

Thank You to All of Our Sponsors!

Gold



NASSAU



TALCOTT
FINANCIAL GROUP



wtw



Global Atlantic
FINANCIAL GROUP

Silver



Bronze



Actuaries' Club of Hartford & Springfield

May 16th, 2023, Connecticut Convention Center

General Session #1 (9:15-10:15)

Fireside Chat With The SOA President

John Robinson, President & Chair, Society of Actuaries

Session Description:

Perspectives of the SOA's "First Black President".

John W. Robinson FSA 1994, FCA, MAAA is the 74th president of the Society of Actuaries.

John retired from the Minnesota Department of Commerce, the state's regulator for insurance, on July 30, 2021. He was responsible for reviewing the actuarial components of the annual statements of the life insurance companies domiciled in Minnesota, provided actuarial support for various product filings and represented Minnesota on various NAIC committees. His prior roles were OPEB valuations (6 years), life insurance (23 years), and pensions (3 years).

John served as president (2010-2013) of the International Association of Black Actuaries, and (2013-2016) on the SOA Board of Directors. He currently serves on the SOA Diversity, Equity, and Inclusion Research Advisory Committee (DEIRAC) and the DEI Task Force, a subgroup of the Life Practice Council of the American Academy of Actuaries.

His hobbies are music (plays a synthesizer and composes), sports, and travel. A committed family man, he has hosted the Robinson Family Reunion triennially (except 2020 😊) since 1996.

John holds a B.Sc. (Special) in Mathematics from the UWI, Jamaica, an M.S. in Statistics from the University of Delaware and an M.S. in Statistics from the Florida State University.

Breakout Sessions #1 (10:45-11:45)

A: History of the Annuity Industry

Jan Buchsbaum, Chief Product Officer, Nassau Financial Group

Session Description:

Looking back at other periods of economic uncertainty, we can draw some inferences about the future impact on the retail annuity industry. Typically, when volatility is high, the market drops, and bond yields increase, which leads to an overall increase in fixed annuity products with guarantees. In this session, we will walk through how the annuity industry has evolved over the last 50 years. We'll discuss some of the key drivers of change and what's different and what has stayed the same from previous cycles.

Jan Buchsbaum is the Chief Product Officer of Nassau Financial Group. In this role, he is responsible for all aspects of product development oversight of the product delivery, competitive intelligence, and pricing functions for both the Annuity and Health businesses. Jan holds a Bachelor of Science in Business from CUNY and an MBA from Georgetown University.

B: Mortality Improvement Trends by Socioeconomic Drivers

Lisa Grieco, Consultant, Oliver Wyman

Mark Spong, Senior Manager, Oliver Wyman

Session Description:

This presentation explores the results and methods for a recently published whitepaper sponsored by the Society of Actuaries titled 'Mortality Improvement Trends – Independent Analysis on Socioeconomic and Other Drivers.' This research dives deep into mortality improvement differences by socioeconomic drivers across multiple causes of death. Although COVID mortality is excluded, the mortality improvement gaps between socioeconomic groups are reasonably predictive. Practitioners may use the results to refine general population mortality improvement to a target population. This is a follow up to the presentation "Socioeconomic Factors Driving Mortality Improvement Gaps" from the Fall 2019 meeting.

Lisa Grieco is a Consultant with the Actuarial Practice of Oliver Wyman. Lisa graduated from the University of Connecticut in 2021. She pioneered the use of R-Shiny within the US Life Practice and is a leader in Oliver Wyman's emerging experience study practice, supporting both life and annuity products. Lisa is an Associate of the Society of Actuaries.

Mark Spong is a Senior Manager and leads the mortality initiative with the Actuarial Practice of Oliver Wyman. Mark is a volunteer for a number of industry groups supporting mortality and experience analysis including the Retirement Plans Experience Committee and the Individual Life Experience Committee, as well as a contributor to the SOA's COVID-19 and the Short-Term Impact on Future U.S. Mortality Expert Opinion Survey. Mark is a Fellow of the Society of Actuaries, a Chartered Enterprise Risk Analyst, and a Member of the American Academy of Actuaries.

C: SECURE 2.0 – An Overview of Requirements and Implementation Issues

John Niелands, Senior Counsel & Chief Compliance Officer – Retirement Plan Services, Lincoln Financial Group

Session Description:

This session will provide an overview of SECURE 2.0's new requirements applicable to retirement plan administrators and financial companies servicing retirement plan accounts. In addition, I will discuss some of the key implementation challenges associated with the new law and provide industry insights on how to solve them.

John Niелands is Chief Compliance Officer and Senior Counsel for Lincoln Financial's Retirement Plan Services (RPS) division. In this role, he is responsible for review, development and implementation of systems and procedures that comply with various applicable SEC, DOL and state insurance law regulations. Prior to joining Lincoln, Mr. Niелands held the position of Associate General Counsel at Interactive Brokers, one of the country's largest online broker-dealer firms. Mr. Niелands began his career in the financial industry as an attorney in FINRA's Enforcement Division.

Mr. Niелands holds a Bachelor of Science degree in Finance from Villanova University, a Juris Doctorate degree from the University of Pittsburgh School of Law and an LL.M. degree in Securities Regulation from Georgetown University Law Center.

D. PBM Contracting – What Actuaries Need to Know

Michael S. Miele, FSA MAAA, SVP of Business Development, Capital Rx

Session Description:

The PBM industry provides a necessary and valuable service to plan sponsors. But PBM's have developed a reputation for non-transparent arrangements with a myriad of contract provisions that makes it difficult to compare vendors.

This 1 hour session will give the audience a brief overview of the PBM industry and five things to look out for when working through a PBM arrangement.

In addition, this session will provide a high level overview of the drug reporting requirements under the Consolidated Appropriations Act of 2021.

Michael S. Miele is the SVP of business development for Capital Rx, a transparent PBM. Mike has spent the majority of his career in the pharmaceutical industry and has worked with PBM, Drug Manufacturers and Payors.

Breakout Sessions #2 (1:15-2:15)

A: Healthcare – Are the Odds Stacked Against You?

Kelly Ku, Business Analytics Director, The Cigna Group

Session Description:

This session will explore Social Determinants of Health (SDOH) and biases within the healthcare space - what they are, why it matters, and the path forward to make healthcare more equitable.

Kelly Ku is a Business Analytics Director at Cigna Healthcare responsible for leading valuation of Affordability Initiatives for the US Commercial Business. Prior to her current role, she has held a variety of leadership roles in functional areas across the business including positions in Medical Economics, Financial Planning & Analysis, Healthcare Pricing, and Corporate Finance. Kelly is a Fellow of the Society of Actuaries and a graduate of Cigna's Actuarial Executive Development Program (AEDP). Kelly holds a Bachelor of Science in Actuarial Science, Economics, and Statistics from the University of Michigan.

B: Impact of Economic Disruptions on Annuity Product Development and Management

Suzanne Amari, Vice President – Annuities Product Development & Management, Prudential Financial

Nicholas Carbo, Senior Principal, Oliver Wyman

David Elliott, Senior Manager, Oliver Wyman

Session Description:

An analysis of the annuity market from two perspectives: 1) risks and opportunities from the rise in interest rates and 2) how actuaries can collaborate with other teams to help adapt and benefit from change. The speakers will provide an in depth look at how the annuity market is evolving with higher rates. This will be supplemented by commentary on how actuaries help drive decisions with various stakeholders such as distribution, risk, and others.

Suzanne Amari is Vice President of Product Development and Management for Prudential's Individual Retirement Strategies business where she is responsible for delivering retirement security through compelling and innovative growth and protection solutions.

Suzanne joined Prudential in 2018 from MassMutual, where she held leadership roles in Annuities Product Development, Pension Risk Transfer, and Funding Agreement Backed Notes. Suzanne started her career with The Hartford in their executive actuarial development program.

Suzanne graduated Magna Cum Laude from Westfield State University with a bachelor's degree in mathematics. She is a Fellow of the Society of Actuaries and Member of the American Academy of Actuaries.

Nicholas Carbo is a Senior Principal with the Actuarial Practice of Oliver Wyman and is remotely based in Florida. He has over 18 years of experience working for life and annuity carriers. He has expertise with annuity products and focuses on M&A and Bermuda reporting. His experience has included product monitoring, experience studies, financial modeling, pricing, product development, and risk management.

David Elliott is a Manager with the Actuarial Practice of Oliver Wyman and is based in Seattle. He has over 10 years of experience working in the life and annuity industry. His areas of focus are fixed annuities (FA), fixed index annuities (FIA), registered indexed linked annuity (RILA) product development and reinsurance.

David joined Oliver Wyman in 2021. Prior to joining, he was leading annuity product development initiatives at Allianz. He also held a role at PPM America, where he was on the trading desk, assisting Jackson National Life with their VA GMxB riders.

C: Maximize the Value of Your Inforce Portfolio

Amanda Hug, Director, Willis Towers Watson

Jeffrey Dube, Head of Inforce Management, MassMutual

Session Description:

Many companies have “distressed” or non-core blocks of business that are a drag on earnings, return on capital, and/or internal resources. With the pressures of today's marketplace, companies are seeking efficient strategies for dealing with such business. There are a myriad of levers companies can and should consider to remedy an underperforming block of business, including but not limited to:

- New sales through cross-selling and up-selling
- Improved operational efficiency through co-sourcing or outsourcing
- Proactive customer retention efforts informed by analytics and behavioral economics
- Active management of NGEs
- Risk transfer through reinsurance/divestment options

This session will provide a high-level primer on the options available to companies with select deeper dives via case studies from actual implementations.

Amanda Hug is a Director in the Insurance Consulting & Technology practice in NYC at Willis Towers Watson focusing on litigation support, transformation, and analytics projects for her clients. In the last year, she has led the preparation and delivery of actuarial content supporting six expert reports pertaining to Cost of Insurance matters. Prior to joining Willis Towers Watson, Amanda worked at MassMutual as chief of staff to the CFO, in addition to a variety of product development and analytics roles. She graduated first in her class with an M.B.A. from the University of Chicago Booth School of Business and summa cum laude with a B.S. in Mathematics and a minor in Bible from Wheaton College (IL). Amanda is a Board Member for the Society of Actuaries, and past-president of the Actuaries' Club of Hartford & Springfield and the Actuaries' Club of Boston. She is a fellow of the Society of Actuaries and a member of the American Academy of Actuaries.

Jeff Dube joined the Finance division of MassMutual in 2020 as Head of Inforce Management. In this role, he is responsible for dividend setting strategy and implementation, Illustration Actuary support, and management of the inforce block of products. In his twenty five plus years with the company, Jeff has held several roles in MassMutual, including Life Products pricing, MassMutual International, Sales & Distribution, Worksite Strategy, Annuity Product, and Business Risk evaluation as part of Enterprise Risk Management. Jeff currently serves on the Variable Annuity Risk Committee, Actuaries for Inclusion Committee, and MassMutual's Diversity Thought Leaders Council.

Jeff holds a B.S. degree in actuarial science from the University of Connecticut, is a Fellow of the Society of Actuaries, and a Member of the American Academy of Actuaries.

D: Universal Differential Equations: An Explainable Deep Learning Framework

Daniel Doyle Data Scientist, Zoetis

Session Description:

An overview of Universal Differential Equations: what they are and how they can be applied to improve forecasting. The session will give an overview of supervised learning in general, common techniques employed, and how and in what context Universal Differential Equations improve on these techniques' shortcomings. Participants will understand how this can improve explainability and generalization of their models while leveraging advances in deep learning.

Daniel Doyle is currently working at Zoetis building the data and analytic infrastructure to support pricing of their cattle pharmaceuticals. Prior, he worked as a data scientist at Visimo and an actuary at Talcott Resolution where he built a variety of statistical and machine learning models to answer questions ranging from variable annuity policyholder behavior to risk of incident on construction sites. He gained his ASA in 2020 and has a Bachelor of Science in Actuarial Science from Robert Morris University.

Breakout Sessions #3 (2:30-3:30)

A. The State of Assumptions Management

Joe Bonazelli, Consulting Actuary, EY

Session Description:

An overview of the current state of assumptions management throughout the insurance industry highlighting industry challenges, successes, and varying levels of maturity. The speaker will cover key dimensions of assumptions management including governance, controls, data processes, and more. The discussion will also include a case study involving the walkthrough of a typical assumption lifecycle, highlighting common pain points seen throughout the industry and potential areas for improvement.

Joe Bonazelli is an actuarial consultant in the Insurance and Actuarial Advisory Services practice of EY's Financial Services Office. He has over six years of consulting experience working with varying products across life, annuity, and long term care insurance. He began his career with EY's tax actuarial team, assisting clients with compliance to Internal Revenue Code Sections 7702 and 7702A. More recently, Joe has an active role on EY's Actuarial Transformation team specializing in business integration and technology implementation including the development of automated reporting tools and enhancement of clients' assumption management processes.

B: Current Results in U.S. Individual and Group Life Insurance

Mary Pat Campbell, Vice President – Insurance Research, Conning

Session Description:

A look at recent financial results of the U.S. life insurance industry, in terms of top-line and bottom-line results, as well as group life and individual life trends. This will include preliminary results for 2022 statutory reporting, plus comments on high-level drivers through the pandemic and some forward-looking themes for the U.S. life industry.

Mary Pat Campbell, FSA, MAAA is a Vice President for Conning Insurance Research. Mary Pat covers a variety of aspects of the insurance industry for Conning, including life insurance and reinsurance, solvency, and data science/AI issues. Mary Pat is an active volunteer with both the SOA and AAA. Mary Pat is a graduate of North Carolina State University with Bachelor of Science degrees in Physics and Math, and a Master of Science degree in Applied Math from New York University.

C: Emerging Topics: Reinsurance for Capital Management and Cayman Reinsurance Landscape

Brian Spadaccino, Managing Director- Capital Advisory, Aon

Yiru (Eve) Sun, Managing Director – Reinsurance Solutions, Aon

Session Description:

Among recent emerging topics, this presentation will focus on (a) Reinsurance as a capital lever in current and future risk-based capital regimes, and (b) Cayman reinsurance market and opportunities. The first half of the presentation will talk about reinsurance's role as a powerful capital management tool and a source of capital in rating agency capital models. Discussion will focus on S&P's RBC model and potential considerations around certain reinsurance decisions. The speakers will also discuss how a reinsurance strategy helped a company support their strategic initiatives while managing the impact on AM Best rating factors. In the second half of the presentation, the speakers will talk about emerging Cayman life reinsurance market. The discussion points will include: the growth speed of Cayman reinsurance landscape, the doubt from US insurers and Cayman reinsurers' responses to these concerns, the aspects in which Cayman has been a strong offshore jurisdiction, and why Cayman market is a good alternative for asset-intensive reinsurance, and affiliates set-ups.

Brian Spadaccino is a Managing Director in Aon's Capital Advisory group where he is responsible for advising clients through rating agency criteria and capital management strategies.

Prior to joining Aon in December of 2019, Brian worked at various rating agencies, including S&P Global and A.M. Best, where he focused on a portfolio of North American Life & Annuity companies and Property & Casualty companies of varying complexities.

Brian received his undergraduate degree from Rider University with a concentration in Finance; he has an MBA from Drexel University with a concentration in Investment Management and Economics. Brian is a CFA Charterholder.

Dr. Yiru (Eve) Sun is a Managing Director at Aon and is based in Seattle, WA. In 2022 Eve joined Reinsurance Solutions team of Aon, which is one of the largest reinsurance brokers in the world. She has previously worked at Actuarial Practice of Oliver Wyman where she focused on actuarial strategy, Prophet model conversion and validation, and mergers & acquisitions. Eve also worked for New York Life and AIG, where she rotated among almost all actuarial key functions, for both Life and Annuity product lines. Eve is an FSA (2012), and obtained a PhD degree in Electrical Engineering from Princeton University.

D: Leveling Up Actuarial Experience Studies

Matt Heaphy, Manager, Oliver Wyman

Siqi (Alex) Yang, Manager, Oliver Wyman

Session Description:

Compared to legacy software like Excel and Access, open source tools like R can produce higher quality experience studies in a fraction of the time. This presentation is split into two parts.

First, Matt Heaphy will discuss “actxps”, a free, open source R package for performing experience studies that was developed last year. The discussion will include short code examples plus lessons learned as a first-time open source contributor.

Next, Alex Yang will discuss two real world case studies. The first describes how R was used to create a no-code web application for generating experience studies on-the-fly. The second discusses how R can be used to validate or benchmark an existing assumption through the fitting of GLM’s against experience data.

Matt Heaphy is a Manager with the Actuarial Practice of Oliver Wyman and is based in Hartford. He has over 15 years of actuarial experience. His areas of expertise include data science, experience studies, annuity pricing and product development, actuarial modeling, hedging, and reinsurance.

Prior to joining Oliver Wyman in 2022, Matt was Vice President and Actuary responsible for Data Analytics at Nassau Financial Group. In addition to his passion for all things data, Matt held increasingly senior roles in annuity pricing and product management during his career at Nassau.

Matt received his Bachelor of Science degree in Actuarial Science from the University of Connecticut. Matt is a Fellow of the Society of Actuaries, and a Member of the American Academy of Actuaries.

Siqi (Alex) Yang is a Manager with the Actuarial Practice of Oliver Wyman and is based in Seattle. His primary responsibilities are to provide actuarial consulting services to a variety of insurance entities and organizations. He has experience in AXIS™ model building for annuity products as well as in model validation of various life products. Prior to joining Oliver Wyman, Alex was an Actuarial Consultant at MassMutual.

Alex graduated from Carnegie Mellon University in May 2017 with a Bachelor of Science in Statistics with a concentration in Finance.

General Session #2 (4:00-5:00)

Bias and Wiggins: A Precept 1 Challenge

Jay M. Jaffe President, Actuarial Enterprises, Ltd.

Session Description:

There are 3 objectives of the session:

- Learning about personal and professional bias
- Managing bias
- Fulfilling Precept 1

I'm not going to try and change any personal or professional biases you may have, but I am going to attempt to make you more aware of bias in the hopes that you will become more attuned to your environment and better able to deal with bias both in personal and professional situations when they occur or, better yet, prevent bias.

The session will contain several bias examples that directly relate to actuarial experiences as well as personal and non-actuarial situations. Several of these examples will be taken from Benjamin Wiggins' recent book *Calculating Race*. Wiggins' examples are particularly of interest to actuaries because he cites them as examples of how actuarial skills and techniques have been used in the past.

Wiggins ends his book on a positive note. Even though his book provides examples of how actuarial science has been misused in the past, he believes that actuarial science has the potential to develop methods to share risk equitably among people. His comments pose a challenge to the actuarial profession, particularly relating to Precept 1 of our Code of Conduct. (Attendees should review Precept 1 of our Code of Conduct prior to the meeting.)

Jay Jaffe is President of Actuarial Enterprises, Ltd., Chicago, IL. His firm provides actuarial and marketing consulting services to insurance companies, banks, and insurance agencies/TPA's.

Mr. Jaffe received his undergraduate degree from Brown University in 1962 and a M.S. in 1964 from the Sloan School of Management at MIT. He became a Fellow in the Society of Actuaries and a Member in the American Academy of Actuaries in 1969. He has served in leadership positions in several actuarial organizations including two terms as Chairperson of the Society of Actuaries' Non-traditional Marketing Section and a SOA Vice President (2005-7).

Following college Jay entered the insurance business with Connecticut General Life (now CIGNA.) A few years later he joined Montgomery Ward Life where he served as Vice President and Actuary. For nearly 50 years Jay has operated his own firm.

Because of Jay's experience in both actuarial science and marketing, he provides a unique perspective to his insurance clients. He is particularly adept at developing new and innovative insurance products and programs. One of his best-known concepts is the "Dog Bone New Product Rating System" which he presented at a PIMA meeting several years ago.

In addition to being a frequent speaker at actuarial meetings, Jay has made presentations to numerous insurance and marketing conferences throughout North American, Europe, and Australia. He has been a frequent author for *Bests*, *Direct Marketing*, *The National Underwriter*, and several actuarial publications.

During the past several years, Jay has shared his knowledge and experiences of professionalism at SOA and actuarial club meetings as well as in articles. This presentation will be his third for the Actuaries' Club of Hartford Springfield. He hopes that his "legacy knowledge" will be of benefit to other actuaries.