



SOCIETY OF ACTUARIES

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GOOD RESEARCH READS

COMPLETED EXPERIENCE STUDIES

POST-LEVEL PREMIUM PERIOD LAPSE AND MORTALITY STUDY

This project is the latest research on mortality and lapse experience at the end of the level premium period. This report updates the initial 2012 study but contains enhancements such as additional lapse and mortality credibility, monthly lapse and mortality analyses, an analysis of issue age and face amount within a given premium jump, and a predictive model on the T10 duration 10 shock lapse.

To view a complete listing, visit *SOA.org/Research* and click on Completed Experience Studies.

COMPLETED RESEARCH STUDIES

SELECT PERIOD MORTALITY ASSUMPTION SURVEY

Performed by Al Klein and Michelle Krysiak of Milliman Inc. and sponsored by the Product Development Section and the Committee on Life Insurance Research, this study identifies pricing assumptions that are being used during the select period and provides insight into the nature of the assumptions underlying the mortality assumptions themselves.

EVALUATING APPROACHES FOR ADOPTION OF MEDICAL TECHNOLOGIES

This project created a tool that allows actuaries to derive an understanding of the



evidence for medical technologies that are provided through health plans. The study, conducted by Robert Lieberthal, Tony Amos and Jessica Lopatto of the Jefferson University of Population Health, provides educational and background material regarding the evaluation of medical technologies tailored for actuaries. In addition, the study produces a structured tool to allow actuaries to organize the existing body of evidence for any medical technology.

2013 EMERGING RISKS SURVEY RESULTS

Results from the seventh Emerging Risks Survey, conducted by Max Rudolph of Rudolph Financial Consulting, LLC., indicate that new risks are gaining increased attention among risk managers around the world. Most notably, rapidly changing regulations and risk of cyber-attacks may be slowly replacing the risk of oil price shock and other economic risks, which were of major concern just six years ago when the survey was first conducted.

LAND THIS PLANE: A DELPHI STUDY OF LTC FINANCING SOLUTIONS

In this report overseen by the Long-Term Care (LTC) Think Tank and authored by John O'Leary, a wide range of LTC financing issues and potential solutions are explored. Employing the Delphi method, the study gathered the opinions and thoughts of a diverse multi-disciplinary group of LTC experts and stakeholders. Issues examined include key macro issues such as the role of government, the role of private insurance, the need for social insurance, the regulatory environment, and the future of Medicaid. The study also delved into a range of insurance product concepts that may provide more affordable LTC financing options.

MODELING OF POLICYHOLDER BEHAVIOR FOR LIFE INSURANCE AND ANNUITY PRODUCTS

Authored by a joint PwC and LIMRA research team and sponsored by the Financial Reporting Section and

Committee on Life Insurance Research, the report examines the current state of the life insurance and annuity industry with respect to: (1) available policyholder behavior experience data sources, (2) credibility of current experience data, (3) assumption structure and modeling, and (4) current challenges in the area of policyholder behavior modeling. In addition, the research examines developments in other industries and disciplines that could help actuaries better understand policyholder behavior.

MODEL VALIDATION FOR INSURANCE ENTERPRISE RISK AND CAPITAL MODELS

The authors of this report, Markus Stricken, Shaun Wang and Steve Strommen,

examine model risk and validation in this paper sponsored by the Joint Risk Management Section. The first part of the paper identifies and describes five distinct elements of model risk and then outlines a model validation process with specific steps to address each element. The second part discusses the challenges faced when performing model validation in a dynamic environment. Finally, a case study is provided describing the ways models and model risk play a role in the development of a life insurance product.

BEHAVIORAL DECISION-MAKING IN RETIREMENT

In this paper, sponsored by the Pension Section Research Committee, author Jodi DiCenzo provides a thorough review

of survey and empirical research on behavioral decision-making in a retirement context. The increased individual involvement in planning and providing for retirement has generated significant research by behavioral economists and others. The work in this area has provided an understanding of retirement-related decision making that often differs from decisions predicted by traditional economists. **A**

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Equity-Based Insurance Guarantees Conference

CELEBRATING OUR 10TH ANNIVERSARY

NOV. 17-18, 2014
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Chicago

The Equity-Based Insurance Guarantees Conference, sponsored by the Society of Actuaries and Annuity Systems Inc., is designed to give risk management, product development and valuation professionals an understanding and appreciation of how to better quantify, monitor and manage the risks underlying variable annuity and equity-indexed annuity products. The 2014 conference will celebrate the 10th anniversary of this successful industry meeting and its influence on the practitioners and market practices in relation to how the products and their underlying risk-management practices have evolved. Attend this conference and gain tangible solutions to your day-to-day risk management, pricing, valuation and product development challenges.

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