

THE ACADEMY: PUBLIC POLICY AND PROFESSIONALISM VOICE OF THE U.S. PROFESSION

THOMAS A. CAMPBELL, MAAA, FSA, CERA
ACADEMY PRESIDENT-ELECT



AMERICAN ACADEMY *of* ACTUARIES

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ACTUARIES' CLUB OF HARTFORD & SPRINGFIELD
NOVEMBER 19, 2019

Disclaimer

Please note: The presenter's statements and opinions are his own and do not necessarily represent the official statements or opinions of the American Academy of Actuaries, any boards, councils, or committees of the Academy, nor of his employer.



Academy's Dual Mission

- The Academy has a dual mission:
 - ▣ Serve the public
 - ▣ Serve the U.S. actuarial profession
- Today's agenda is to provide you with a high-level update on Academy activities in these key areas



Public Policy



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Providing objective, independent actuarial analysis and education to the public and public policymakers



AMERICAN ACADEMY
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Issue Brief

National Retirement Policy & Principles

JULY 2019

KEY POINTS

- Securing adequate and reliable retirement income has become a growing concern for many Americans.
- Today, many Americans rely on a combination of Social Security, employer-sponsored retirement plans, and/or personal savings to fund their retirement needs. These systems are often overseen by different regulatory entities or levels of government, resulting in a complex and disjointed system.
- There is an increasing need for the establishment of a comprehensive national retirement policy that articulates guiding principles for the U.S. retirement system.

Although Americans often have disparate opinions on many issues, one issue that does enjoy widespread support is the importance of experiencing a dignified and financially secure retirement. Who doesn't want comfortable retirement years with ample time for engaging in hobbies and spending time with family? Unfortunately, the debate on retirement security has not received the attention many think it deserves. Thus, despite some concern over a looming retirement crisis, significant thought has not been put into developing a comprehensive national retirement policy.

Today, issues involving retirement security in the United States are more pressing than ever. An aging population, increasing life expectancies, and changes in the way employers provide retirement benefits serve as a backdrop and provide a catalyst to review our current retirement system. Historically, the U.S. has not had a formal national retirement policy beyond the general concept of retirement security resting on a three-legged stool of Social Security, employer-provided benefits, and individual savings.

This issue brief explores the concept of a national retirement policy, including the potential benefits of such a policy and the various topics that it might address.



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1850 M Street NW, Suite 300
Washington, DC 20036
202-223-8196 | www.actuary.org

Craig Hanna, Director of Public Policy
Linda K. Stone, Senior Pension Fellow
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JUNE 2019

WILDFIRE: AN ISSUE PAPER

Lessons Learned from the 2017–2018 California Events

American Academy of Actuaries
Extreme Events and Property Lines Committee



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Issue Brief

Surprise Medical Bills: An Overview of the Problem and Approaches to Address It

SEPTEMBER 2019

Key Points

- Surprise billing has arisen because certain medical professionals, such as emergency room doctors and ancillary service providers, have less incentive to negotiate discounted rates or join a network. As a result, patients treated at in-network facilities can inadvertently receive some services from out-of-network providers, potentially leading to balance bills and high out-of-pocket costs.
- Most surprise-billing proposals would hold consumers harmless by prohibiting balance billing and basing patient cost-sharing on in-network cost-sharing requirements.
- Potential approaches for paying providers include setting a payment benchmark and arbitration. If a payment benchmark is set below the average in-network rate, it could lead to lower provider payments and premiums and could increase the incentives for out-of-network providers to join a network. Arbitration could put downward pressure on provider rates, but it is administratively burdensome and could result in even higher provider rates if providers increase charges to put themselves in a better bargaining position.

Surprise medical billing can happen when someone seeks care at an in-network facility such as a hospital but inadvertently receives some services from providers who are out-of-network. In these circumstances patients risk higher bills, largely because out-of-network providers can balance-bill patients for any differences between their charges and what the health plan pays. In addition, patients typically face higher deductibles, coinsurance, and out-of-pocket limits for out-of-network services. These higher cost-sharing requirements are intended to provide patients incentives to use in-network providers but can penalize patients receiving out-of-network care unknowingly and through no fault of their own.

Surprise-billing instances may be a relatively small share of all health care encounters, but the consequences can be considerable for those patients affected. As a result, policymakers are seeking to address the problem by looking at ways of limiting the amount that consumers have to pay out of pocket for surprise bills and by setting up mechanisms for determining what out-of-network providers will be paid by insurers.

This issue brief provides an overview of the surprise-billing problem and provides insights on approaches to address it. The problem has arisen in large part because certain medical professionals, such as emergency room doctors and ancillary service providers, have less incentive to negotiate discounted rates or join a network in order to guarantee patient volume.



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Washington, DC 20036
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Craig Hanna, Director of Public Policy
Carl E. Liscio, Senior Health Fellow
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Providing timely, useful resources and information to members

A PUBLIC POLICY PRACTICE NOTE

Model Risk Management

May 2019

Developed by the Model Risk Management Work Group of the ERM/ORSA Committee of the American Academy of Actuaries



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What is PBR for life insurance?

PBR, or principle-based reserving, is a new method of calculating U.S. statutory reserves that better quantifies product risks.

Why is PBR needed?

The prior one-size-fits-all formulaic approach to reserves uses locked-in prescribed assumptions that tend to become stale with time. PBR replaces that with an approach that considers a range of future economic scenarios and uses justified company-specific assumptions that can change over time as company experience emerges, subject to regulatory guardrails. PBR also lessens the need for regulatory and/or legislative modifications to reserve formulas as companies develop new products or economic conditions change.

What is VM-20?

VM-20 refers to Section 20 of the Valuation Manual, which contains the PBR requirements for life insurance contracts.

Which policies are subject to VM-20?

Per Section II of the Valuation Manual (VM-II), VM-20 applies to all individual life insurance contracts issued on or after 1/1/2017 with an optional three-year transition period. VM-20 requirements do not apply to guaranteed issue, preneed, industrial life, and credit life insurance. By 1/1/2020 all applicable new issues are subject to VM-20 unless a company is exempt per the Life PBR Exemption or a Single State Exemption.

Does my company have to do PBR?

Most companies are required to comply with VM-20. Companies with small amounts of ordinary life premium are optionally exempt from the requirements. Consult your state's standard valuation law.

A PUBLIC POLICY PRACTICE NOTE

Forecasting Investment Returns and Expected Return Assumptions for Pension Actuaries

February 2019

American Academy of Actuaries
Pension Practice Council



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The unique voice of the U.S. actuarial profession internationally



JUL 2019

Academy Adopts New International Strategy

FOLLOWING AN EXTENSIVE review period, the Academy Board adopted specific strategic international goals to carry out the Academy's mission to serve the public and the U.S. actuarial profession by coordinating "the representation of the U.S. profession globally." The international goals are:

- ▲ Represent the U.S. actuarial profession in front of key supranational organizations;
- ▲ Maintain good relations and open communications with key actuarial associations;
- ▲ Monitor international developments with the potential to affect actuarial practice within the U.S. and represent the U.S. actuarial profession as needed; and
- ▲ Assist the growth and maturation of actuarial associations outside the U.S. when a) requested by the local association, and b) the resource commitment will not disrupt other Academy priorities.

By focusing on these goals, the Academy will be able to more effectively focus its international efforts on achieving its mission more directly.

There will be a number of changes as the Academy implements this international strategy. This will include identifying Academy volunteers with the ability to serve as new contacts and advisers to assist with the Academy's outreach to key international organizations, such as the International Accounting Standards Board (IASB) and the International Association of Insurance Supervisors (IAIS), whose actions have the potential to affect actuarial practice within the U.S. Dedicated staff support will help coordinate the Academy's interactions with these international bodies and with other actuarial associations around the world.

These changes reflect the Academy Board of Directors' determination that direct outreach will be more effective than the Academy's prior strategy of working through the International Actuarial Association (IAA). As these initiatives are undertaken, the Board has withdrawn from the IAA. This will free up the resources needed for redirection to the new international strategy. While the Academy appreciates its long association with the IAA, after a thorough review of both the Academy's mission and international goals, the Board of Directors has determined that maintaining membership in the IAA is no longer the most effective way of furthering the Academy's mission and relationships. ▲

Capitol Hill Briefings Focus on Multiemployer Pension Crisis

THE ACADEMY hosted two standing-room-only pension briefings on Capitol Hill this month that featured expert panelists from the Multiemployer Plans Committee of the Pension Practice Council, providing essential background on the multiemployer pension crisis and its current state.

These briefings were the first two of three in the Academy's "Multiemployer Pension Crisis: A 360-Degree Look at the Issue and Potential Reforms" series that is intended to give attendees—including congressional staff members, as Congress considers related legislation—a solid foundation of the past, present, and potential future of multiemployer pension plans.

SEE BRIEFINGS, PAGE 9

2

Pa. Insurance Commissioner Jessica Altman to Speak at Annual Meeting

3

Online Election of Regular Directors Begins Aug. 8

5

Professionalism Webinar Looks at Big Data

6

Professionalism Counts—Precept 13: Essential to the Actuarial Profession

The July 22 pension briefing drew a capacity crowd on Capitol Hill

THE NEWSMONTHLY OF THE AMERICAN ACADEMY OF ACTUARIES

Actuarial UPDATE



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Keeping membership up-to-date on cutting-edge public policy and professionalism issues

LIFE PERSPECTIVES

Fall 2019
Vol 2 | No. 4

Checking in on the PBR Checklist



Rudolph

The Life Practice Council's PBR Checklist Task Force released a new document titled "What is PBR for Life Insurance?," just a few months before the Jan. 1 deadline for companies to adhere to the principle-based reserving (PBR) requirements under the Valuation Manual Section 20 (VM-20). Most companies are required to comply with VM-20, although companies with small amounts of ordinary life premium are optionally exempt from the requirements.

The document was put together at the request of the task force's parent group, the PBR Governance Work Group, which wanted a summary of the critical elements of PBR, said Karen Rudolph, chairperson of the PBR Checklist Task Force. The audience is intended to be people who are not-so-familiar with PBR specifically, and VM-20 and the Valuation Manual in general, she said.

"When an internal actuary who's responsible for valuation or pricing is called up to a senior management meeting to discuss this issue, they can use this document as a primer for the executive set," Rudolph said of the four-page document.

"Actuaries close to the specifics of PBR are going to find this document helpful in bringing others up to speed without slogging through the details," she said. "I think it's a good summary, and if it helps them in their job to communicate up to senior management and/or folks not as close to the topic as they are, then our task force has done its job. I worked with a great team consisting of Nadeem Chowdhury, Jason Kehrberg, Linda Lankowski, Reanna Nichol森 and Benjamin Slutsker."

The document includes a pyramid graphic showing qualified actuaries at its base, going up to senior management, and topped by a board that oversees the entire PBR process.

"This structure is indicative of the responsibilities within a life insurance company," Rudolph said. "Being at the bottom doesn't necessarily mean less important—in fact, the real estate at the bottom covers more ground. The qualified actuaries will spend more time on a day-to-day basis working with VM-20 and its impact than the board members at the top of the pyramid."

Qualified actuaries will report up to senior management in the middle, who in turn have the responsibility to both direct the implementation and communicate up to the board members at the top. Senior managers "need to direct the implementation [of PBR] and the ongoing operations of the valuation, and make sure the qualified actuary has the resources that he or she needs to calculate the new statutory valuation paradigm,"

In This Issue

- Academy Presents at NAIC Summer Meeting
- PBR Boot Camp Sessions Set for December
- Annual Meeting and Public Policy Forum
- Group Comments on VM-51
- Life Groups Comment to NAIC Legislative/Regulatory Update
- In the News

NOVEMBER 5-6
WASHINGTON, D.C.
2019
REGISTER

Life Agenda Highlights for Next Month's Annual Meeting and Public Policy Forum

Several key life topics will be the subject of breakout sessions at the Academy's Annual Meeting and Public Policy Forum, Nov. 5-6 in Washington, D.C. Register today.

THE RETIREMENT REPORT



CASUALTY QUARTERLY



AMERICAN ACADEMY OF ACTUARIES

Health Check

A monthly report from the Academy on health care reform



Professionalism



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U.S. Qualification Standards (USQS)

- Precept 2 of the *Code of Professional Conduct* states in part that:
“An Actuary shall perform Actuarial Services only when the Actuary is qualified to do so on the basis of basic and continuing education and experience, and only when the Actuary satisfies applicable **qualification standards.**” (emphasis added)
- The USQS applies to members of all five U.S.-based actuarial organizations (Academy, ASPPA/ACOPA, CAS, CCA, and SOA)
- The USQS sets forth qualification requirements for actuaries practicing in the U.S.



USQS Structure

- Section 1. Introduction (including definitions)
- Section 2. General Qualification Standard
 - ▣ Basic Education and Experience Requirements
 - ▣ Continuing Education Requirements
- Section 3. Specific Qualification Standards (when necessary)
- Section 4. Changes in Practice and Application
- Section 5. Acknowledgement of Qualification
- Section 6. Recordkeeping Requirements



U.S. Qualification Standards—SAO

- USQS defines a **Statement of Actuarial Opinion (SAO)** as having two components:
 - (i) an opinion expressed by an actuary in the course of performing actuarial services; and
 - (ii) an opinion that is intended by the actuary to be relied upon by the person or organization to which it is addressed.

PROFESSIONALISM COUNTS

An SAO by Any Other Name

By ANDREA SWEENEY
Chairperson, Committee on Qualifications

I AM CERTAIN THAT WILLIAM SHAKESPEARE was not thinking about the U.S. Qualification Standards (USQS) or statements of actuarial opinion (SAOs) when he penned Juliet's famous line "What's in a name? That which we call a rose / By any other word would smell as sweet."¹ Neither was Gertrude Stein, when she declared in 1913 that a "Rose is a rose is a rose is a rose."² But the principle underlying these famously floral examples of the logical law of identity is one that actuaries can learn from: Whether an opinion expressed by an actuary is an SAO depends on the substance of the opinion, not on what the actuary calls it.

Precept 2 of the Code of Professional Conduct (Code) states that an actuary "shall perform Actuarial Services... only when the Actuary satisfies applicable qualification standards." According to the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, "Actuaries who issue Statements of Actuarial Opinion when rendering Actuarial Services in the United States are required by the Code... to satisfy these Qualification Standards."³ For this reason, any actuary who is subject to the Code should understand what an SAO is.

The USQS provides a two-prong definition of an SAO. It is (i) "an opinion expressed by an actuary in the course of performing Actuarial Services"; and is (ii) "intended by that actuary to be relied upon by the person or organization to which the opinion is addressed."⁴ The USQS, and the answers to [Frequently Asked Questions](#) (FAQs) provided by the Academy's Committee on Qualifications (COQ), contain important information on how to identify the elements of the SAO.

How have these two prongs been interpreted?

First, an SAO "must be based on actuarial considerations,"⁵ and not merely involve numbers or calculations. FAQ 17, for example, explains that if an actuary states "the health care trend you have experienced is 10 percent," based on compiled data alone without any actuarial considerations, the statement is not an SAO. By contrast, if an actuary states that "the expected health care trend for your commercial business for next year is 10 percent," the statement would likely be an SAO because it involves actuarial considerations.

Second, the actuary must intend for the opinion to be relied upon by the person or organization to which the opinion is addressed. If the actuary does not intend for the actuary's principal to rely upon the opinion, the actuary must clearly state this. However, even labeling an opinion "not to be relied upon" or a "draft" does not prevent reliance. Appendix 1 states, "if there is a reasonable likelihood that the Principal will rely on the draft regardless of intent, that is an indication that the draft is an SAO."⁶ If an actuary holds a position that is "non-actuarial in nature" or has "non-actuarial aspects," the USQS are not intended to apply to oral or written statements issued "by virtue of the positions they hold and not because they are actuaries."⁷

As the parsing of the elements of an SAO illustrates, the definition of an SAO in the USQS is very broad. SAOs can be written or oral. They can include internal or external company communications. They can be provided for compensation or gratis. They do not depend upon the status of the actuary as "working" or "retired." Appendix 1 of the USQS describes SAOs and lists some examples of commonly issued opinions and work products and whether they are likely to be considered SAOs. Appendix 1 also describes generally what types of actuarial work involving government or other public sector actuaries may be considered SAOs.

As former Academy President Tom Wildsmith summarized, "Some might misunderstand this term [SAO] to be limited to a formal statement filed with a regulator—nothing could be further from the truth. A simple rule of thumb is that if I perform work that someone else relies on because I am an actuary, then the USQS likely apply."⁸

Given the breadth of the definition and the fact that issuing even a single SAO requires compliance with the USQS, actuaries should ensure that they meet the USQS requirements. As the COQ stated in FAQ 15 regarding the interpretation of "gray areas," "the Committee recommends that practicing actuaries endeavor to meet the USQS rather than expending time and energy trying to find interpretations that support exemption from the USQS." An SAO is an SAO is an SAO is an SAO. ▲



FOOTNOTES

¹ Romeo and Juliet, Act II, Scene 2.
² From the poem "Sacred Emily."
³ USQS, Section 1.
⁴ USQS, Section 1.
⁵ Appendix 1, 1(d).
⁶ Appendix 1, 1(b).
⁷ USQS, Section 1.
⁸ Contingencies, September/October 2016, p. 24.

U.S. Qualification Standards and Tools

The screenshot shows the website's navigation structure. At the top, there are two main tabs: "PUBLIC POLICY" and "PROFESSIONALISM". Below these are sub-tabs: "ABOUT US", "MEMBERSHIP", "NEWSROOM", "INTERNATIONAL", and "PUBLIC DISCIPLINE". A "Printer-friendly version" link is visible. The main content area is titled "U.S. Qualification Standards" and includes a paragraph about the 2008 revision. Below this are four links, each with a red arrow pointing to it: "U.S. Qualification Standards (in effect as of Jan. 1, 2008)", "Which CE Requirements Apply to Me? Infographic (October 2013)", "FAQs on the U.S. Qualification Standards", and "Submitting Additional Questions (use the online form to submit your additional questions about the U.S. Qualification Standards)". On the right side, there are logos for the "Actuarial Board for Counseling and Discipline" and the "Actuarial Standards Board", followed by a "QUICK LINKS" section with a list of links: "Find an Actuary", "Academy Committees", "Board Election Center", "Code of Professional Conduct", "U.S. Qualification Standards", "Volunteer", "Profession-wide Search", and "Additional Links".

- CE Infographic
- 53 FAQs
- Submit Questions



Attestation Form

- ❑ <http://attest.actuary.org>
- ❑ Show how you meet
 - ▣ General Requirements
 - ▣ Specific Requirements
- ❑ Printable
- ❑ Can complete multiple attestations for multiple SAOs
- ❑ Can download complete attestation package (form and attachments)



Actuarial Standards of Practice (ASOPs)

- Precept 3 of the *Code of Professional Conduct* states in part that:
 - “An Actuary shall ensure that Actuarial Services performed by or under the direction of the Actuary satisfy **applicable standards of practice.**” (emphasis added)
- ASOPs provide:
 - ▣ Guidance to practicing U.S. actuaries when they do the work; and
 - ▣ Documentation of then-current practice in the event of a later dispute



Structure of ASOPs

Cross-Practice ASOPs

ASOP 1 Introductory ASOP
ASOP 41 Actuarial Communication

ASOP 12	Risk Classification
ASOP 17	Expert Testimony by Actuaries
ASOP 21	Responding to or Assisting Auditors...
ASOP 32	Social Insurance

ASOP 23	Data Quality
ASOP 25	Credibility Procedures
Exposure	Modeling
Exposure	Setting Assumptions

Practice-Specific ASOPs

Casualty

ASOP 13, 19,
20, 29, 30, 36,
38, 39, 43, 53

ERM

ASOP 46, 47,
55

Health

ASOP 3, 5, 6,
8, 11, 18, 19,
22, 26, 28, 42,
45, 49, 50

Life

ASOP 2, 7, 10,
11, 14, 15, 19,
22, 24, 33, 37,
40, 48, 52, 54

Pension

ASOP 4, 6, 27,
34, 35, 44, 51



Applicability Guidelines

PUBLIC POLICY | **PROFESSIONALISM**

ABOUT US | MEMBERSHIP | NEWSROOM | INTERNATIONAL | PUBLIC DISCIPLINE

Applicability Guidelines For Actuarial Standards Of Practice

[Printer-friendly version](#)

Introduction to the Applicability Guidelines

The five U.S.-based actuarial organizations have Codes of Professional Conduct that require their members to satisfy applicable actuarial standards of practice (ASOPs) when providing actuarial services. ASOPs are authoritative guidance for actuaries practicing in the U.S. and are issued by the Actuarial Standards Board (ASB).

The guidelines are updated periodically. The actuary is responsible for keeping current with changes to the ASOPs and determining that professional services rendered by the actuary or under the actuary's supervision satisfy the current version of each applicable ASOP. Please send suggestions for improving these guidelines (such as additional areas of practice that might be covered) to the Council on Professionalism at ApplicabilityGuidelines@actuary.org.

- For the current Applicability Guidelines, click [here](#)

QUICK LINKS

- Find an Actuary

The Social Security Game

Actuarial eLearning Center

PAL Pension Assistance List Volunteer

The Academy Celebrates 50 Years

- Suggest which ASOPs might apply to common tasks
- Listed by practice area
- Nonbinding
- Access downloadable file at bottom of page

Recent Exposure Drafts

- ASOP No. 32, *Social Insurance*
 - Comment deadline was Feb. 1, 2019
- Modeling (fourth exposure)
 - Comment deadline was May 15, 2019
- ASOP No. 22, *Statements of Actuarial Opinion Based on Asset Adequacy Analysis for Life or Health Liabilities*
 - Comment deadline was June 1, 2019
- ASOP No. 2, *Nonguaranteed Elements for Life Insurance and Annuity Products*
 - Comment deadline: July 15, 2019
- Setting Assumptions (second exposure)
 - Comment deadline: July 31, 2019



Recent Exposure Drafts

- ASOP No. 35, *Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations* (second exposure)
 - Comment deadline was Sept. 15, 2019
- ASOP No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations* (second exposure)
 - Comment deadline was Sept. 15, 2019



Recently Effective ASOPs

- ASOP No. 54, *Pricing of Life Insurance and Annuity Products*
 - Effective Date: Dec. 1, 2018
 - October 2014, ASB Life Committee distributed a Request for Comments regarding an ASOP focused on life insurance and annuity pricing
 - Sixteen comment letters were received; most supported the drafting of such an ASOP
 - Due to the pricing of products being one of the most important functions actuaries perform, ASB Life Committee and ASB believed the profession would be well served by an ASOP providing guidance regarding life insurance and annuity product pricing



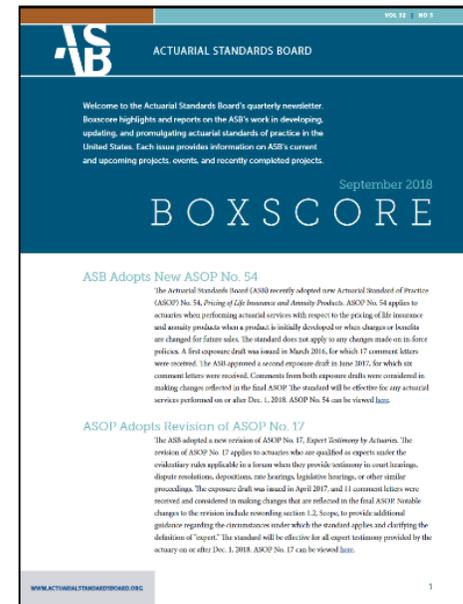
Recently Effective ASOPs

- ASOP No. 55, *Capital Adequacy Assessment*
 - Effective Date: Nov. 1, 2019
 - Provides guidance to actuaries when performing professional services with respect to an evaluation of the resiliency of an insurer through a capital adequacy assessment
 - Applies to actuaries involved in capital adequacy assessment work for life or health insurers (including fraternal benefit societies and health benefit plans), property and casualty insurers, mortgage and title insurers, financial guaranty insurance companies, risk retention groups, public entity pools, captive insurers, and similar entities or a combination of such entities, when affiliated



ASB Annual Report and Boxscore

- ASB Annual Report
- *Boxscore*: ASB Quarterly Newsletter
 - Announcements of
 - Exposure drafts
 - Final standards
 - Status of ASOPs under revision
 - Meeting dates
 - Other ASB news



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The Actuarial Board for Counseling and Discipline (ABCD)



- Two primary functions
 - Respond to requests for guidance (RFGs) on professionalism issues
 - Consider complaints about possible violations of the Code



Disposition of Matters Brought Before the ABCD

Since its inception in 1992, the ABCD has completed cases as follows*

Dismissed	339
Dismissed with Guidance	90
Counseled	73
Mediated	12
Recommended Private Reprimand	6
Recommended Public Discipline	43
Request for Guidance	1,284
Total	1,847

*As of summer 2019



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ABCD Cases by Practice Area

		2014	2015	2016	2017	2018
New	Casualty	3	4	3	5	1
	Health	1	4	0	5	5
	Pension	30	8	12	10	3
	Life	1	3	4	2	4
	Total	35	19	19	22	13
Resolved	Casualty	5	3	6	0	1
	Health	1	2	2	2	7
	Pension	31	7	6	8	11
	Life	0	3	0	5	3
	Total	37	15	14	15	22



Major Issues by Precept (2018)

Major Issue Alleged	Discipline	Counsel	Dismiss	Total
Precept 1: Failure to act with integrity	1	4	2	7
Failure to perform services with competence	1		1	2
Calculation or data errors	1		1	2
Other errors in work	1			1
Failure to uphold reputation of profession	1	4	1	6
Precept 2: Performing work when not qualified				
Precept 3: Work fails to satisfy an ASOP		4	5	9
Use of unreasonable assumptions		4	2	6
Precept 4: Inadequate actuarial communication	1	4	5	10
Precept 5: Failure to identify Principal				



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Major Issues by Precept (2018)

Major Issue Alleged	Discipline	Counsel	Dismiss	Total
Precept 6: Failure to disclose				
Precept 7: Conflict of interest				
Precept 8: Failure to take reasonable steps to prevent misuse of work product			2	2
Precept 9: Disclosure of confidential information				
Precept 10: Failure to cooperate with other actuary			1	1
Precept 11: Improper advertising		3		3
Precept 12: Improper use of designation				
Precept 13: Failure to report violation				
Precept 14: Failure to cooperate with the ABCD				



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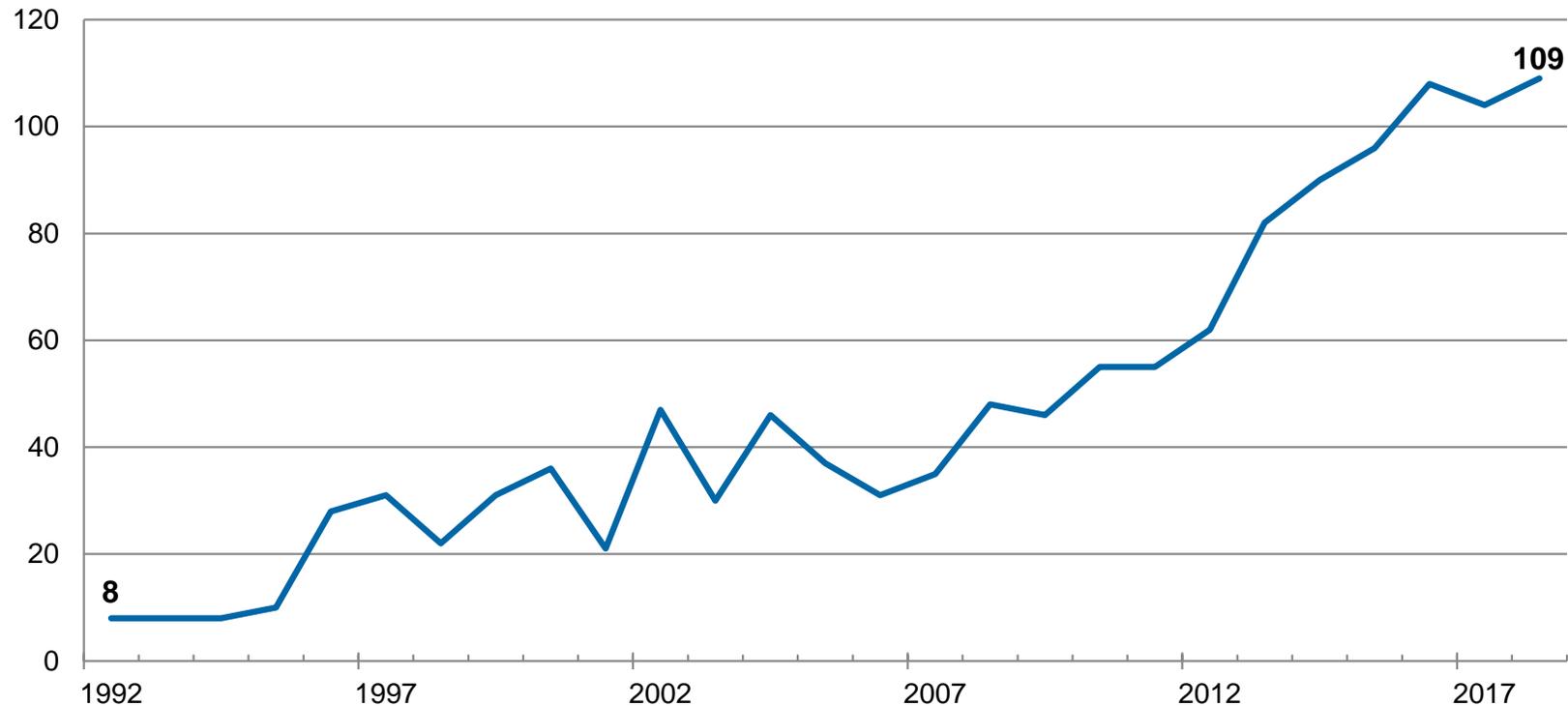
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ABCD Requests for Guidance

- There has been a significant increase in RFGs over the years.

Requests for Guidance, 1992-2018



ABCD Requests for Guidance

	2014	2015	2016	2017	2018
Pension	30	27	26	28	24
Health	19	22	25	35	32
Life	17	19	23	13	15
Casualty	20	23	28	24	27
Other	4	5	6	4	11
Total	90	96	108	104	109



Academy Public Discipline Notices

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SEARCH

PUBLIC POLICY PROFESSIONALISM

ABOUT US MEMBERSHIP NEWSROOM INTERNATIONAL PUBLIC DISCIPLINE

Printer-friendly version

Public Discipline

The following persons have been publicly disciplined by the American Academy of Actuaries. The date following each name is the date of the *Actuarial Update* issue in which the discipline action was publicized to Academy members or the effective date of the discipline action.

Expelled	
Allen, Scott	Effective: July 20, 2018
Beecher, Paul	August 1985
Boatright, David J.	July 1997
Coate, Larry D.	April 1997
Lederman, Charles M.	May 2009
Lewis, Arthurs S.	Letter to Members, August 1, 1975
Lambiase, William J.	Effective: December 28, 2009
Portermain, Neill W.	May 1994
Rubenstein, Steven J.	Effective: September 10, 2015
Scheiring, Robert D.J.	Effective: October 18, 2011
Silberstein, Morris J.	December 2005
Smith, James C., Jr.	Letter to Members, August 1, 1975
Sutherland, Patrick E.	Effective: December 3, 2018
Suspended	
Bucknell, Robert I.	November 1994, 2 years
Gould, Donald E.	October 2012, 5 years
Keh, Alphonso	May 1985, 5 years

Actuarial Board for Counseling and Discipline

Actuarial Standards Board

QUICK LINKS

- Find an actuary
- Academy Committees
- Board Election Center
- Code of Professional Conduct
- U.S. Qualification Standards
- Volunteer Additional Links

CALENDAR OF EVENTS

PRESIDENT'S MESSAGES
Shawna Ackerman

FEATURES

2019 Annual Meeting

Webinars

Resources

Resources

[The Rules of Procedure](#)[Annual reports](#)[Up to Code](#)[Other articles](#)[Links](#)

This section contains an online library of ABCD publications and documents and related external material.

ABCD publications and documents

- *Rules of Procedure* (a guide to how the Board handles requests for guidance and complaints about actuarial conduct)
- [Annual reports](#) published by the Board
- “Up to Code” columns written by ABCD members for *Contingencies* magazine
- [Flow Chart](#) of the ABCD’s Investigation Process Target Timeline
- Published Guidance by the ABCD
 - [Pension-related guidance provided December 29, 2010](#), in response to a [request for guidance](#) from the Academy’s Pension Practice Council
 - [ASOP 6 guidance provided November 24, 2015](#)

<http://www.abcdboard.org/resources/>



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Academy Professionalism Speakers Bureau

- So far in 2019, the Academy's professionalism speakers bureau placed speakers at 30 meetings, reaching approximately 4,700 meeting attendees
- This will be a record year for speakers bureau outreach efforts



Professionalism Resources

- Academy Professionalism webpage

www.actuary.org/content/professionalism

- * Code of Professional Conduct
- * U.S. Qualification Standards
- * Standards of practice (ASB)
- * Applicability Guidelines
- * Discussion paper
- * Webinars
- * Recent Articles

- Academy's Professionalism First webpage

www.professionalism.actuary.org

- * Access "Professionalism Perspectives" blog and Academy's recently launched podcast series, "Actuary Voices"



Professionalism Resources

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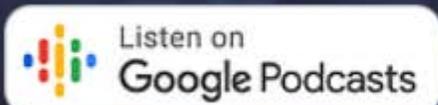
STANDARDS

The Academy provides standards of conduct, practice, and qualification for the U.S. actuarial profession. These standards together ensure responsibility, competence, and trust.

RESPONSIBILITY COMPETENCE TRUST

First Academy Podcasts

- Brings thoughtful conversations on the role of professionalism in our day jobs and the Academy's public policy work.
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Professionalism Webinar

“Friday the 13th: More Tales from the Dark Side”

Dec. 13, 2019

11:30 a.m.-1 p.m. EST

Registration: actuary.org

1.8 professionalism CE credits/1.8 JBEA core ethics CPE credits

In the course of performing their work, actuaries are sometimes confronted with ethical issues that are difficult to resolve. Our presenters—both of whom are ABCD members—describe the reference points actuaries should look to in each case to stay on the right side of the Code of Professional Conduct. They also discuss the information and guidance the ABCD has provided to practicing actuaries in such situations through the ABCD’s request for guidance process.



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Questions?



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