



SOCIETY OF  
ACTUARIES®

2019 **ANNUAL  
MEETING**  
& EXHIBIT

October 27-30  
Toronto, Canada

## Session 030: Societal Impact of Actuarial Work

[SOA Antitrust Compliance Guidelines](#)

[SOA Presentation Disclaimer](#)

# Session 30 – Societal Impact of Actuarial Work

2019 **ANNUAL  
MEETING**  
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**Ian Genno**

**Rob Montgomery**

**Anna Rappaport**

**Craig Reynolds**

**Jim Toole**

**Mike Boot**

October 2019



# SOCIETY OF ACTUARIES

## Antitrust Compliance Guidelines

Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants.

The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone's responsibility; however, please seek legal counsel if you have any questions or concerns.

# Presentation Disclaimer

*Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.*

# Mike Boot



# Societal Impact

- How do Actuaries help Society?
- Many societal issues including:
  - Healthcare for society
  - How does one live a long life?
  - Climate Change
  - How big is the Opioid Issue?
  - What is a sustainable social insurance program?

# Profession

- Responsibility
- Accountability
- Specialized Knowledge
- Professional Standards and Ethics

# Life Industry

- Elizur Wright
- James C.H. Anderson
- Experience Studies
- Principle Based Approach
- Appointed Actuary

# My Story

- 20+ Years in actuarial roles in insurance organizations.
- 4 years starting a new International insurance division for a multi-national organization.
- 13 years working for the Society of Actuaries to advance the actuarial profession.
- Many volunteer roles

# Jim Toole



A large, intense fire burning at night, with a person silhouetted in the foreground. The fire is bright yellow and orange, with a large plume of smoke rising from the left. The background is dark, and the fire illuminates the scene. The text "Find Your Passion(s)" is overlaid in white, sans-serif font across the upper portion of the image.

Find Your Passion(s)

# Choose Your Projects

- Is it an issue I care about?
- Is there an opportunity for personal growth?
- Will my participation make a difference?
- Will it give me joy?
- Are they people I want to work with?
- Will I develop relationships?
- Is the timeframe reasonable?
- Will I learn?

*"The best time to plant a tree  
was 20 years ago. The second  
best time is now."*



The  
Giving  
Tree

by  
Shel  
Silverstein



# Anna Rappaport



# Anna Today: Phased Retiree and Actuary Aiming for Social Impact

**My story:** Passionate about making a difference

## Two big 20 years projects

- Actuaries and the aging society
- Actuaries working with others

## Big issues

- Better opportunities for aging workers
- Women and retirement
- Disability and retirement

Receiving SOA Presidential Award 2014



Ten years after traditional employment

# My story: Thinking about individuals

- Career path
  - FSA 1963 – started to focus on societal change early in career
  - Life insurance company experience – large and small company 1958-1976
  - Traditional retirement consultant 1976-2004 in large firm
  - Retired at end of 2004
  - During phased retirement, independently focused on individuals since 2005
- Active SOA and WISER volunteer
- Served on Government Advisory Committees
  - ERISA Advisory Council
  - SSAB Technical Panel
  - GAO Advisory Panel
- Focused on working with others outside of the actuarial profession
  - Author of Perspectives from Anna, blogs in The Conference Board Human Capital Exchange, articles in Benefits Quarterly
  - Active in the local community
  - WISER Board, PRC Advisory Board, formerly on NASI Board

# Some stories

- SSAB – advocated for balance between showing costs of proposals vs. showing the impact on participants
- ERISA Advisory Council – advocated for a project on disability and DC plans – topic addressed in my third year
- My column – “Perspectives from Anna”
- Discoveries that changed my perceptions –
  - Housing is about 70% of assets for middle market retirees
  - Spending declines during retirement
  - Family is extremely important but often not considered

# SOA Post-Retirement Risk Work: Working to Improve the Retirement System

- Focused on the individual
- Public attitude research – 20 years of risk surveys, Generations Survey and focus groups
- Middle market focus: insights – housing is the biggest asset for many; retirees are resilient and reduce spending over time; planning does not fit theoretical models
- Decision support – Managing Post-Retirement Risks and Decision Briefs
- Research on people over age 85

Our work is being recognized – press coverage, speeches and articles

- My personal experience -- two “lifetime achievement” awards in last three years

# Ian Genno

# A professional's obligation to the public

“A member shall act honestly, with integrity and competence, and in a manner to fulfil the profession's responsibility to the public ...”

CIA Rules of Professional Conduct, Rule 1

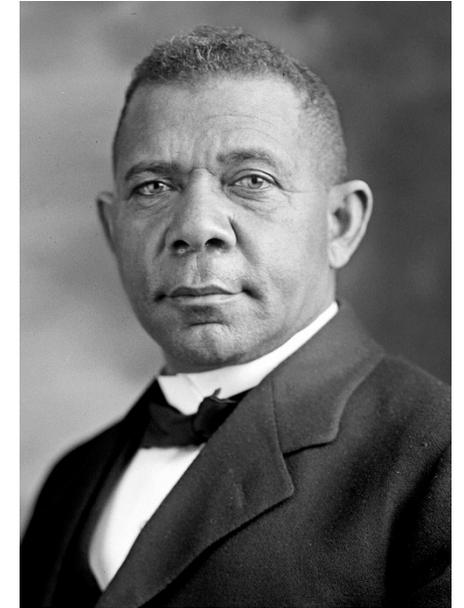
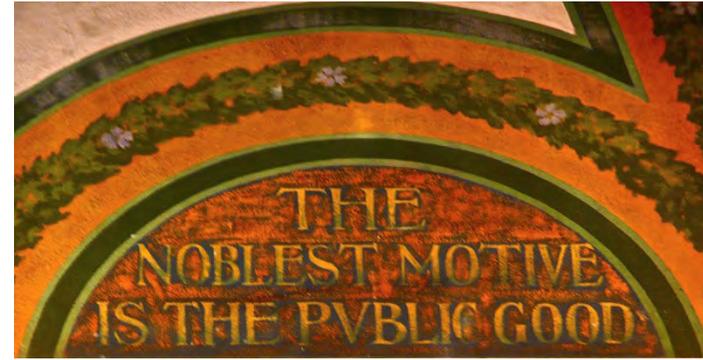
SOA Code of Professional Conduct, Precept 1



# Adding value for others

“The noblest motive is the public good.”

Joseph Addison & Richard Steele, 1711

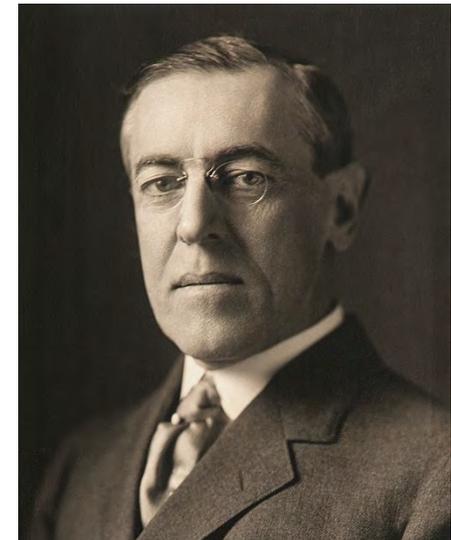


“The world cares very little what you or I know, but it does care a great deal about what you and I do ... It is the application of our knowledge in such a way as to help the world onward materially, mentally and spiritually, that is in the long run recognized and applauded by mankind.”

Booker T. Washington, 1903

“You are not here merely to prepare to make a living. You are here to enable the world to live more amply, with greater vision, and with finer spirit of hope and achievement. You are here to enrich the world, and you impoverish yourself if you forget this errand.”

Woodrow Wilson, 1913



# My story

Seeking ways to have a positive impact, throughout my career ...

- As a management consultant
- As a public servant, since 2013
- As a volunteer, in the profession and the community
- As a university lecturer



*Society of Actuaries President's Award, 2015*

# Examples of the impact you can have

Consultant

Insurer

Regulator

Awareness of, and consideration for, the impact of your recommendations and decisions on those who are ultimately affected

Pension & savings plans

Life and health plans

Disability plans

Labour negotiations

Home & auto insurance

Prudent lending

# Rob Montgomery



# My Story: What have I enjoyed most?

- 30 Years in actuarial roles in insurance and reinsurance organizations.
- 10 Years volunteering in public service including elected local government positions.
- My dream job was to combine the two:
  - Pursue a public service aspect in my professional life: earn a living, and serve the public good.
- Managing research projects and helping to ramp-up the SOA's Catastrophe & Climate Strategic Research Program has been an incredible source of personal and professional satisfaction.

# SOA Practice Research: Climate & Environmental Sustainability

- Published Research:

- <https://www.soa.org/research/topics/research-emerging-topics/#climate>
  - Published research project reports
  - Resources for actuaries
  - Monthly extreme weather / economic and insured impact series
  - Multi-Sponsor (SOA, AAA, CIA, CAS) Actuaries Climate Index

- Research Projects In Progress:

- Current value of future climate costs
- Catastrophe pooling
- Climate impact on health

- Planned Programs:

- Environmental Risk Introductory Paper Series
  - A series of research papers introducing actuaries to various topics related to environmental risks.

# Strategic Research Programs

The SOA Strategic Research Programs emphasize the skillset and thought leadership of actuaries, and help provide insights to members, stakeholders, and the public on socially relevant topics.

## Catastrophe and Climate:

The Catastrophe and Climate Strategic Research Program studies climate trends and their impact on extreme and catastrophic events, and focuses on the impact of shifting climate patterns and frequency/severity of events on the public and insurance industry.

A systematic long-lasting interconnected program, steadily providing themed research

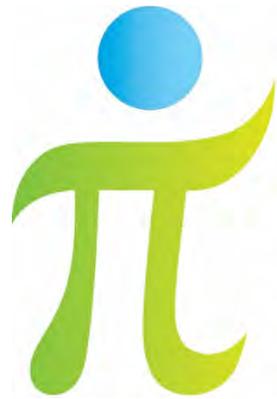
- Advisory Group and Steering Committee include members from a very diverse group of
  - Backgrounds:
    - Actuaries, University Researchers, Regulators, Meteorologists, Catastrophe Risk Modelers, Climate Scientists, Insurance Industry Support Groups
  - Geographies:
    - US, Canada, UK, Central Europe, Asia, Australia

# Catastrophe & Climate Strategic Research Program Opportunities / Research Goals

- Identify gaps in the body of existing research / Benefit the actuarial profession.
- Engage with existing multi-disciplinary climate and environmental research communities.
- Determine how the actuarial profession can quantify risks related to climate trends, propose mitigation, facilitate investment in solutions, and inform decision making.
- Prepare for Transition Risks.
- Sponsor research which ultimately helps “solve” climate change by identifying and facilitating incentivized insurance solutions.

# Craig Reynolds

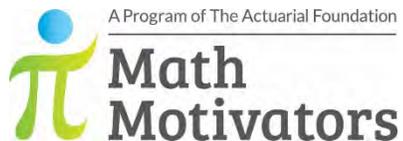




A Program of The Actuarial Foundation

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# Math Motivators



- **Significant Digits**
  - Four employers
  - Two universities
  - About 30 tutors
  - Two schools
  - Second year
- **Franklin High School**
  - Low income public high school
  - Algebra I every Thursday, 5 periods
  - Started last year
- **Eastside Academy**
  - Private high school
  - “Last chance” school
  - Just getting started

## The Program in Seattle



- **What's in it for the tutors:**
  - Strong sense of accomplishment
  - Develops communication skills
  - Develops leadership skills
  - Interaction with professional actuaries
  - Using our skills
- **What's in it for the Actuarial Science programs:**
  - Stronger graduates- industry notices!
- **What's in it for the Actuarial profession:**
  - Community outreach is noticed-actuaries making a difference
  - Adds to a positive image of actuaries
- **What's in it for employers:**
  - Recruiting / retention
  - CSR / Reputation

## The Benefits



## *Math Motivators Tutoring Program – Expansion*



25

- **2019 – 2020 Academic Year**
  - 13 cities
  - 31 schools (High School and Middle School)

### **Tutors**

2015 - "The original 13"

2016 –40 tutors

2017 – 108 tutors

2018 – 305 tutors

2019 – TBD – over 700 names in our database from volunteers across the country who want to be involved.

## Quick Facts





" It is incredibly rewarding to know I am working with students that need help with math but cannot afford to pay for a private tutor. It's amazing to see how much impact only an hour has on their confidence."

- Joe Finch, ASA, MassMutual  
Algebra 1 Volunteer Tutor

<https://www.facebook.com/MathMotivators/>

<https://www.actuarialfoundation.org/math-motivators-tutoring-program/>

# Panel Discussion and Q and A





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