



the Record

2021

actuary.org

initiatives

2021

In this period of continued uncertainty, the Academy remained steadfast in providing objective, independent analysis of top public policy issues involving actuarial considerations, and continues to elevate actuarial professionalism through its role in supporting the Actuarial Standards Board and the Actuarial Board for Counseling and Discipline. The Academy pursued several initiatives in 2021—educating and engaging the public and actuarial professionals we serve.



COVID-19 Resources

COVID-19 **RESOURCES**

The Academy in 2021 provided myriad COVID-19 resources to support professionals, such as frequently asked questions (FAQs) regarding insights on COVID-19's potential effects on [loss reserving and financial reporting for property/casualty actuaries](#), and issue briefs on considerations around the pandemic and [long-term care insurance](#), [auto insurance](#), [telehealth](#), [medical professional liability](#), estimates of life expectancy impacts, and [Social Security](#). We also hosted practice-specific webinars that included discussion on the implications of the pandemic and maintained [a resource page with links to many COVID-19 information resources](#).

With in-person conferences and other events curtailed across the country due to the ongoing COVID-19 pandemic, the Academy invested in its commitment to offer relevant [virtual continuing education \(CE\) opportunities](#) to fulfill members' professionalism obligations and provide the latest public policy information, which are essential to maintaining the public's trust in the profession.

As the country began to reopen, the Academy in November held its Annual Meeting and Public Policy Forum as a hybrid event, engaging both in-person and online attendees in two days of discussion, knowledge-sharing and networking. A [special supplement](#) to Actuarial Update collected highlights of this standout undertaking, including the presentation of the Robert J. Myers Public Service Award, Jarvis Farley Service Award, and Outstanding Volunteerism Awards.



In 2021, The Academy offered programs totaling more than 100 CE credits. And remember, Academy members can always access the extensive [library of recorded webinars](#) to gain valuable CE—at no cost.



Academy **BOARD**

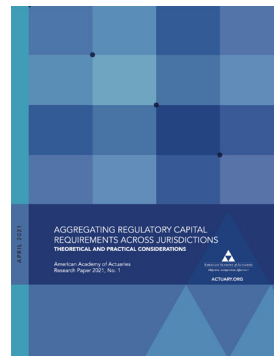
The Academy Board, led in 2021 by Academy President Tom Campbell before Maryellen Coggins took the reins, continued to enhance the Academy's service to members and delivery of resources focused on elevating professionalism and providing independent and objective information to public policymakers. Among the enhancements, the Council on Professionalism is now known as the Council on Professionalism and Education (COPE). This change reflects the renewed attention to education that aids actuaries in upholding the U.S.-based professionalism standards and deepening knowledge of and compliance with U.S.-based laws and regulations as a vital function of the Academy.



Executive **DIRECTOR**

The Academy brought on a new, visionary executive director in William "Bill" Michalisin. His arrival presaged the a renewed focus on the Academy's strategy and focus on member and stakeholder value, coupled with an investment in and evolution of the culture to support the Academy's high-performing staff.

The Academy expanded its focus on important public policy issues pertaining to diversity, equity, and inclusion as illustrated by the letters and presentations to the NAIC, and other comments such as the response to the unfair discrimination law in Colorado, and work by the Health Equity Work Group on the Academy's [Diversity, Equity & Inclusion webpage](#).



The Academy developed and released a collection of papers combined together into a [Cyber Risk Toolkit](#), which is intended to be a resource for interested readers of the general public, public policymakers, the actuarial profession, the insurance sector, and other stakeholders. Cyber risk issues have become a regular news item, and those using the toolkit can benefit from the perspectives and resources offered in the Toolkit.

The Academy released an original research paper on [International Regulatory Capital Requirements](#) and scalar methodologies. Scalars are a central part of efforts to develop capital adequacy measures for financial groups that operate businesses in more than one country and/or more than one industry.

The Academy released a new public policy paper, [Big Data and Algorithms in Actuarial Modeling and Consumer Impacts](#), that provides a framework for consumers, regulators, legislators, insurers, and actuaries seeking to better understand how the increased use of big data and algorithms is impacting insurance, and some of the challenges the changes are creating.



Remember: The Academy provides a vital role to the profession as the structure that houses and supports the ASB and ABCD.

professionalism

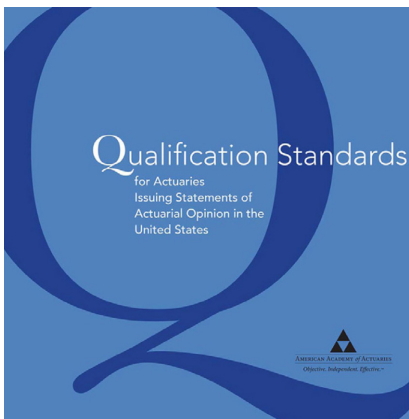
Through our important professionalism resources, bodies, and activities, the Academy enhances the value of the MAAA® credential, the professional reputation, and the independence of the actuarial profession.

THE ACADEMY IN 2021

CONTINUED TO PROVIDE THE

structure and process

THAT ENABLES THE:



Code of Professional Conduct

U.S. Qualification Standards (USQS)

- ▶ Following the release of a second exposure draft in 2021, the Committee on Qualifications (COQ) in November released a revised version of the USQS with an effective date of Jan. 1, 2022.
- ▶ Actuaries have a new requirement for 1 continuing education (CE) hour of bias education annually.

Actuarial standards of practice (ASOPs)

developed by the Actuarial Standards Board (ASB)

- ▶ In 2021, the ASB adopted five revised ASOPs, approved four exposure drafts for comment, and approved proposals to revise four existing ASOPs.
- ▶ Read the ASB's 2021 [Annual Report](#), released in March 2022.

Applicability Guidelines for ASOPs

Updated September 2021.

Requests for guidance (RFGs) and investigation of potential violations of the Code through the Actuarial Board for Standards and Discipline (ABCD)

- ▶ The ABCD in 2021 handled close to 200 RFGs and inquiries.
- ▶ Read the ABCD's 2021 [Annual Report](#), released in March 2022.

Professionalism Speakers Bureau

Every year, the Academy sends qualified speakers to actuarial clubs, universities, and organizations to help members fulfill their professionalism continuing education requirements. In 2021, the Academy placed 22 speakers, reaching more than 3,800 meeting attendees.

Other Professionalism Resources



In May, the Committee on Professional Responsibility (COPR) released a discussion paper. [Professionalism for the Solo Actuary](#) is intended to assist solo practicing actuaries or actuaries practicing in small firms with respect to situations that they may encounter in providing actuarial services. Then in November, the COPR released another new paper to foster discussion among members of the profession—[Explaining Professionalism to Principals](#) is intended to help actuaries think proactively about professionalism and how to explain its importance to the work they do.

As it does each year, the Academy held professionalism webinars in 2021 to help members stay current on developments in the world of actuarial professionalism—and earn necessary professionalism continuing education (CE) at the same time. Members also have free and unlimited access to the Academy's entire library of professionalism webinars, which date back to September 2007. In 2021, the Academy presented the following webinars:

- ▶ [“How to Read an ASOP— and Other Nuggets from ASOP No. 1”](#)
- ▶ [“U.S. Qualification Standards: Second Exposure Draft and More”](#)
- ▶ [“Self-Regulation and the Actuarial Profession”](#)
- ▶ [“More Tales From the Dark Side”](#)
- ▶ [“The Amended U.S. Qualification Standards”](#)

public policy

The Academy provides objective and independent actuarial input into the public policy development process and with bringing awareness to its members of this critical work.



Even though most congressional staffers were doing their jobs remotely, that didn't stop the Health and Pension Practice Councils' annual "Hill Visits" from happening in 2021—virtually this year.

The Academy continues its longstanding and vital engagement and representation of the actuarial perspective at the National Association of Insurance Commissioners, participating in and presenting at quarterly meetings, and at the National Council of Insurance Legislators.

And the Academy makes sure that its members are kept informed of state and federal legislation and regulations relevant to actuarial practice, through practice-specific and cross-practice Academy Alerts; through StateScan, a portal that highlights state legislation and regulation across the country that may be of interest to Academy members; and through practice-specific publications—*Casualty Quarterly*, *HealthCheck*, *Life Perspectives*, and *The Retirement Report*.

IN 2021, ACADEMY COMMITTEES
AND WORK GROUPS OFFERED
POLICYMAKERS AND REGULATORS

actuarial perspectives ON:

Casualty issues including business interruption coverage in a pandemic, underwriting risk-based capital factors, and the consumer cost and affordability of auto insurance

Health issues including long-term care public and private insurance reforms, valuing retiree health benefit plans, factors in premium rate changes for 2022, and new surprise billing regulations

Life issues including principle-based reserving for fixed annuities, economic scenario generators, and asset adequacy testing

Pension issues including individual equity and social adequacy in Social Security, pooled employer plans, the 80% plan funding myth, and multiemployer plan reforms and financial assistance

Risk management and financial reporting issues including insurance capital standards, climate risk disclosures, and big data and algorithms in actuarial modeling

membership

by the numbers

Academy membership totaled 19,722 members as of Dec. 31, 2021. The Academy remains focused on serving the needs of our members while creating and delivering engaging programs, tools, and resources that ensure the value of membership remains high. The Academy continues to explore the value of membership and the MAAA® qualification and remains committed to enhancing the many benefits offered to members.

Academy Membership by EMPLOYER TYPE

3,906
Casualty

6,138
Health

4,754
Life

2,963
Pension

768
Risk Management
& Financial
Reporting

566
Other

627
None Specified

19,722
TOTAL

Academy Membership by AGE

30-39 years
27%

40-49 years
21%

50-59 years
22%

60-69 years
12%

70+ years
11%

Under 30 years
6%

Unknown
1%

Academy Membership by EMPLOYMENT TYPE

Consulting
31.3%

Government
2%

Other
2.4%

Insurance-Related
54.7%

Retired
8.3%

Unaffiliated
1%

Academics
0.3%

Academy Membership by GENDER

Female
29%

Male
70%

Other
0.5%

Unknown
0.5%

Academy Membership by RACE/ETHNICITY†

American Indian/Alaska Native
0.1%

Asian
13.0%

Black or African American
1.7%

Hispanic or Latino
1.7%

Native Hawaiian/Pacific Islander
0.1%

White
69.0%

Prefer Not to Disclose
14.4%

†24.2% of Academy members self-reported race/ethnicity or declined to report

Amplifying Members' Voices

The Academy, through its "Actuary Voices" podcast and "Member Spotlight" series in the monthly Actuarial Update newsletter, offers a platform for members—telling their stories so that they might inspire the next generation of actuarial leaders.



Volunteering

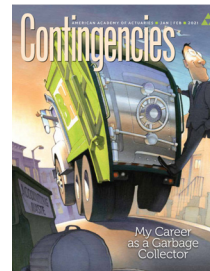
In 2021, more than 1,100 members volunteered their time and expertise to the Academy. Thank you for your service.

Members are afforded multiple opportunities each year to [volunteer for the Academy](#)—it's a great way to give back to the profession and to have an impact on public policy.

Advantages of volunteering include the opportunity to broaden professional relationships, gain technical expertise, and improve leadership skills, thereby benefiting one's employer as well as the actuary's own professional development. Volunteer work may also provide continuing education credits.

Serving on an Academy committee is a great way to learn and share with other professionals who truly understand the challenges and rewards of the profession. The collective experience of Academy members provides a solid foundation of support.

publications and Communications



The actuarial profession is constantly challenged to be current—and Academy membership provides you access to informative and insightful membership publications to help you stay abreast of the latest trends in all areas of actuarial practice, not just the area in which you practice.

Contingencies, the Academy's award-winning bimonthly magazine of the U.S. actuarial profession, offers diverse perspectives and innovative ideas across all practice areas.

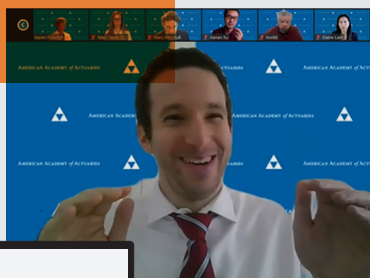
Actuarial Update, the monthly newsletter that covers the latest actuarial public policy and professionalism news and issues, highlighting Academy activities in these areas.

And every Friday, *This Week* compiles a week's worth of breaking news, updates, events, and media coverage in one convenient, easy-to-read publication.

We also engage with members across all major social channels—follow us on [Facebook](#), [Twitter](#), [LinkedIn](#), and [YouTube](#) to stay up-to-date on what's happening at the Academy.

Webinars, Seminars, and Events

Virtual, Hybrid, and In-person in 2021



Members have access to numerous professionalism and public policy educational events, ranging from webinars to in-depth, hands-on seminars. The Academy in 2021 adapted its offerings to formats to meet members' needs, first by expanding the number of webinars and moving our highly regarded seminars to virtual or hybrid events, and then by following local and national public health guidelines for in-person gatherings for certain events.

Content for these events span all practice areas and a feature a wide variety of subjects relating to public policy and professionalism:

- Annual Meeting and Public Policy Forum
- Life and Health Qualifications Seminar
- PBR Boot Camp
- Seminar on Effective P/C Loss Reserve Opinions

In addition, members have access to a library of archived webinars; reviewing the materials can provide no-cost continuing education (CE) credits.