

SOCIETY OF ACTUARIES

Article from:

The Actuary

December 2011 – Volume 8 Issue 6

The Actuary is published bi-monthly (February, April, June, August, October, December) by the Society of Actuaries, 475 N. Martingale Rd., Suite 600, Schaumburg, IL 60173-2226. Periodicals postage paid at Schaumburg, IL, and additional mailing offices. USPS #022-627.

This publication is provided for informational and educational purposes only. The Society of Actuaries makes no representation or guarantee with regard to its content, and disclaims any responsibility or liability in connection with the use or misuse of any information provided herein. This publication should not be construed as professional or financial advice. Statements of fact and opinions expressed herein are those of the individual authors and are not necessarily those of the Society of Actuaries or its officers, directors, staff or representatives. The Society of Actuaries does not endorse or make any guarantee with regard to any products, services or procedures mentioned or advertised herein.

The Actuary is free to members of the Society of Actuaries. Nonmember subscriptions: students, \$22; North American \$43; Int'l \$64.50. Please send subscription requests to: Society of Actuaries, P.O. Box 95600, Chicago, IL 60694-5600.

The Actuary welcomes both solicited and unsolicited submissions. The editors reserve the right to accept, reject or request changes to solicited and unsolicited submissions, as well as edit articles for length, basic syntax, grammar, spelling and punctuation. *The Actuary* is copyedited according to Associated Press (AP) style.

For more information about submitting an article, please contact Sam Phillips, magazine staff editor, at (847) 706-3521, *sphillips@soa.org* or Society of Actuaries, 475 N. Martingale Rd., Suite 600, Schaumburg, IL 60173-2226.

©2012 Society of Actuaries. All rights reserved. No part of this publication may be reproduced in any form without the express written permission of the Society of Actuaries.

POSTMASTER: Send address changes to the SOA, c/o Communications Department, 475 N. Martingale Rd., Suite 600, Schaumburg, IL 60173-2226.



CONTRIBUTING EDITORS Corin Chapman, FSA, MAAA corin.chapman.rog2@statefarm.com

Peter Hayes, FSA, FCIA phayes@eckler.ca

David Ingram, FSA, CERA, MAAA dave.ingram@willis.com

Cathy Lyn, FSA, FIA clyn@sympatico.ca

Tom A. Phillips, FSA, MAAA phillips.tom@principal.com

James Ramenda, FSA, CERA jramenda@sscinc.com

Sue Sames, FSA, MAAA sue.sames@towerswatson.com

Ross Winkelman, FSA, MAAA rossw@wakelyconsulting.com

Ruth Ann Woodley, FSA, MAAA ruthann@ruarkonline.com

SOA PRESIDENT Bradley M. Smith, FSA, MAAA bsmith@soa.org

SOA STAFF CONTACTS Patrick Gould Managing Director of Marketing & Communications pgould@soa.org

Lisamarie Lukas Director of Communications *Ilukas@soa.org*

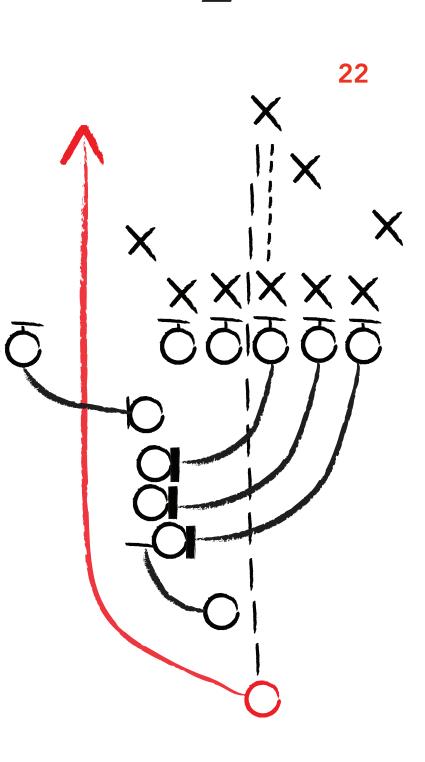
Karen Perry Publications Manager kperry@soa.org

Jacque Kirkwood Senior Communications Associate *jkirkwood@soa.org*

Sam Phillips Magazine Staff Editor sphillips@soa.org

Erin Pierce Graphic Designer epierce@soa.org

December 2011/January 2012 issue of *The Actuary*





EDITORIAL CORRECTION

In the article by Allen Schmitz titled, "The Pluses And Minuses Of The Long-Term Care Insurance Market" in the June/July 2011 issue of The Actuary, attribution for the "Average Daily Rates by Type of Care, Trend Data (2004 -2010)" chart is missing. The source of the information is: Long-Term Care Cost Study, Prudential Research Report 2010. The Actuary regrets the omission and any confusion caused by it.

COVER STORY

By Dave Ingram

FEATURE

22 HOW TO HANDLE ORSA

With regulatory changes for U.S. insurers looming on the horizon,

up with a winning game plan.

16 LIFE INSURANCE AND THE ACTUARIAL PROFESSION IN INDIA—A DECADE AFTER

> The actuarial profession in India has witnessed a sea change in the decade after insurance liberalization. Read how it has risen to its current "dynamic and

LIBERALIZATION

lucrative" status. By Sanchit Maini

DEPARTMENTS

DISCUSSION

6

8

this article gives readers an idea of what to expect so they can come 16 **EDITORIAL: A CONVERSATION**

ON REASONABILITY 12 LETTER FROM THE **PRESIDENT: SOA PRESIDENT BRADLEY M. SMITH'S SPEECH**

LETTER TO THE EDITOR:

CONSUMER DATA

- AT ANNUAL MEETING **30 EDUCATION: A LOOK AT THE COMPETENCY FRAMEWORK**
- **34** SECTION HIGHLIGHTS:

FOCUS ON EDUCATION AND **RESEARCH, AND PENSION SECTIONS**

- THE SOA AT WORK: WHAT A 36 SUCCESS!
- 38 RECOMMENDED READINGS