal with Oliver Consulting in Sausalito, Calif.; **Jin Ho Park**, a consultant with Mercer Human Resource Consulting in Washington; **Neela Ranade**, president of Blue Star Consultants in Warren, N.J.; and **James Rizzo**, senior consultant and actuary at Gabriel Roeder Smith & Co. in Fort Lauderdale, Fla.

IN THE NEWS

► A Nov. 5 article in the *National Underwriter* reported on the selection of **Barbara Lautzenheiser** and **Robert Wilcox** as the Academy's new president and presi-

dent-elect, and of the appointment of new vice presidents **Donna Claire**, **Burt Jay**, and **Ken Kent**.

► An article in the Oct. 21 *New York Times* on pension accounting quoted **Victor Modugno**, a consulting actuary with Internetactuary.com in Redondo Beach, Calif.

► **Dale Yamamoto**, chief health actuary at Hewitt Associates in Lincolnshire, Ill., was quoted in an Oct. 19 *Washington Post* article on adding a prescription drug benefit to Medicare.

► **John Parks**, the Academy's former vice president for pension issues and president of MMC&P Retirement Benefit Services, Inc. in Pittsburgh, was quoted in an article in *BenefitNews.com* on annuities versus lump sum payments.

► An *IndustryWeek* item on pension funding quoted **Alan Jacobs**, senior actuary at Eisner LLP in New York.

► An Oct. 20 *Investment News* roundup of industry attitudes on the Bush administration's economic performance quoted **Max Rudolph**, vice president and actuary at Mutual of Omaha Insurance Co. in Omaha.

► Several Academy members were the authors of articles in the October *Benefits Quarterly*. **Jerrold Levy** and **Michael Young**, both principals with Mercer Human Resource Consulting in Chicago, wrote on expected changes in pension accounting; and **Martha Tejera**, a principal with Mercer Human Resource Consulting in Seattle, wrote about managing pension plans in the current economic environment.

► **Joseph Hoffman**, chief actuary at Anthem Blue Cross and Blue Shield in Denver, was quoted in an article in the *Colorado Springs Gazette* on

mounting health care costs for employers.

► **Donna Novak**, chairperson of the Health Liquidity Work Group and president and chief executive officer of NovaRest in Fox Lake, Ill., was quoted in an article in the Kingston, N.Y., *Daily Freeman* on reserves in self-insured health insurance funds.

ON THE MOVE

► **Robert Conger**, a former CAS president, a former member of the Academy's Board of Directors, and a principal with Tillinghast-Towers Perrin in Chicago, was elected an honorary fellow of the British Institute of Actuaries.

► **Bruce Nicholson**, president and CEO of Thrivent Financial for Lutherans in Minneapolis, received the 2003 Jacobson-Rugland Award from the National Fraternal Congress of America. The award is in honor of contributions to the actuarial profession and for support of the fraternal benefit industry.

► **Nancy Nelson**, vice president and chief actuary for Blue Cross and Blue Shield of Minnesota in St. Paul, has been named to the board of directors of the Blue Cross and Blue Shield of Minnesota Foundation.

► **Tim Tongson**, the new vice chairperson of the Academy's Financial Reporting Council, has been named senior vice president and chief actuary for Swiss Re Life and Health America in Armonk, N.Y. He was formerly a consulting actuary with Milliman USA in Minneapolis.

► **Andrew Barton** has been named managing principal of the Pittsburgh office of Towers Perrin. He was formerly a consultant specializing in employee benefits and actuarial services.

Casualty Practice Council



Casualty Vice President: **Jan Lommele**
Senior Casualty Policy Analyst: **Greg Vass** (vass@actuary.org, 202-785-7865)

COMPLETED:

- ▶ Medical Malpractice Subcommittee Chairperson James Hurley testified on medical liability reform before the Ohio Medical Malpractice Commission in **June**, and before South Carolina's House Judiciary Tort Reform Ad Hoc Study Committee in October.
- ▶ The Risk Classification Subcommittee submitted **testimony** in June to the House Financial Services Subcommittee on Financial Institutions and Consumer Credit for a

hearing on the Fair Credit Reporting Act.

- ▶ Mass Torts Subcommittee Chairperson Jennifer Biggs **briefed** state legislators on asbestos litigation at the National Conference of Insurance Legislators' summer meeting in July.
- ▶ In conjunction with the CAS and the NAIC, the council cosponsored two opinion readers' and writers' symposia on the P/C statement of actuarial opinion at the fall NAIC meeting in September.

PENDING:

- ▶ An issue brief on loss reserve opinions, to be completed December 2003
- ▶ A monograph on medical malpractice, to be completed spring 2004
- ▶ An update of a 2002 monograph on asbestos, to be completed spring 2004
- ▶ A monograph discussing alternatives in the wake of passage of federal legislation providing a backstop for terrorism-related losses, to be completed summer 2004

Health Practice Council



Health Vice President: **Jan Carstens**
Senior Health Policy Analyst, Federal: **Holly Kwiatkowski** (kwiatkowski@actuary.org, 202-785-7871)
Health Policy Analyst, State: **Joanna Ossinger** (ossinger@actuary.org, 202-785-6924)

COMPLETED:

- ▶ The Uninsured Work Group published an **issue brief** in September on who lacks health insurance and the reasons why.
- ▶ The council hosted a July Capitol Hill **briefing** on the actuarial equivalence of House and Senate Medicare drug proposals.
- ▶ In July, Health Vice President Jan Carstens sent a **letter** to House-Senate conferees stating that risk-sharing provisions in the House's Medicare drug benefit legislation were less desirable from an actuarial perspective than those in the Senate version.

- ▶ The Retiree Health Work Group wrote a **letter** to the Equal Employment Opportunity Commission in September about a proposed retiree health benefit rule.

PENDING:

- ▶ Election guides to help presidential candidates and the media understand actuarial issues related to the uninsured and Medicare, to be completed spring 2004
- ▶ An issue brief on retiree health insurance issues, including coverage trends, to be completed summer 2004

- ▶ A monograph evaluating the impact of consumer-driven health plans on health costs, to be completed winter 2004
- ▶ A report to the NAIC on reserving for long-term care insurance, to be completed winter 2004
- ▶ A report to the NAIC on proposed changes in the regulation of the individual major medical market, to be completed winter 2004
- ▶ Revisions of nine health practice notes, to be completed in 2004

Financial Reporting Council



Financial Reporting Vice President: **Burt Jay**
Financial Reporting Policy Analyst: **Ethan Sonnichsen** (sonnichsen@actuary.org, 202-785-7866)

COMPLETED:

- ▶ In October, the Joint Financial Reporting Task Force coordinated **comments** by the financial reporting subgroups of the Life, Casualty, and Health Practice Councils on the International Accounting Standards Board's exposure draft on Phase I of its insurance contracts project.
- ▶ The Solvency and Risk Management Task Force coordinated a joint effort with the SOA, the CAS, and the CIA to **comment** in October on an enterprise risk management framework proposed by the Committee of

- Sponsoring Organizations of the Treadway Commission and to offer actuarial assistance in a redraft of the framework.
- ▶ The council met with FASB in November to share views on domestic and international accounting standards initiatives, including the IASB insurance contracts project and pension accounting issues.

PENDING:

- ▶ A Joint Risk-Based Capital Work Group report to the NAIC regarding various trend tests for RBC, to be completed spring 2004

- ▶ Comments on an International Actuarial Association redraft of an insurer solvency assessment framework, to be completed once the redraft is made available
- ▶ Ongoing review of the Public Company Accounting Oversight Board's audit standard proposals
- ▶ A white paper cataloging the various definitions of best estimate and describing how best estimates are determined in different areas of actuarial practice, to be completed January 2004

Life Practice Council

Life Vice President: **Donna Claire**
Senior Life Policy Analyst: **Steve English** (english@actuary.org, 202-785-7880)



COMPLETED:

▶ The Life Financial Soundness/Risk Management Committee completed revisions to Actuarial Guideline XXXIV (Variable Annuity Minimum Guaranteed Death Benefit), which was adopted by the NAIC's Life and Health Actuarial Task Force and Life Insurance and Annuities (A) Committee.

PENDING:

▶ Ongoing work by the Life Products

Committee revising the annuity and general nonforfeiture laws

▶ A C-3 Work Group report to the NAIC on implementing Phase II to address equity risk and interest-rate risk associated with variable annuities, with group annuities that contain death benefit or living benefit guarantees for their equity funds, and for insurance contracts that provide death benefit floors for equity fund performance

▶ A new actuarial guideline on variable annuity reserves, to be completed spring 2004
▶ A monograph on purchase GAAP accounting, to be completed winter 2004
▶ Continuing liaison work with the International Actuarial Association, the International Accounting Standards Board, and the International Association of Insurance Supervisors on international efforts relating to solvency and risk-based capital

Pension Practice Council

Pension Vice President: **Ken Kent**
Pension Policy Analyst: **Health Jerbi** (jerbi@actuary.org, 202-785-7869)



COMPLETED:

▶ John Parks, former vice president for pension issues, **testified** on the need to simplify pension rules at a September hearing of the Senate Government Affairs Subcommittee on Financial Management, the Budget and International Security.

▶ Ken Kent, current vice president for pension issues, **spoke** in July to the ERISA Advisory Council on defined benefit pension funding, solvency, and accounting issues.

▶ The council held a Capitol Hill **briefing** in September on pension funding and aspects of the yield curve.

▶ The Pension Committee released an **analy-**

sis in August of a Bush administration plan to create three new types of savings accounts.

▶ The Multiemployer Plans Task Force wrote a comment **letter** in October to Sen. Evan Bayh (D-Ind.) on his legislation affecting multiemployer plans.

▶ In October, the Social Insurance Committee released *Social Security Individual Accounts: Design Questions*, an updated version of a 1998 **issue brief**.

PENDING:

▶ Updates on three issue briefs on means testing for Social Security, social adequacy, and individual equity in Social Security; so-

cial adequacy and individual equity in Social Security; and changes to Social Security's benefit formula and taxation, to be completed fall 2003

▶ A comment letter to the IRS recommending an appropriate mortality table to be used in determining current liability for defined benefit (DB) plans, to be completed fall 2003

▶ A practice note on cash balance plans and FAS 87, to be completed when FASB issues final standards

▶ A series of documents addressing current minimum and maximum funding rules for DB plans, to be completed spring 2004

Council on Professionalism

Professionalism Vice President: **Robert Rietz**
General Counsel and Director of Professionalism: **Lauren Bloom** (bloom@actuary.org, 202-785-7869)



COMPLETED:

▶ The fourth annual Life and Health Qualifications Seminar was held in November.

▶ Members of the council participated in several presentations, including a session on professionalism and the ABCD process at the fall NAIC meeting, and sessions on litigation issues at the annual meetings of the CAS, CCA, and SOA.

▶ The council published the annual combined professionalism **report** for 2002.

PENDING:

▶ A discussion paper on applying standards in international practice, to be completed December 2003

▶ Speakers' kits on professionalism for distribution to actuarial clubs, to be completed spring 2004

▶ A discussion draft of a paper on the role of actuaries in applying actuarial models, to be completed by summer 2004

▶ Continuing publication of articles and cartoons on professionalism in the

Update and newsletters of other actuarial organizations

▶ Ongoing presentations on professionalism at meetings of North American actuarial organizations

▶ Ongoing oversight of mutual recognition discussions and the Academy's membership in the International Actuarial Association

▶ The development of documentation to facilitate members' cross-border temporary entry under NAFTA, to be completed by fall 2004



The Uninsured: Searching for Answers

According to the most commonly used U.S. estimates, between 38 million and 41 million people under the age of 65 have no health insurance. An additional 10 million or more are without coverage for some portion of the year.

In a new [issue brief](#), *Health Coverage Issues: The Uninsured and the Insured*, the Academy's Uninsured Work Group discusses the reasons that people lack insurance and who those people are.

To help clarify the reasons people lack insurance, the work group subdivided the uninsured into five categories: those who choose not to purchase insurance or can't afford to purchase it; high-risk individuals without employer-sponsored insurance whose medical conditions make coverage unaffordable; those who are eligible for public programs but are not using them; poor noncitizens; and those who are transitionally uninsured for

less than a year.

The first in a series, the paper sets the stage for future issue briefs that will look at ways to provide health care for the uninsured and consider the roles of individuals, employers, and government in health care financing.

Karl Madrecki, chairperson of the work group, and Catherine Murphy-Barron, the work group's vice chairperson, led the effort in writing the issue brief. Other work group members who participated in the project are David Bahn, Cecil Bykerk, L. Andrew Gennarelli, Keith Grassel, P. Anthony Hammond, Peter Hendee, John Lynch, Tom Mellis, Donna Novak, Curtis Lee Robbins, Carolyn Barb Sadler, Thomas Snook, Ronald Solomon, Steele Stewart, Harry Sutton Jr., and Bruce Vander Els. ▲

The Robert J. Myers Public Service Award

Honoring Actuaries Who Make a Difference

ONE OF THE HIGHEST PROFESSIONAL AWARDS that an actuary can receive is the Academy's annual Robert J. Myers Public Service award, presented to actuaries who have made a significant contribution to the public good.

"Getting this award is like being named to an all-star team," said 2003 recipient Larry Gorski upon receiving his award in May. While Gorski's reaction — which is typical — is not surprising, it may be surprising to learn that the man for whom the award is named is just as honored each year when a new actuary steps forward to receive the award at the Academy's Washington luncheon.

"I'm very highly honored that the award was named for me and honored by the people they've chosen to receive it," said Bob Myers. "These are very fine people."

Myers, a former chief actuary of the Social Security Administration whose career in public service has spanned seven decades, is also pleased that the award spotlights the contributions actuaries make to good governance. "I think it's extremely important that government programs have actuarial guidance," Myers said, adding, "It's also important for actuaries outside of the government to realize

Recipients of the Robert J. Myers Public Service Award

1995 — John Montgomery
 1996 — Guy King
 1997 — James Gardiner
 1998 — Dwight Bartlett
 1999 — Robert Bailey
 2000 — Harry Ballantyne
 2001 — Robert Callahan
 2002 — Ted Becker
 2003 — Larry Gorski



Robert Myers, center, congratulates 2003 Myers Award winner Larry Gorski as Dwight Bartlett, recipient of the 1998 Myers Award, looks on.

the important work that actuaries in the government are doing."

Myers, a newly minted graduate of the University of Iowa's actuarial course, came to Washington in 1934 to assist a committee that President Roosevelt had set up to study proposals for a Social Security system. With only a few detours, including military service during World War II, Myers devoted his career to the Social Security Administration, including 23 years as chief actuary. He testified 178 times before Congress on Social Security and related issues, earning himself a world record citation in the *Guinness Book of Records*.

At the same time, Myers was deeply involved in professional activities, memorably serving in 1970 as president of both the

See **HONORING ACTUARIES**, Page 8

Rugland Receives Farley Award

HONORED FOR 30 YEARS OF SERVICE to the profession, Walter S. Rugland received the 2003 Jarvis Farley Service Award at the Academy's annual meeting in Orlando, Fla.

In accepting the award, Rugland took the opportunity to challenge the profession to which he has devoted so much time and energy.

"We resist initiatives that would define our profession for the 21st century," he told the audience at the Oct. 27 award ceremony. "Our own members lack incentive to tackle tough assignments, often asking questions they should know the answer to or seeking magic solutions that bypass the hard work." Instead of following through on new initiatives, he said, "we default to others, allowing them to define our role by legal threat or myopic regulation."

If there is a theme that has emerged during his many years working to advance the profession, Rugland said, "it's the realization of the unbelievable amount of energy our profession expends resisting the opportunity to be a full profession. Every step forward has been a giant step in terms of the cost of reaching that goal; yet it has been a ministepp in the greater picture of professionalism."

Rugland was involved in developing the ASB, in restructuring the International Actuarial Association, and in developing international qualification standards. As a result of his international work, he has been awarded honorary fellowships in the British Institute of Actuaries and the Scottish Faculty of Actuaries.

Rugland is also a former president of the SOA and has served in such Academy positions as secretary, vice president, member of the Board of Directors, and chairperson of the Committee to Study the Requirements of Professionalism. His father had also been active in the Academy, serving as its fifth president.

Rugland spent most of his career at Milliman and Robertson, and started its Hartford office in 1980. After retiring from Milliman in 1998, he became chief operating officer of the Aid Association for Lutherans in Appleton, Wis. He retired from the association last year.



Walter S. Rugland receives the 2003 Jarvis Farley award from Academy President Barbara Lautzenheiser.

Annual Meeting, *continued from Page 1*

ident for life insurance issues, the first female president of the SOA, a charter member of the Actuarial Standards Board (ASB), and a trustee emeritus of the Actuarial Foundation.

As the new president, Lautzenheiser presented the Jarvis Farley Service Award to Walter S. Rugland (left).

Also taking office at the meeting as the Academy's new president-elect was former Utah Insurance Commissioner Robert Wilcox. A former Academy vice president for life insurance issues and a former chairperson of the Life Practice Council and the Task Force on Valuation, Wilcox has also served on the ASB, the Academy Board of Directors, and the Academy's Financial Reporting and Health Practice Councils. He is a consulting actuary with R.E. Wilcox and Co. in Alpine, Utah.

During the annual meeting, four regular directors were elected to the board: Ethan Kra, chairperson of the Joint Academy/SOA Task Force on Financial Economics and the Actuarial Model; Stephen Radcliffe, a past president of the SOA; P.J. Eric Stallard, chairperson of the Federal Long-Term Care Task Force and of the State Long-Term Care Task Force; Andrea Sweeny, chairperson of the Committee on Property and Liability Financial Reporting and of the Joint Financial Reporting Task Force; and Pat Teufel, former vice president for financial reporting issues.

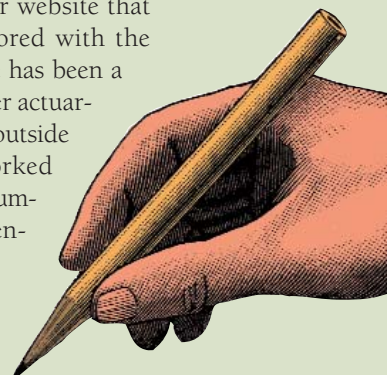
Serving on the board as ex officio special directors are the presidents and presidents-elect of the other American actuarial organizations: Bruce Ashton and Stephen Rosen of ASPA, Mary Frances Miller and Stephen D'Arcy of the CAS, Margaret Tiller Sherwood and Bill Bluhm of the CCA, and Neil Parmenter and Stephen Kellison of the SOA. ▲

Letter TO THE Editor

International Acclaim

I was delighted to see on your website that Walt Rugland had been honored with the Jarvis Farley award. I think he has been a tremendous inspiration to other actuaries—including many working outside the United States. I have worked with Walt several times over a number of years and thoroughly enjoyed the experience.

John O'Neill
Mazars
London





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Honoring Actuaries, *continued from Page 6*

Academy and the SOA. "I don't think you could do it now. I worked hard, but there wasn't as much work to do then," Myers said. "The actuarial profession has grown."

Despite his 91 years, Myers remains professionally active. "I still get calls," Myers said, explaining that they are usually from congressional staff seeking his take on various issues related to Social Security. "It's nice that they are still calling me," Myers said, "I'd be disappointed if they didn't."

Similarly, Myers makes a point of attending the Academy's Washington luncheon each spring to honor those actuaries who have followed in his footsteps. It's an effort that is much appreciated by those receiving the award. "I've been around a while, but I'd heard about Bob Myers before I even became an actuary," said 2002 recipient Ted Becker when he accepted his award. Meeting Myers, Becker said, was a tremendous honor and one of the highlights of the day for him.

The Academy is currently seeking nominations for the 2004 Myers award. Nominees may be current or former government employees, the employee of an organization whose primary focus is government work, or an unpaid volunteer working at a philanthropic organization. Recipients of the award are selected on the basis of their contributions to the common good through service to the government or other organizations in the public sphere.

Do you know an actuary who has made a difference in the public sector? Fill out the nomination form printed below. All nominations are due March 1. ▲

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*The manual will be available for delivery in late December. For more information, please contact Kasha Shelton by e-mail (shelton@actuary.org). Prices for Academy members only.

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 2004 Robert J. Myers Service Award, to be presented at the Academy's Washington luncheon on May 7.

THE AWARD, named for the former chief actuary of Social Security, recognizes candidates with a single noteworthy public service achievement or those who have devoted careers to public service. The nominee may be a current or former government employee, the employee of an organization whose primary focus is government work, or an unpaid volunteer working at a philanthropic organization. Public work

completed by a paid consultant, by a member of an actuarial committee, or by someone who is an officer of an actuarial organization is ineligible.

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, 2004.

I nominate the following actuary for the 2004 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