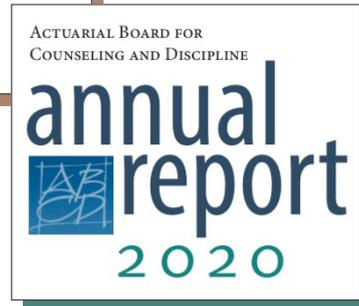


ASB, ABCD Release Annual Reports

THE ACTUARIAL STANDARDS BOARD (ASB) and the Actuarial Board for Counseling and Discipline (ABCD) released their annual reports.

The [ASB 2020 Annual Report](#) notes that despite an unprecedented year that moved most ASB meetings and activities to a virtual format, the ASB adopted three revised actuarial standards of practice (ASOPs), approved five exposure drafts for comment, and approved proposals to revise 10 existing ASOPs and one actuarial compliance guideline. The ASB presented a professionalism series webinar, “The New Modeling ASOP: ASOP No. 56.” Also, because receiving comments on exposure drafts is such an integral part of the standard-development process, the ASB migrated to a new comment template format to make the task of receiving and reviewing comments more seamless. Darrell Knapp is the new chairperson of the ASB, and Kathy Riley and Rob Damler are the new ASB vice chairpersons.

The [ABCD 2020 Annual Report](#) notes that last year the ABCD handled 174 cases—127 requests for guidance (RFGs) and 47 inquiries. That’s up from 138 cases in 2019, comprised of 104 RFGs and 34 inquiries. The



ABCD received 33 inquiries and there were 14 pending from 2019 and earlier. It closed 24 inquiries—19 were dismissed, two were dismissed with guidance, two resulted in counseling, and one was recommended for discipline. The 127 RFGs, a record, marked the fifth year in a row in which that total has topped 100. ABCD members presented at about 13 formal meetings and webinars in 2020. As of Jan. 1, 2021, David Driscoll became ABCD chairperson, and Deborah Rosenberg and Alice Rosenblatt became vice chairpersons. ▲

Academy Executive Director Mary Downs to Retire

ACADEMY PRESIDENT TOM CAMPBELL announced that Academy Executive Director Mary Downs, who has been in that position for more than 12 years, has advised him of her intention to retire in the next several months.

“Mary is a great leader, and has served the Academy well as executive director,” Campbell said. “Under her leadership, the Academy has strengthened its position as the national actuarial association for the self-regulating U.S. actuarial profession. Because of all of her hard work and dedication, the Academy has the staff and the infrastructure to continue to serve the public and the actuarial profession for many years to come. I wish Mary all the best in this new chapter in her life.”

Downs was named executive director in August 2009, after being named interim director four months earlier. She was previously the Academy’s general counsel, beginning that position in 2006.

The Academy has retained Korn Ferry to conduct a search for a successor. Contacts there are Lorraine Lavet (Lorraine.Lavet@kornferry.com) and Becky Graham (Becky.Graham@kornferry.com). ▲



Downs

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2021

APRIL

6 Pension webinar: “[Multiemployer Pension Plan Provisions of the COVID-19 Stimulus Law: Overview and Implementation Considerations](#)”

21 Professionalism webinar: “[How to Read an ASOP—and Other Nuggets from ASOP No. 1](#)”

27 Pension webinar: “[Risk-Sharing Plan Designs—Going Deeper \(Part 1\)](#)”

JUNE

7–9 [PBR Boot Camp](#) (virtual event)

Academy NEWS Briefs

Dues Renewal Notice: Renew Today to Avoid Late Fee

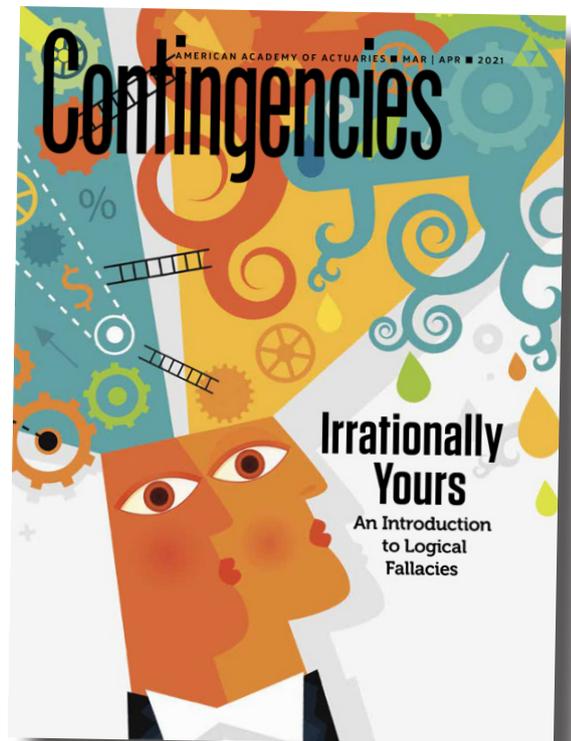
ACADEMY MEMBERSHIP DUES are due on Jan. 1 of each year. If you have not yet done so, please [log in to the membership webpage](#) now to pay your dues, print your invoice, apply for a partial dues waiver, update your contact information, or update your member profile in the Academy’s [online membership directory](#). Your dues support the Academy’s mission to serve the public and the United States actuarial profession. When you renew today, not only will you continue to receive your membership benefits, you will also avoid a 20% late fee, which will be assessed on renewals received after May 1. If you have questions or need additional information, please contact the Academy Membership Department (membership@actuary.org; 202-785-6925). ▲

Reminder: Regular Director Nominations Due April 15

THE IRS TAX-FILING DEADLINE may have moved, but the Academy’s deadline for nominations for regular directors remains April 15. Regular directors are elected to the Board of Directors by Academy membership in an online election each summer from a slate of candidates presented by the Nominating Committee. [Click here to nominate candidates](#); for more information, see the Academy’s [Nominating Committee Guidelines](#). ▲

Recently Released

IN THE MARCH/APRIL edition of [Contingencies](#), the cover story “Irrationally Yours—An Introduction to Logical Fallacies” offers a survey view of universal logical fallacies—thought distortions everyone falls victim to from time to time. Also, “Passport for Care—Patient Access, Quality, and Innovation Around the World” explores patient access, quality of care, and innovation in several countries; and “5G and Insurance—A Match for the Ages?” looks at how the latest wireless paradigm is expected to shake up the business landscape, including that of the insurance world. Plus, Tom Campbell’s President’s Message on reliance; Up to Code looks at the art of the possible; and the *Actuarial Job Seeker* supplement contains a new feature on the actuaries of the “Oregon Trail Generation”—look to this micro-generation for tech-savvy, adaptable leadership. ▲



For a list of all previous and upcoming Academy events, please visit the Academy’s [Events Calendar](#).

Review Your Membership Profile

To continue receiving *Actuarial Update*, *Contingencies*, and other Academy publications on time, please make sure the Academy has your correct contact information. Academy members can update their member profile, subscribe to Academy alerts, pay their dues, and review archived professionalism and public policy webinars at the [member login page](#).

Academy NEWS

Academy, Board Defeat CCA Lawsuit Challenging 2018 Bylaws Amendment

AFTER TWO YEARS OF LITIGATION funded by the Conference of Consulting Actuaries (CCA), Judge Michael Mullen of the Circuit Court of Cook County, Ill., entered summary judgment in the lawsuit in favor of the defendants—the Academy and current and former members of its Board of Directors. [Read more background here.](#)

Judge Mullen found that the Academy Board had the authority to adopt a 2018 bylaws amendment that changed the membership of the Academy's Selection Committee that appoints members of

the Actuarial Standards Board (ASB) and the Actuarial Board for Counseling and Discipline (ABCD).

“As we noted in 2018, we continue to welcome the participation of all members of the actuarial profession in the ASB and ABCD processes through the exposure periods that provide extensive notice and comment opportunities to the profession and the public,” stated Academy President Tom Campbell. “In addition, the criteria for appointments to both of those bodies is the same as it always has been, that is that members be broadly representative

of all areas of actuarial practice. No appointments are made in order to create a representative relationship for any actuarial organization or any particular actuarial practice.”

“Neither the ASB nor the ABCD can or should represent the commercial interests of any organization, employer, or individual, and the Academy remains fully committed to preserving their independence, as it is vital to the public's confidence in the U.S. actuarial profession's ability to regulate itself,” Campbell wrote in a [letter to Academy members.](#) ▲

Academy Unveils Webpage on Diversity, Equity & Inclusion

THE ACADEMY has published a [webpage on diversity, equity & inclusion](#) for members interested in learning more about our many efforts to recognize the importance of a diverse and inclusive actuarial profession and related work.

Our efforts include examination of health and health insurance systems, focusing on health disparities and contributing factors, and recognition of Black History Month, Women's History Month, and International Women's Day. ▲

THE ACADEMY AND
Diversity, Equity & Inclusion



Health Equity Work Group Releases Discussion Brief

THE ACADEMY'S HEALTH EQUITY Work Group (HEWG) released a discussion brief, [Health Equity From an Actuarial Perspective: Questions to Explore](#), that looks at health equity from an actuarial perspective. The brief serves as an introduction to the HEWG's work in the following areas: health insurance benefit design, provider contracting and network development, premium pricing, and managing population health.

“This foundational document on health equity issues begins by offering questions and topics for further exploration to help identify ways in which health benefit programs might affect health equity,” said HEWG Chairperson Annette James.

Read the Academy [news release.](#) ▲

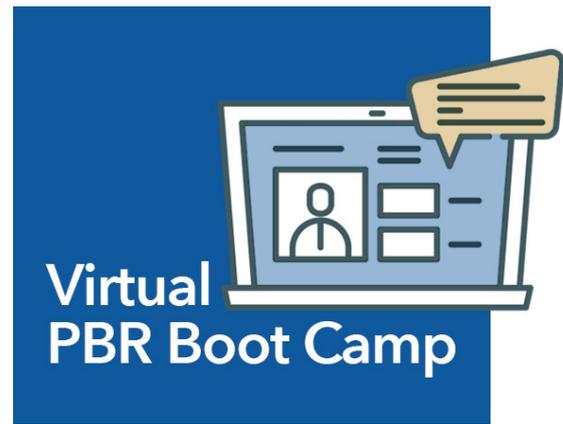
Academy Letters Address Proposed Colorado Law

THE ACADEMY SENT CASUALTY, health, and life practice-area letters regarding Colorado Senate Bill 21-169, related to the Academy's support of the goal of eliminating unfair discrimination in insurance. The letters—from the [Casualty Practice Council](#), the [Health Practice Council](#), and the [Life Underwriting and Risk Classification Work Group](#)—focus on the impacts to individual life insurance, health insurance, and property/casualty actuarial concepts and resources.

The letters outline several actuarial standards of practice (P/C); highlight the actuarial and consumer impact of limiting underwriting flexibility (life); and note that an absolute prohibition on using personal characteristics such as race, ethnicity, sex, and disability could run counter to appropriate actuarial practices and could interfere with efforts to reduce health disparities. ▲

Registration Open for June's Virtual PBR Boot Camp

THE ACADEMY'S popular [PBR Boot Camp](#) is back and open for registration. The virtual event, to be held June 7–9, features an agenda that will cover a full range of topics, especially for those who may be relatively new to principle-based reserving (PBR), to help them understand PBR requirements and to effectively operate within the now fully implemented PBR. Sessions will include external reviews of PBR, model overview and model governance, reserve change analysis and pricing projections, implementation of VM-20, mortality, additional liability assumption, reinsurance, an overview on assets, standard projection methodology, and sample reports. [Register by April 30](#) to take advantage of early rates. ▲



'Actuary Voices' Podcast Features Senior Pension Fellow Linda K. Stone

THE ACADEMY'S latest "Actuary Voices" podcast features a conversation with Academy Senior Pension Fellow Linda K. Stone, who has been with the Academy for almost two years.

With March being Women's History Month, Stone reflected on pension issues as they impact women and shared her family's experience with her mother working as a "Rosie the Riveter" during WWII.

Women's greater longevity than men, and often earning less than men in their working career, also leads to them often having more of a need for a secure retirement,

she said. The challenges are even greater for minority women, who earn less than men and who often have less access to retirement plans or home ownership.

Stone cited proposed legislative reforms as noted in the Academy's recent Social Security webinar to boost women's retirement security, and pointed to her testimony several years ago before a congressional committee about retirement issues facing women. The bipartisan nature of that hearing "was very encouraging" about reaching a bipartisan consensus around retirement issues.



"One of the highlights of this year, I hope, is going to be some bipartisan retirement legislation," she said. "The good thing is between the House and the Senate, there are proposals that will make a difference for the 50% of people who are not in retirement plans." ▲

This Month in Social Media



On Facebook, our #FactFriday shared how the Actuarial Board for Counseling and Discipline's (ABCD) Request for Guidance service can help actuaries through difficult professional problems with informal peer advice.



The ABCD handles over 100 requests for guidance a year, with requests coming from actuaries from a wide variety of practice areas, experience, and employment affiliations.



On Twitter, we shared our latest monograph and issue brief on individual equity and social adequacy as those principles apply to Social Security reform options.



On LinkedIn, we marked International Women's Day by celebrating the contributions women have made to the actuarial profession and encouraging our followers to listen to the Academy's official podcast highlighting female trailblazers such as Annette James, Laura Hanson, Shawna Ackerman, and Cathy Murphy-Barron.

Make sure you're a part of the conversation online by following us on [Facebook](#), [Twitter](#), and [LinkedIn](#). Like what you see? Help spread us the word by liking and sharing our updates.



Member Spotlight

Rhonda Ahrens

EACH MONTH, the Academy has been introducing you to an actuary who shares a glimpse about their professional lives, as well as some insight into their personal lives. Visit the [Member Spotlight page](#), part of the Academy’s “Professionalism First” hub. This month we profile Rhonda Ahrens, a faculty member of both the Life and Health Qualifications Seminar and the PBR Boot Camp, and a longtime volunteer on matters related to long-term care.

Why did you become an actuary?

After I transferred from a state college to a university, the way my credits transferred made it clear to me that I should shift my focus to pure mathematics. I had no idea what to do with such a degree, but because I was attending university in Omaha, Nebraska, my connections were littered with insurance influence, and I stumbled into an actuarial internship. Soon after, I took my first actuarial exam (while pregnant with my first child)—and I never looked back.

Describe a challenge you have overcome.

I remember a time when I “muscled” (or maybe begged) my way into a meeting with the CEO of my company when I was probably too green to be allowed in the room. My boss let me tag along; he believed in me—I guess I did do a lot of the work to prepare our team’s report to be presented, so he thought I deserved the exposure. We were asked tough questions, and I just told it how it was. Maybe a lot of people would be timid or back down, but I didn’t know the difference. My boss was surprised that I had the guts to look our senior management in the eyes and just be blunt. I think that’s sometimes what you need to do to earn respect—to show people that you aren’t going to let them fail by holding back valuable information from them. Your colleagues will appreciate that you aren’t sugar-coating things in the end.

What do you enjoy the most about being an actuary?

In 25 years, I can honestly say my job has never been boring. It has been complicated, intimidating, even frustrating, but I continue to learn and to find satisfaction in the topics that I continue to learn about. I started as a life actuary focused on annuities, learned about other life and health products along the way, found a place in the long-term care industry, and now as a chief actuary I also have exposure to property/casualty

topics. I even enjoy that I still feel intimidated by some of my work—it keeps the job interesting—and that I work with other actuaries who have different experience than me. It keeps me on my toes and shows just how much more I can learn in the next 25 years of my career.

Share something about yourself.

Most people would say that I run a lot, but I actually take pretty long breaks from serious running. I’ll use this activity, though, since my actuary friends are used to me “forcing” them to run at national meetings where we find ourselves together. I have completed eight full marathons and I have talked a lot of other people into becoming runners over time. One of my actuarial colleagues once asked me—during an 18-mile marathon training run in the Las Vegas heat—how many people I’ve convinced to become runners. We spent a few miles considering this and decided it must be over 100. I can’t prove it for sure, but I think that number may have some truth to it. My best friend is an actuary who told me about 23 years ago that she would never be a runner—and she is now forcing me to train for my ninth marathon. I guess that means I’m a runner. Other hobbies that people bring up sometimes when they tell stories about me include multiple crafts my mom taught me when I was a kid, raising chickens, and gardening.

What advice would you share with young actuaries?

I started this career with my first child in tow and had all three of my children with me in Dallas when I was handed my FSA certificate nine years later. You can do this—and it’s worth it. Find ways to get yourself invited to meetings you feel you may belong in, and don’t be afraid to do extra research so you can ask questions that nobody else is thinking of. Don’t let it be about the exams (even though you need to pass those)—make it be about embracing the work and building a passion for it. ▲

COI/CE Acknowledgments Due April 1

THE ACADEMY sent a final notice to volunteers and interested parties who have not submitted annual conflict of interest (COI) and continuing education (CE) acknowledgments late this month, noting they will no longer be able to be volunteers for their committees or work groups without the required COI/CE acknowledgments.

The acknowledgments, which are due by Thursday, April 1, are a vital element in the Academy’s culture of objectivity, and

they remind volunteers of their responsibility to participate in Academy work in a manner that maintains its high standards in providing unbiased and independent actuarial input.

For more information about the Academy’s commitment to professional objectivity, please visit the [Professional Objectivity at the Academy](#) page. Questions? Please contact the Academy’s Professionalism Department at objectivity@actuary.org. ▲

IN THE NEWS

[Next Avenue](#), [MarketWatch](#), and the [Healthcare Financial Management Association](#) quoted Senior Health Fellow Cori Uccello from the Feb. 25 webinar sponsored by the Alliance for Health Policy, “[Medicare Solvency Projections and Potential Policy Solutions](#),” on the projected depletion of the Medicare Hospital Insurance Trust Fund.

A [CNBC](#) story on the multi-employer provisions of the

American Rescue Plan Act cited the Academy’s June 2017 [issue brief](#) providing an overview of multiemployer pension system issues. The story was reprinted by [NBC Los Angeles](#) and [NBC DFW](#).

[PlanSponsor](#) cited the Academy’s October 2015 issue brief, [Retiree Lifetime Income: Choices & Considerations](#).

[Cancer Health](#) quoted Health Practice Council member Susan Pantely on the increase

of deferred preventive health care in 2020 due to COVID-19 and how that could affect cancer cases in 2021.

[My Cowichan Valley Now](#) cited the [Actuaries Climate Index](#), jointly sponsored by the Academy and other actuarial organizations, which provides a quarterly gauge of changes in extreme weather events and sea levels.

[Retirement Income Journal](#) reported on the Academy’s

March 16 Social Security reform webinar, and pointed readers to helpful resources such as the Academy’s [Social Security Game](#) and recently released [monograph](#) on individual equity and social adequacy as those principles apply to Social Security reform options.

[Think Advisor](#) reported on the Academy’s new Diversity, Equity & Inclusion [webpage](#). ▲

PROFESSIONALISM NEWS



Registration Open for April Professionalism Webinar

REGISTRATION IS OPEN for the Academy’s first professionalism webinar of the year, “[How to Read an ASOP—and Other Nuggets From ASOP No. 1](#),” coming next month.

From professional judgment to the intricacies of “should,” “should consider,” and “may,” ASOP No. 1, *Introductory Actuarial Standard of Practice*, explains

concepts important to your work as an actuary.

Join us to hear Actuarial Standards Board (ASB) Chairperson Darrell Knapp, along with ASB members Kevin Dyke and Cande Olsen, discuss aspects of this often-overlooked ASOP that every practicing actuary should know. Academy General Counsel and Director

of Professionalism Brian Jackson will moderate.

The webinar will be held on Wednesday, April 21, from noon to 1:30 p.m. EDT, and continuing education (CE) and Joint Board for the Enrollment of Actuaries (JBEA) continuing professional education (CPE) credit will be available. [Register today](#). ▲

CASUALTY NEWS



Automobile Insurance Committee Releases COVID-19 Issue Brief

THE AUTOMOBILE INSURANCE COMMITTEE released an issue brief, [Considerations for Handling Auto Insurance Data in the Era of COVID-19](#), that looks at the ramifications of the pandemic for auto insurance.

Many insurance companies have issued refunds, premium credits, dividends, or rate reductions to reflect the lower-than-previously-expected loss levels in the current policy terms, the issue brief notes. Data for 2020 will look quite a bit different than in prior—and possibly future—years and will

make interpretation difficult, it says.

While the duration, the size of the data impact, and state variations due to the virus are unknown at this point, the issue brief is intended to provide considerations that might be used by actuaries and regulators overseeing automobile insurance in this interim period.

By some estimates, miles driven in some months of 2020 declined by 30% or more, which has reduced automobile accident frequencies over this period. But the issue brief notes that some companies have

expanded coverage for delivery drivers who use their personal vehicles for deliveries (typically a commercial coverage), which could temper the effect on the decline, and certain commercial vehicles may not see a decline due to at-home deliveries or to supply grocery stores, etc.

On the severity side, claim costs may be impacted adversely due to changes in the mix of claims, due to a higher percentage of more serious incidents given that some drivers are speeding excessively on the less-congested roadways. ▲

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Life and Health Qualifications Seminar
PBR Boot Camp: Basic Training and Beyond for
Principle-Based Reserving Implementation
Seminar on Effective P/C Loss Reserve Opinions

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AMERICAN ACADEMY of ACTUARIES

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A Wealth of Professionalism Resources

PROFESSIONALISM LIES AT THE HEART of the Academy's mission. Accordingly, the Academy maintains a wealth of professionalism resources to help members keep their professionalism knowledge up to date.

First and foremost, the Academy is home to the actuarial profession's fundamental professionalism documents—the *Code of Professional Conduct* (the Code), the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* (USQS), and the actuarial standards of practice (ASOPs). The Code is, of course, the foundational document of actuarial professionalism. In 14 Precepts, it sets out “what it means for an actuary to act as a professional ... [and] identifies the responsibilities that actuaries have to the public, to their clients and employers, and to the actuarial profession.” The Code is available on the [Academy website](#), where members may also request a handy pocket-sized hard copy.

The [USQS](#) sets forth the basic education, experience, and continuing education (CE) requirements to issue statements of actuarial opinion (SAOs) in the United States. Under the USQS, actuaries have a general obligation to “keep timely records” of CE and “should be prepared to provide evidence of compliance” with the USQS (see sections 6.1 and 6.2). If you are looking for a CE tracking tool to record your CE in compliance with the USQS, the Academy provides [TRACE](#), a free online tool. Another useful qualifications tool is the [Attestation Form](#), which actuaries can use to demonstrate how they meet the USQS, for both the general and the specific qualification standards. TRACE records CE only, while the Attestation Form allows you to record all of your qualifications, including CE.

To help actuaries interpret the USQS, the Committee on Qualifications publishes an [FAQ document](#). More than 50 FAQs cover a wide range of topics including practice area, SAOs, and qualifications to issue NAIC annual statement opinions, principle-based reserves, and blended opinions. Questions on CE are so common that not only do the FAQs contain more than 20 questions on CE, but the Academy has also published an [infographic on the topic](#). If you still have a question after perusing these resources, you may [contact the Committee on Qualifications](#).

ASOPs, found on the [Actuarial Standards Board website](#), provide a roadmap for actuarial work. They indicate what an actuary should consider, document, and disclose when performing particular tasks. Exposure drafts and comments are also on the website, as is the [definitions document](#), which lists every term defined in the ASOPs, the definition, and the ASOP(s) in which it appears. Although actuaries are ultimately responsible for determining which ASOPs

apply to a particular assignment, the [Applicability Guidelines](#) can assist actuaries in making that determination. Issued by the Academy's Council on Professionalism and updated with input from the practice councils whenever a new or revised ASOP is released, the Applicability Guidelines are a handy tool that show common tasks by practice area and which ASOPs likely apply. (Unlike ASOPs, the Applicability Guidelines are not binding on actuaries.)

Two columns regularly appearing in Academy publications focus on professionalism. “[Up to Code](#),” which appears in *Contingencies*, is written by an Actuarial Board for Counseling and Discipline (ABCD) member, and “[Professionalism Counts](#)” appears in *Actuarial Update* each month. Both of these columns may also be found on [Professionalism First](#)—the Academy's online hub for professionalism resources.

One of the Academy's most popular resources is the four [professionalism webinars](#) offered each year. These webinars feature actuaries with a deep knowledge of professionalism discussing a wide variety of professionalism topics, from the basics, such as the Code and ASOPs, to more specific topics such as reliance, ethics, and uncertainty. Recorded webinars are available free of charge to Academy members. A favorite in recent years has been the annual production of “Tales from the Dark Side,” featuring issues that have come before the ABCD.

If you are in the mood for a deeper dive into the waters of professionalism, several thought-provoking papers are available. [Discussion papers](#) by the Committee on Professional Responsibility cover topics such as self-regulation, international practice, and the application of Precept 13 of the Code. In recent years, several overviews of actuarial professionalism and why it is important have been published or updated, including [Professionalism and the Practicing Actuary](#), [The Academy and the Web of Professionalism](#), and [Structural Framework of U.S. Actuarial Professionalism](#).

If, after looking through all of these, you still have unresolved questions, or find yourself in a professionalism-related quandary, you may wish to call the ABCD with a [request for guidance](#). When you request guidance, you will be connected with an ABCD member who is an experienced actuary in your area of practice for a confidential discussion. They will walk you through the parts of the professionalism standards that are relevant to your situation and help you come to a conclusion about what to do next. Many actuaries have found this an invaluable service—one that is perhaps unique to the actuarial profession.

Finally, the Academy maintains a [Speakers Bureau](#) of experienced and knowledgeable individuals who have volunteered to share their expertise on actuarial professionalism topics at actuarial club and employer meetings. ▲



Gibson Presents at Midwest Actuarial Forum

SENIOR CASUALTY Fellow Rich Gibson presented at the Midwest Actuarial Forum's Virtual Spring Meeting Webinar on March 5, giving an overview of recent property/casualty public policy developments, including presumptive benefits in workers' compensation, proposals to provide federal support for coverage in the event of business interruption brought on by pandemics, the National Flood Insurance Program, the NAIC's initiative to address race and insurance, and other issues.



Gibson

The overview drew from the Academy's comments, issue briefs, policy papers, and other efforts to inform policymakers, actuaries, and the public about the implications of, and actuarial perspectives on, key P/C issues. ▲

P/C RBC Committee Submits Major Underwriting Risk Factors Report to NAIC

THE PROPERTY AND CASUALTY Risk-Based Capital Committee issued a [major report](#) to the NAIC's Property and Casualty Risk-Based Capital (RBC) Working Group in which it presents indicated line of business underwriting risk factors for the P&C RBC Formula. This is the first in a series of three reports the committee has been developing; the second and third will focus on investment income adjustment and loss concentration factors, respectively. ▲

Actuaries Climate Index Updated With Summer 2020 Data

THE Actuaries Climate Index (ACI) has been updated with data from summer 2020, with the five-year moving average reaching a new high for the 10th consecutive quarter, now sitting at 1.23 points above the reference period of 1961–1990.

The ACI's "seasonal measure of changes in weather extremes and sea level also set a new high for the three-month summer 2020 period, at 1.81, eclipsing the previous high of 1.77 reached in the fall of 2018 and the winter of 2016–2017," said Doug Collins, chair of the Climate Index Working Group.

The ACI is jointly sponsored by the Academy, the Canadian Institute of Actuaries, the Casualty Actuarial Society, and the Society of Actuaries. [Read the news release.](#) ▲



CASUALTY BRIEFS

- ➔ **Norman Niemi** is chairperson and **Yoyo Tsai** is vice chairperson of the Cyber Risk Task Force.
- ➔ **Jeri Xu** is chairperson and **John Wiechecki** is vice chairperson of the P/C Extreme Events and Property Lines Committee.
- ➔ **Dale Porfilio** joined the Property Casualty Racial Equity Task Force.

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ASOP No. 6 Practice Note Released

THE ACTUARIAL STANDARD OF PRACTICE (ASOP) No. 6 Practice Note Work Group released a finalized practice note, [ASOP No. 6: Development of Age-Specific Retiree Health Cost Assumptions, Including Applications to Pooled and Non-Pooled Health Plans](#), to provide information on valuing retiree health benefit plans.

The practice note provides information about current or emerging practices for actuaries valuing retiree health benefit plans and, in particular, for those seeking information that may assist in their compliance with section 3.7.7 of ASOP No. 6, as revised in May 2014. ▲

HEALTH BRIEFS

- ➔ **Ian McCulla** joined the Health Equity Work Group.
- ➔ **Tony Marko** joined the Medicaid Subcommittee.
- ➔ **Robert Darnell** and **Jim Glickman** joined the LTC Reform Subcommittee.

LTC Subcommittee Releases Insurance Innovation Issue Brief

THE LONG-TERM CARE (LTC) Reform Subcommittee released an [issue brief](#) on regulatory options for LTC insurance innovation. The issue brief examines some NAIC-proposed options specific to regulatory changes and discusses recommended changes with actuarial implications.

Several LTC financing reform proposals have emerged recently, due to both the limited penetration of private LTC insurance and the increased growth in state Medicaid budgets due in part to the needs of a growing elderly population, the issue brief notes.

In a 2017 report, *Federal Policy Options to Present to Congress*, the NAIC's LTC Innovations (B) Subgroup proposed options for financing reform; the issue brief examines some of those proposed options specific to regulatory changes and discusses recommended changes with actuarial implications. ▲



Senior Life Fellow Bennett Testifies Before Texas House Committee on Insurance

SENIOR LIFE FELLOW Nancy Bennett testified virtually before the Texas House Committee on Insurance during a March 2 informational hearing. She gave an overview on the Academy's mission and the actuarial profession's role in insurance across practice areas. She also addressed the significance of actuarial professionalism and the role of the actuary in public policy.

"Actuaries are a knowledgeable and valuable resource to regulators and policymakers as they develop laws, regulations, and rules for the insurance and retirement industries," Bennett told the committee.

Her remarks highlighted the Academy's work on COVID-19's effect on automobile insurance, business interruption insurance, and how the pandemic could affect 2022 health insurance premiums.

She discussed the increased use of Big Data in insurance underwriting, artificial intelligence, and other ways to enhance efficiency.

Other witnesses presented from the perspective of the state Department of Insurance and on the state's recent snowstorms and power-grid outages. ▲



COMMITTEE ON INSURANCE

LIFE BRIEFS

- ➔ **Nkenge Blue, Matthew Forrest Gabriel, and Dave Sandberg** joined the LPC Diversity, Equity & Inclusion Task Force.
- ➔ **Donna Megregian** joined the PBR Implementation Work Group.
- ➔ **Jeff Roscoe** joined the Annuity Reserves and Capital Work Group.
- ➔ **Michael Villa** joined the Non-Guaranteed Elements Work Group.



Work Group Releases Summary on PBR, VM-22

THE ANNUITY RESERVES AND CAPITAL WORK GROUP submitted a [summary](#) of the differences between the Academy-proposed non-variable annuity PBR framework

proposal exposed by the NAIC's VM-22 Subgroup in October 2020 and the current framework for Valuation Manual (VM)-21 (variable annuity PBR). ▲

Life Work Groups Comment to NAIC

SEVERAL LIFE PRACTICE COUNCIL work groups commented to the NAIC:

- ▲ The C1 Work Group submitted a [comment letter](#) to NAIC's Life Risk-Based Capital (LRBC) Working Group, including an update to previously proposed base bond factors and companion portfolio adjustment formula to reflect corporate tax rates enacted by the *Tax Cuts and Jobs Act of 2017* for the LRBC formula.
- ▲ The C1 Work Group also [submitted comments](#) to the LRBC Working Group on the exposed Jan. 21 proposal to restate the capital requirements for real estate in the LRBC formula.
- ▲ The Economic Scenario Generator (ESG) Work Group sent a [comment letter](#) to the NAIC's Life Actuarial Task Force (LATF) regarding its recent ESG exposures. ▲

March Is Women's History Month

LEARN MORE ABOUT LEADING WOMEN from the Academy and their experiences shaping the actuarial profession by watching our video, "[A Great Career for a Man?](#)" which includes interviews with leading women from the Academy. ▲

#WomensHistoryMonth



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Actuarial Update

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Pension Webinar Looks at Social Security Reform Options

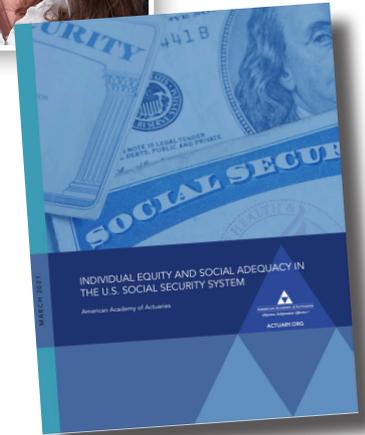


Kemp

THE ACADEMY PRESENTED a March 16 webinar, “Social Security Reform Options Through the Lens of Individual Equity and Social Adequacy Considerations,” in which three presenters from the Social Security Committee discussed potential reform issues, including proposals made in recent years to address the program’s projected looming trust fund shortfall and more recently options put forward by President Biden. Presenters were Social Security Committee Chairperson Amy Kemp and Past Chairpersons Janet Barr and Ron Gebhardtshauer. Senior Pension Fellow Linda K. Stone moderated.

The committee released two publications last week which were largely the basis for the webinar—a monograph, [Individual Equity and Social Adequacy in the U.S. Social Security System](#), and an issue brief, [Individual Equity and Social Adequacy: A Principle-Based Study of Social Security Reform Proposals](#).

“Individual equity and social adequacy are both essential to the success of Social Security,” Kemp said, “Balance between the two has changed as the system has evolved.” [Slides and audio](#) are available free to logged-in Academy members. ▲



Two Pension Webinars Set for April

CONTINUING EDUCATION and Joint Board for the Enrollment of Actuaries continuing professionalism education credit will be available for two Academy pension webinars set for next month:

“[Multiemployer Pension Plan Provisions of the COVID-19 Stimulus Law: Overview and Implementation Considerations](#)” will be held on Tuesday, April 6, from noon to 1:30 p.m. EDT. This webinar will look at the multiemployer-plan provisions of the recently enacted *American Rescue Plan Act of 2021* and discuss the roles of the Department of the Treasury and the Pension Benefit Guaranty Corporation.

Presenters will be former Academy Pension Vice President Josh Shapiro, Multiemployer Plans Committee Chairperson Christian Benjaminson, and Multiemployer Plans Committee Vice Chairperson Joe Hicks. Senior Pension Fellow Linda K. Stone will moderate.

“[Risk-Sharing Plan Designs—Going Deeper \(Part 1\)](#)” will be held on Tuesday, April 27, from noon to 1:30 p.m. EDT. This webinar is the first of a two-part series to explore this topic in depth.



The second part will present a soon-to-be-released Academy practice note on the details of how to value these types of plan designs for funding and accounting purposes. Members from several Pension Practice Council committees will present: Lee Gold, Retirement System Assessment and Policy Committee; Mariah Becker, Multiemployer Plans Committee; and Tom Vicente, Public Plans Committee. Pension Committee member Rachel Barnes will moderate. ▲