

Comment 27—10/4/2020—4:49 p.m.

Comments on proposed U.S. Qualification Standards

From: Roy Goldman Ph.D., FSA, MAAA, CERA

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Note: These comments reflect my personal opinion and not those of the Society of Actuaries

1. I am pleased to see that the courses in the Society of Actuaries General Insurance track are now recognized as satisfying the Specific Qualification Standard for giving Actuarial Opinions on NAIC Property and Casualty Annual Statements.
2. Although the Qualification Standards have always used one term, Statement of Actuarial Opinion, throughout the document, I suggest that it would be clearer if we made a distinction in terminology between the opinions requiring meeting General Qualification Standard vs. those that required to meet the Specific Qualification Standard. I suggest using two different terms: General Statements of Actuarial Opinion and Specific Statements of Actuarial Opinions.

The two types of opinions are different enough that they should have different “names.” Also, it clarifies sections such as 3.2 where three years’ experience under a qualified actuary is required to issue a Statement of Actuarial Opinion. Since this is in the section dealing with the Specific Qualification Standard, one infers that this experience requirement applies only to the Actuarial Opinion in NAIC annual statements. But this statement could be taken out of context since there is no further qualification of the term “Statement of Actuarial Opinion.”

3. Regarding Section 3.2, since these qualification standards were first developed, I have argued that the three- year experience requirement working under a qualified actuary is (a) too long and (b) too biased against actuaries in small firms to be a one-size-fit-all requirement. Very experienced actuaries do not need three years to switch practice areas or attain the expertise to competently review annual statement data. I suggest that a lessor experience requirement be imposed for an actuary who has met the Specific Qualification Standard in a given area of practice and has issued opinions in that area and is now in a position to issue a Specific Statement of Actuarial Opinion in an additional area of practice.
4. At the end of the first paragraph on page 6, of course, 2033 should be 2023.