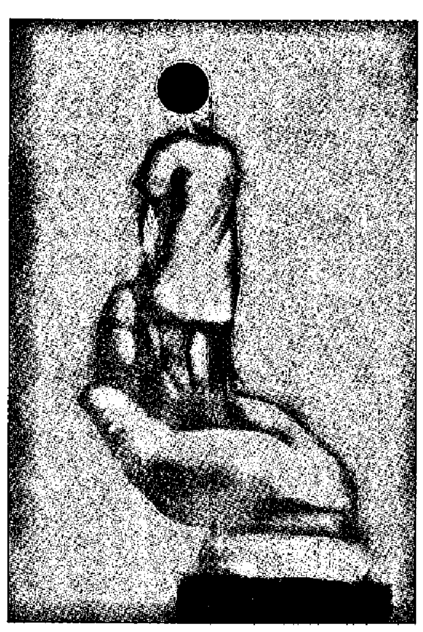
THE ACTUARIAL UPDATE

VOLUME 28 • NUMBER 3 AMERICAN ACADEMY OF ACTUARIES MARCH 1999

Consider Cost of Patient Protection Legislation, Academy Tells Congress

Congress should assess the cost implications of patient protection legislation as it considers bills to regulate the use of managed care in health insurance, according to *Patient Protection and Managed Care*, an issue brief released in January by the Academy Managed Care Reform Work Group. "Employers are sensitive to any increases in health care costs and may choose to drop health care coverage if legislative changes dramatically raise premium costs," the work group stated. "The benefits to consumers from patient protection legislation must be weighed against the possibility that access to affordable coverage will be reduced."

The 106th Congress is expected to consider legislation to address a number of managed-care issues including a requirement for independent panels to review grievances filed by health plan members, restrictions on gag clauses and certain types of provider incentive payments and allowing members the right to sue plans over health care decisions. A number of managed care bills have already been introduced this session. During January 12 Capitol Hill visits, Academy Health Practice Council members distributed the issue brief to the staff of key congressional health policy leaders, as well as the Congressional Budget Office and Congressional Research Service.



Patient protection legislation may lead to increased costs by mandating benefits. "If mandates are required only for fully insured health plans, it may push employers to self-insure their health coverage in order to avoid the expectation of higher costs for providing health care to their employees," the issue brief stated. "Mandated benefits may increase costs to members when health plans are required to provide benefits and services not previously covered. The inclusion of mandated benefits in health plans may require employers and enrollees to pay for coverage they might not want, or cause them to drop coverage."

One option for consumers is point-of-service plans. The issue brief noted an item of concern to some: "Point-of-service mandates may result in adverse selection that will segment enrollment in health plans and drive up costs, causing health coverage to be less accessible."

Most health plans offer consumers a way to air their grievances or complaints about the plan and coverage for services. Legislative debate involves the question of whether enrollees in a plan should have the right to submit disputes to an external review process outside control of the health plan. The issue brief stated: "The use of external appeals may increase administration and claim costs for health plans. Limiting external review to more serious claims, such as those in excess of a specific dollar amount, could help contain such costs. In addition, requiring even a nominal fee to be paid by the member for participating in the external grievance process may help in limiting the number of marginal appeals."

Patient protection bills also seek to limit provider incentives that are viewed as inhibiting patient access to necessary medical care. The issue brief notes: "Proposals to eliminate or limit incentives available to physicians and hospitals practicing under managed care contracts may increase premiums, depending on how effective those incentives have been in shifting risk from the health plan to the provider."

The members of the Managed Care Reform Work Group are: Alfred A. Bingham Jr., Alan D. Ford, James Gutterman, William P. McNamar, Donna C. Novak, Mary P. Ratelle, Geoffrey Sandler and Gordon Trapnell.

The complete text of the issue brief is posted on the public policy section of the Academy's Web site (www.actuary.org/public.htm). To get to the issue brief directly, go to www.actuary.org/briefs.htm.

WEB SITE NEWS

Health Newsletter, ASB Definitions New on Academy Web Site

Health Practice News debuts on the Academy Web site (www.actuary.org) this month. The quarterly newsletter reports on Academy activity in the health field, legislative issues, NAIC initiatives and other health-related events. Users can download the newsletter from www.actuary.org/public.htm. Comments, questions or suggestions for future articles should be directed to Tom Wilder, assistant director of health policy (wilder@actuary.org).

CareerMoves (www.actuary.org/career.htm) has provided a jump in popularity for the Web site, receiving about 300 hits a week. The online job bank, which is part of *Contingencies*, is a convenient way for actuaries to find out about job openings around the country and the world. Actuarial openings in every practice area and level of experience are listed on the site, which is updated frequently to include the latest positions. To post a job opening, please contact Lee Jernstadt, *Contingencies* assistant editor, by e-mail at jernstadt@actuary.org.

A list of definitions from actuarial standards of practice is now available at www.actuary.org/standard.htm. The list is intended to aid actuaries in keeping uniform definitions of actuarial terms and was prepared by volunteers and staff of the Actuarial Standards Board.

IN BRIEF

1999 Wooddy Scholarships

The Actuarial Education and Research Fund (AERF) announces the 4th Annual Wooddy Scholarship Program. John Culver Wooddy, a distinguished former actuary active in a number of actuarial fields, earmarked funds in his estate for scholarships for actuarial students.

Undergraduate students who will have senior standing (or equivalent) in the semester after receiving the scholarship are eligible. Students must rank in the top quartile of their classes and have successfully completed one actuarial examination. Students must be recommended by a professor from their schools. There is a limit of one application from any one school.

Four scholarships of $2,000 each will be awarded for academic year 1999 – 2000. Applications must be received by AERF by June 30.

Students must complete an application and write a brief essay as part of the application process. The student should then submit the completed application and essay to a professor at the student's school. Scholarship winners will be notified by August 31.

Academy Happenings

Senior Pension Fellow Ron Gebhardtsbauer and Public Policy Director John Trout recently met with the new head of the U.S. General Accounting Office (GAO), Comptroller General David Walker, to discuss GAO-Academy working relationships. Walker expressed interest in working with the actuarial profession and stated his intention to revitalize the office of GAO chief actuary.

• Senior Pension Fellow Ron Gebhardtsbauer appeared on *"Boston Commons,"* a New England public affairs program, taped February 17 at NBC-TV's studio in Washington, D.C. Gebhardtsbauer discussed Social Security reform in light of President Clinton's proposals to use general revenue surplus funds to shore up the Social Security trust fund. Joining the senior fellow was Peter Ferrara of the Washington-based libertarian think tank, the Cato Institute. Ferrara told the audience that the time for discussing the details of policy was over and that the country should move quickly to privatized Social Security individual accounts. Gebhardtsbauer replied that no reform of Social Security was without cost, either in the short-term or to succeeding generations, and that the American people should be fully informed of the price tag of all proposals.

• Members of the Health Practice Council recently met with staff of the Bipartisan Commission on the Future of Medicare to discuss the commission's work. Included in the meeting were Tony Hammond, Academy Vice President for Health Jim Murphy, Donna Novak, Harry Sutton, John Trout, director of public policy and Tom Wilder, assistant director of health policy.

• As a follow-up to a January 27 Academy letter sent to the Hill regarding H.R. 10 (see February *Update*, In Brief, Page 2), two separate meetings were held on February 18 with Linda Lord, a banking staffer working under Sen. Phil Gramm, R-Texas, on his Senate Banking Committee, and Tim Aiken, who works on banking issues on the staff of Rep. James Moran, D-Va., a cosponsor of H.R. 10. Representing the Academy were Policy Analyst Alison Kocz, Vice President of Financial Reporting Larry Johansen and General Counsel Lauren Bloom.

AERF Research Conference

Drake University and the Principal Financial Group will jointly host the 34th Actuarial Research Conference, August 8 – 11, in downtown Des Moines, Iowa. The conference traditionally has been the central meeting for North American academics and researchers interested in actuarial science. The theme of this year's conference is "Building Bridges Between Theory and Practice."

The conference is co-sponsored by the Academy, Casualty Actuarial Society, Actuarial Education and Research Fund, Society of Actuaries and the four other actuarial organizations in North America. July 15 is the deadline to register for $95. Paper titles and abstracts are due from authors by June 15. Each year the papers presented at the conference are published in the Actuarial Research Clearing House (ARCH).

New Academy Office Hours

In order to better serve our members, the Academy now has extended office hours. We are open from 8:30 a.m. to 5:30 p.m., Eastern time, Monday through Friday.

FROM A GUEST PRESIDENT — STEVEN G. LEHMANN

The Code of Professional Conduct

It has been nearly six years since a common Code of Professional Conduct was adopted by the five U.S.-based actuarial organizations. A similar code of conduct was adopted at that time by the Canadian Institute of Actuaries (CIA). In the subsequent six years, many changes have taken place that affect actuarial practice. As a result, in 1997 the Joint Committee on the Code of Professional Conduct was established to determine what revisions needed to be made to the Code of Professional Conduct. Each of the five U.S.-based actuarial organizations appointed a representative to serve on this committee along with liaison representatives from the CIA and the Mexican actuarial organization, Colegio Nacional de Actuarios (CONAC).

Steven G. Lehmann

The Joint Committee has developed an exposure draft of a revised Code of Professional Conduct that has been approved by the boards of the five U.S.-based actuarial organizations for exposure to their members. You should receive this soon.

Because many actuaries have memberships in more than one of the U.S.-based actuarial organizations, it is critical that the Codes of Professional Conduct of each of these organizations be identical or virtually identical. It is also desirable that the Codes of Professional Conduct adopted by these organizations be similar to and not conflict with those of other countries (particularly Canada and Mexico) so that actuaries practicing in more than one jurisdiction will not be subject to conflicting requirements.

One of the changes that has taken place since the original common Code was developed is the reformation of the International Actuarial Association (IAA) into an organization of organizations. The IAA is encouraging the development of Codes of Professional Conduct for actuarial organizations in every country and requires each member organization to have adopted a Code of Professional Conduct consistent with the North American Code. Another development that needed to be addressed was the internationalization of the insurance and financial services businesses prompting questions about which country's standards of practice should govern in a variety of circumstances. For example, which country's standard of practice should govern for pricing of auto insurance for U.S. soldiers stationed on an Army base in Germany? Which standards should apply for the valuation of a pension plan of a U.S. company, with employees in both the U.S. and Canada?

Another reason for revision was that the Actuarial Board for Counseling and Discipline (ABCD), in its role of investigating complaints against members and providing confidential guidance to members, identified several areas where the code would benefit from revision or clarification.

The Casualty Actuarial Society Executive Council recently held a discussion about the proposed code. Several concerns were identified. One is the change in new Annotation 1-3 (old Annotation 1-2), which has been revised to state that an actuary who "pleads guilty to or is found guilty of any criminal offense" shall be presumed to have breached Precept 1 of the code. This compares to the present language, "pleads guilty to or is found guilty of any misdemeanor related to financial matters or any felony." The concern here is whether being found guilty of "any criminal offense" should be presumed to have violated Precept 1. For example, would conviction of a speeding ticket cause an actuary to have violated Precept 1? There was also a concern that, in combination with Precept 14, an actuary must report knowledge of any such criminal offense to the ABCD or CIA. Must I report another actuary in my community who was convicted of a DUI?

Another area of concern dealt with the requirement in Annotation 4-1 for an actuary to "observe applicable standards of practice that have been promulgated by a recognized professional actuarial organization for the jurisdiction in which the actuary renders professional services and to keep current regarding changes in these standards." The concern here was the difficulty of finding out what these standards might be in some foreign countries. There was also a concern raised as to whether the requirement should be disclosure of any practice outside the foreign country's standards of practice, rather than a requirement to comply.

I raise these concerns only as illustrations of the increasing complexity of international actuarial practice and our need to proceed carefully in drafting language for our code.

Despite these concerns, the CAS Executive Council recommended to the CAS Board that the proposed Code of Professional Conduct be exposed to the entire membership so that the members can express their opinions on these and other issues.

The Code of Professional Conduct is important to every practicing actuary. It is one of the hallmarks of a profession and assures the public that they can rely on actuaries for independent, objective opinions and responsible work. It is also a vital part of the discipline process as violations of the code form the basis for disciplinary action.

When you receive the exposure draft, I ask that you review it carefully. If you have comments or suggestions, please send them to the Joint Committee on the Code of Professional Conduct so that it can produce the best possible document. The Code of Professional Conduct affects the professionalism and reputation of every actuary. What could be more important?

—LEHMANN IS THE PRESIDENT OF THE CASUALTY ACTUARIAL SOCIETY.

ACTUARIAL STANDARDS BOARD

ANNE M. KOTCHEK

Exposure and Adoption — On the Beat of the ASB

The Actuarial Standards Board (ASB) has found occasion to meet twice since last October, for a one-day meeting on December 14, and a two-day meeting January 11 – 12. In December, the board discussed two proposed standards, both of which were approved for exposure. First the board reviewed a second exposure draft, *Statements of Actuarial Opinion Regarding Property/Casualty Loss and Loss Adjustment Expense Reserves*, drafted by the Subcommittee on Reserving of the Casualty Committee and presented to the board by Chairperson Bob Miccolis. The first exposure draft of this proposed standard had received 39 comment letters and 53 comment postcards. The subcommittee met frequently after the comment period ended, drafting changes in the text and providing an extensive summary of changes and the reasons for such in appendix 2 of the second exposure draft. (A condensed list of major changes also appears in the transmittal memorandum.) The comment deadline for this second exposure draft is April 1. It was distributed with the January issue of the *Actuarial Update*.

The board also reviewed a pension-related proposed actuarial standard of practice (ASOP), *Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations*, which was presented by Dick Joss. The Pension Committee would especially like readers to comment on the following issues: the general preference in the exposure draft for the use of decrements or rate tables; the introduction of the concept of assumption universe; the requirement that each specific assumption be selected so as to reasonably model the contingency being measured; the requirement that demographic assumptions not be selected so as to offset the impact of a prescribed assumption; the need to identify the format of the assumption prior to actual assumption selection; and the need to disclose the general impact of assumption changes. The comment deadline for this exposure draft is May 1. As always, this and other exposure drafts are posted on the Academy Web site (www.actuary.org).

The December meeting was also board member Dan McCarthy's last meeting. McCarthy served two 3-year terms on the ASB, and is now taking over as the Academy's vice president for professionalism. The board thanked McCarthy for his service, and welcomed new member Ken Hartwell, former professionalism vice president, at the January meeting.

January continued with the hectic pace begun in December. The ASB reviewed a proposed revision to ASOP No. 18, *Long-Term Care Insurance*, presented by Long-Term Care Task Force Chairperson Bart Munson. Fourteen comment letters and 22 postcards were received on the exposure draft. One issue that received much comment was highlighted in the exposure draft: Is it appropriate to require that claim incidence rates and claim termination rates be established separately for at least nursing home and home care benefits? In responding to these comments, the task force made several changes to section 3.2.1, "Morbidity Assumptions," including the addition of the phrase, *costs of eligible benefits*, as another element the actuary should consider in addition to claim incidence rates and claim termination rates, where appropriate, in estimating total claim costs. The board unanimously adopted the revised edition, and disbanded the task force with appreciation for its efforts.

The board approved for exposure a proposed casualty standard, *Treatment of Catastrophe Losses in Property/Casualty Insurance*. Presented to the board by Subcommittee on Ratemaking Chairperson Pat Woods and Casualty Committee Chairperson Mike LaMonica, the proposed exposure draft will provide guidance to actuaries in evaluating catastrophe exposure and in estimating catastrophe losses and associated loss adjustment expenses in property/casualty insurance ratemaking. The comment deadline is June 15.

The ASB also approved a proposal for a standard from the ASB Health Committee on liabilities and reserves other than claim liabilities. The proposed standard would apply to actuaries who work with health benefit plans, insured or uninsured; managed care organizations; government-sponsored plans; and regulatory agencies. Questions or comments should be sent to Bob Duncan at (213) 346-6173 or fax (213) 897-9761.

The January meeting closed with the adoption of ASOP No. 33, *Actuarial Responsibilities With Respect to Closed Blocks in Mutual Life Insurance Company Conversions*, presented by Godfrey Perrott, chairperson of the Life Committee task force that developed the standard of the Life Committee. The standard will apply to actuaries who perform professional services in connection with the design and operation of a closed block in conjunction with the conversion of a mutual life insurance company to a stock life insurance company, including conversion to a mutual holding company structure. The section that received the most discussion from the exposure draft was section 3.4.1, "Reinvestment Rate Assumption." The standard will be effective for any actuarial work performed or opinions issued on or after June 1.

The ASB's next meeting is April 26 – 27. The board plans to review the following drafts: *Utilization of Generally Accepted Actuarial Principles and Practices; Incurred Health Claim Liabilities; Methods and Assumptions for Use in Stock Life Insurance Company Financial Statements Prepared in Accordance with GAAP; Allocation of Policyholder Consideration in Mutual Life Insurance Company Demutualizations*; and *Valuation of Pension Assets*. A detailed agenda will be available in early April.

—KOTCHEK IS STANDARDS EDITOR FOR THE ASB.

Keep Standards Mandatory, Says ASB Chairperson

In the November 1998 issue of the *Actuarial Review*, the Casualty Actuarial Society's (CAS) newsletter, the "Random Sampler" column put forth several proposals, one of which was that "the CAS should promote voluntary standards" — that is, voluntary actuarial standards of practice. My belief is that the CAS should dismiss that proposal. This is my personal opinion, but, based on my experience as the current chairperson of the Actuarial Standards Board (ASB), I believe this viewpoint would be widely shared within the profession.

David G. Hartman

Like all professions, the actuarial profession has four key characteristics: a unique body of knowledge; a program of continuing education; a code of conduct and standards of practice; and a disciplinary process.

These characteristics are found in professions of all kinds, for example, accounting, law and medicine. We who are members of the actuarial profession must have standards if our work and our profession are to be publicly respected. Not surprisingly, the International Actuarial Association (IAA) requires actuarial associations to embody all four characteristics in their organizational structures in order to maintain or apply for membership in the IAA.

In the United States, an actuarial standard of practice (ASOP) serves as a guide to what is acceptable practice in a particular area of actuarial work. Generally, an ASOP codifies existing practice. Should an exposure draft of an ASOP propose to "raise the bar" in any respect, this proposal is highlighted. An ASOP is promulgated only after an extensive exposure process, during which comments are encouraged from all actuaries and other interested parties.

Users of actuarial work products rely on the assurance that the work behind those products conforms to standard actuarial practice. The ASOPs' authoritative guidance is the basis and support of that assurance.

However, an ASOP is not a straitjacket. The existence of a standard does not preclude experimentation and innovation, nor discourage the development of new methods and techniques. Methods are not prescribed in a standard, nor is an ASOP a cookbook on how actuaries are to do their work. In addition, ASOPs include a deviation clause that usually reads as follows: "An actuary must be prepared to justify the use of any procedures that depart materially from those set forth in this standard and must include, in any actuarial communication disclosing the results of the procedures, an appropriate statement with respect to the nature, rationale and effect of such departures."

From one perspective, ASOPs are already voluntary, as an actuary may choose to follow them or to disclose in what way his or her practice deviates from the guidance given in applicable ASOPs. But what is ultimately voluntary is the decision whether to be a member of the actuarial profession, or not. If an actuary does not like mandatory standards (to which one agrees to be bound on joining the profession), he or she can always choose to resign from the profession.

Standards are like laws and regulations; without them it is difficult to have a smoothly running society that protects the rights and interests of its citizens. Likewise, standards protect the rights and interests of both actuaries and our various publics.

We who have invested so much time and effort to become actuaries, and who benefit from being members of such a respected profession, should not support moving to voluntary standards. At the same time, I urge all actuaries to express their opinions about exposure drafts of ASOPs.

—DAVID G. HARTMAN CHAIRS THE ASB. ADAPTED WITH PERMISSION FROM THE FEBRUARY *ACTUARIAL REVIEW*.

CASUALTY NEWS

GREGORY P. VASS

Miller Speaks at Capitol Hill Auto Insurance Seminar

At a recent seminar on Capitol Hill, Michael J. Miller, chairperson of the Academy's Automobile Insurance Work Group, reiterated the Academy's conclusions that a legislative proposal to create first-party personal protection coverage, currently under consideration as an alternative to traditional automobile insurance, may not reduce costs as much as hoped by its sponsors.

On January 28 – 29, the University of Wisconsin's Auto Accident Compensation Project and the Coalition for Auto-Insurance Reform sponsored a seminar on proposed federal no-fault auto insurance reform legislation, sponsored by House Majority Leader Dick Armey, R-Texas, and Sen. Mitch McConnell, R-Ky. The seminar featured prominent supporters and critics of the auto choice proposals, from organizations such as the U.S. Chamber of Commerce and Association of Trial Lawyers of America. Miller presented talking points from the Academy issue brief *Auto Choice Reform Options*. The issue brief was widely distributed last year, and many of the seminar attendees were familiar with this Academy public statement.

The Academy's work examines the actuarial aspects of the proposed legislation, which creates no-fault, first party, personal protection coverage that reimburses insured individuals for economic loss resulting from auto-accident injuries.

Bill sponsors contend that the new coverage will reduce costly litigation; savings estimates have been as high as $246 billion over five years. However, the Academy study illustrated that cost savings may be limited because of lower-than-expected enrollment. The Academy study concluded that if insureds opt to continue with their current coverages, the estimated cost savings from this legislation may be overstated.

The Academy study also suggests that this legislation could also mean higher auto insurance costs for individuals: The issue brief stated: "The proposed system would shift those costs to the driver of the not-at-fault vehicle. Because heavy commercial vehicles typically do more damage to passenger vehicles than vice versa, the net effect of personal protection coverage will be to shift insurance costs from commercial enterprises to private individuals."

—VASS IS ACADEMY CASUALTY POLICY ANALYST.

Academy Pension Committee Members Attend Meetings on the Hill

Policy-makers should be aware that direct or indirect fixes to Social Security can have an adverse effect on the private pension system, according to members of the Academy Pension Committee who took part in their third annual meetings with congressional staff on February 8. The committee members were responding to President Clinton's Universal Savings Accounts (USA) proposal, which might encourage some employers to drop their defined benefit (DB) plans.

During their trip to Capitol Hill, Academy members stressed the importance of DB plans to Americans' retirement income security and urged policy-makers to design pension legislation that encourages the formation and growth of both DB and defined contribution (DC) plans without placing either plan at a disadvantage to the other.

The Academy met with staff members representing 14 congressional leaders including: Sen. Bill Roth, R-Del., chairman of the Senate Finance Committee, who is introducing a bill to increase IRA limits, allow catch-up contributions to defined contribution plans, increase 415 limits, allow after-tax contributions to 401(k) or 403(b) plans and increase DB funding limits; Sen. Jim Jeffords, R-Vt., chairman of the Senate Health, Education, Labor and Pension Committee (formerly Labor and Human Resources); Rep. Bill Goodling, R-Penn., chair of the House Education and Workforce Committee; Sen. Bob Graham, D-Fla.; Rep. Robert Portman, R-Ohio; and Rep. Ben Cardin, D-Md.

According to Pension Committee Chairperson Don Segal, the meetings are an opportunity for key staffers to become acquainted with issues of importance to actuaries, and to understand how the profession can be a resource to them. "In many ways, these meetings are unique for Hill staffers because it gives them an opportunity to sit down with experts and receive objective guidance on very technical issues. It also serves the Pension Committee by providing us with an idea of how to prioritize our work, based on the legislative information we gather from Hill staff. A lot of the Academy's recent success in the retirement income area is attributable to contacts we've made at past meetings," Segal said.

What did the committee learn? The consensus from Hill staff is that there will either be Social Security reform or pension simplification, but not both. At present, congressional staff is waiting to see if Social Security reform will move. If it does, count on pension simplification efforts to stay put. If enough staffers think Social Security reform will not happen this year, expect pension simplification efforts to begin. A lot of the ground work has already been laid for pension reform, with the main vehicles for action — the Portman-Cardin bill in the House and the Graham-Grassley bill in the Senate — poised for action if the Social Security reform effort fails. Congressional staff also expressed interest in cash balance, or hybrid plans, due to recent articles in the *Wall Street Journal* and *Washington Post* that were critical of the plans. Members of the committee described the characteristics of cash balance plans, and their pros and cons.

Following the meeting, members of the pension committee met briefly with Graham, following a meeting with his staff, to discuss pension reform issues. Graham thanked the volunteers and the Academy for their contributions to pension reform. In addition to Segal, the Academy group included Chet Andrzejewski, Academy Executive Director Rick Lawson, Academy Director of Public Policy John Trout and Lane West.

—RIVERA IS ACADEMY PENSION POLICY ANALYST

Survey on Professionalism

Enclosed with this issue of the *Actuarial Update* is a survey from the Academy's Committee on Professional Responsibility concerning your level of familiarity with the Code of Professional Conduct, the actuarial standards of practice and *Qualification Standards for Prescribed Statements of Actuarial Opinion*. The survey also asks about your familiarity with the activities of the Actuarial Board for Counseling and Discipline.

Please take few minutes to complete the enclosed survey. The survey was designed to be clear and easy to answer. However, if questions arise as you complete it, please make use of the space at the end of the survey to clarify your responses.

Completing the survey may raise questions concerning the actuarial profession's standards. For more information, please visit the Academy Web site at www.actuary.org.

Work Group Volunteers Needed

The Academy has been requested by the National Association of Insurance Commissioners (NAIC) to review and develop risk-based capital (RBC) factors for disability income, long-term care, stop loss and limited benefits coverages. An Academy work group expects to present short-term recommendations to the NAIC RBC Task Force at its March meeting, and is seeking additional volunteers to assist in developing longer term recommendations for these factors. Individuals with stop loss coverage experience are particularly encouraged to participate; however, individuals with varied health and life insurance experience in the above coverage areas are welcome to join the effort as well. Participants will need to be available for one or two out-of-town meetings and be able to volunteer their time through 1999.

Anyone interested in participating in this project should contact Alison Kocz at the Academy (kocz@actuary.org). Potential participants should mention specific areas of experience, such as long-term care and disability income insurance.

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THE ACTUARIAL UPDATE

ENCLOSURES

In Search Of ▪ Committee on Professional Responsibility survey ▪ ASB Exposure Draft, *Treatment of Catastrophe Losses in Property/Casualty Insurance* ▪ Revised Edition of ASOP No. 18, *Long-Term Care Insurance* ▪ ASOP No. 33, *Actuarial Responsibilities With Respect to Closed Blocks in Mutual Life Insurance Company Conversions*