



AMERICAN ACADEMY OF ACTUARIES

ANNUAL MEETING AND PUBLIC POLICY FORUM

2017

NOVEMBER 14-15 ★ FAIRMONT HOTEL WASHINGTON, D.C.

#actuaries2017

Solving for Solvency



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The views expressed in this session are those of the presenters and do not necessarily reflect the views or position of the Academy or its boards, councils, or committees, nor do they express the opinions of the presenters' employers.

Session Presenters:

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Philip Barlow, MAAA, FSA - Associate Commissioner, Insurance Bureau, District of Columbia

Larry Bruning, MAAA, FSA – Managing Life Actuary, NAIC

Li Cheng, MAAA, FSA – Vice President & Actuary, Prudential Financial

Betsy Ward, MAAA, FSA – Executive Vice President, CFO & Chief Actuary, MassMutual



A Brief History on Solvency Regulation

- Pre-Risk Capital
 - Minimum capital requirements
- Risk-Based Capital
 - RBC introduced in 1993
 - Four levels of oversight
 - Ongoing formula improvements to reflect refinements and learnings
 - Includes own company models for certain components
- Modernized solvency requirement
 - Global focus
 - Qualitative measures (ORSA)
 - Principle-based approaches to reserves and capital
 - Group emphasis
 - Own company models

