



SOCIETY OF ACTUARIES

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# A STRONG AND HEALTHY PROFESSION

**WHEN I THINK ABOUT** what we have accomplished in 2013, I am very proud. In the simplest terms, we collectively—members, volunteers, the Board of Directors and SOA staff—did a tremendous amount of work for the benefit of the profession, our members and candidates, employers and the Society.

For the sake of space, I will briefly summarize just a few of our accomplishments:

- Our Public Pension Blue Ribbon Panel was launched to help identify causes of public pension underfunding and suggest ways the actuarial profession can help address this critical social issue. Our work here is positioning the SOA and our members as a source of understanding and ideas to address this major public issue in the United States.
- We made great progress in the development and launch of our new general insurance track. We commissioned and published a major new textbook, *Fundamentals of General Insurance Actuarial Analysis*, and our first general insurance fellowship exam was administered in October. We've also released a brand new "Applications of Statistical Techniques Module" offering a learning experience in practical data analysis for those pursuing this track. This is a unique offering and helps distinguish our track from others offering training and credentials in general insurance.
- We partnered with the Canadian Institute of Actuaries to release important new research on the health care system in Canada. This research and its release demonstrate the power we can gain from leveraging the SOA's research capabilities with the understanding of Canadian issues of the CIA. We're working to extend these types of partnership efforts in 2014.
- "The Cost of Newly Insured Under the Affordable Care

Act,"—a major SOA research report—was published early this year and received a great deal of attention from the media and policymakers. We've also provided important research on performance benchmarks for Accountable Care Organizations (ACOs), which are becoming a major force in the health landscape. These efforts demonstrate the benefits the SOA's non-partisan, objective research can provide to our members and the public.

- In the same vein, the Board of Directors reviewed and adopted a new SOA Public Policy Research and Analysis Statement establishing the purpose and values that will guide the way we conduct research seeking to inform public policy development and public understanding of critical social issues. The Board also adopted important new directions for our work on experience studies, long a key feature in our research efforts.
- We reviewed and made critical decisions on the SOA's response to the Canadian Institute of Actuaries' University Accreditation Program (UAP). The SOA Board reviewed this matter very carefully and in great depth and ultimately decided not to accept the UAP for SOA exam credit. We continue, of course, to review and assess future directions for the SOA's educational system, but have been given clarity on this issue by the Board's decision.
- We continued to expand our outreach to candidates and members outside of North America and adding to our professional development programs in these areas, particularly Asia. SOA leaders made numerous visits to universities, local actuarial clubs, and employers throughout Asia in addition to the many visits we also made in the United States and Canada.
- We've continued building our relationships with universities, professors and students studying actuarial science through our

Centers of Actuarial Excellence program and our Hickman Scholars program.

- We're making great strides in revamping and updating the SOA's website, which we'll be releasing to our members in the New Year. We're excited about these changes and know they'll give our members and candidates a significantly improved interaction with the website.

As we move into the New Year, key initiatives include:

- Completing our first full cycle of the General Insurance track exams and beginning to offer important new professional development opportunities in this field.
- Extending our international outreach efforts, with particular focus on Asia and Latin America.
- Beginning a review of the SOA's education strategy and, in particular, how major social changes in adult education are likely to affect the needs of our members and candidates in the future.
- Exploring and identifying new ways we can engage with and serve our members, supporting them in their "communities" and providing them with new ways to engage with other actuaries.
- Exploring and developing new programs to encourage the growth of new opportunities for actuaries in traditional fields, or in new and non-traditional fields.

- Completing the rollout of our public pension work noted above.
- Reviewing and assessing the SOA's relationships with other actuarial organizations and ensuring that we're focused on strengthening those relationships for the benefit of the actuarial profession and the public it serves.

This is just the tip of the iceberg, so to speak. As always, we work to establish and implement initiatives that will strengthen our bonds with members, candidates, employers, volunteers, other actuarial organizations and the international community as it relates to the actuarial profession. In the process, we will establish programs, services, and other initiatives that will move the profession and the Society of Actuaries forward, keeping it strong, healthy and viable—a profession and a Society that stand out from the crowd—that has strong roots and will continue to grow.

Happy New Year, everyone. May it be a happy and healthy year, and a time of great service to our community and the world at large. 

— SOA Executive Director Greg Heidrich

## THE ACTUARIAL PROFESSION IN THE NEWS

The SOA is focused on raising awareness of actuaries in the media. Recent efforts have been successful. Here are just a few examples:

### How to Make a 'Health Exchange' Work for You

FSA David Axene is quoted in this *MarketWatch* article on health insurance exchanges. For the entire article, visit [www.marketwatch.com](http://www.marketwatch.com), search term David Axene. Or use the QR code.



### Study Shows How to Fix Big Flaw with 401(k) Plans

A new SOA retirement study is mentioned in an article on *CBSNews.com*. Visit [www.CBSnews.com](http://www.CBSnews.com), search term Big Flaw, to read the entire article. Or use the QR code.



View all of these articles by going to [www.soa.org/newsroom](http://www.soa.org/newsroom) and clicking on the Profession In The News link.

## PROFESSIONAL DEVELOPMENT OPPORTUNITIES

### LIVING TO 100 SYMPOSIUM V

Jan. 8 – 10  
Orlando

### REFOCUS 2014

March 9 – 12  
Las Vegas

### INVESTMENT SYMPOSIUM

March 13 – 14  
New York

View all Professional Development opportunities by visiting [www.soa.org](http://www.soa.org) and clicking on Event Calendar.

# Good Research Reads



## COMPLETED RESEARCH STUDIES

### SOA Releases New Report on Decisions to Retire

There is a significant difference between men and women in their concerns and feelings about retirement, a new report shows.

### Committee Posts the Next Evolution in DC Plan Design—A Guide for Plan Sponsors

This new paper is geared toward helping plan sponsor fiduciaries understand existing options and carry out their due diligence when studying retirement income solutions for DC retirement plans.

### PBITT Working Group Releases Summary of 2012 VA Survey

A majority of insurers now use dynamic lapse functions for GMDBs in looking back at five years of results, according to new survey results.

### New Report Explores Future Costs of the Canadian Health Care System

The Society of Actuaries and Canadian Institute of Actuaries sponsored research on the Canadian health care system.

### Building ARIMA and ARIMAX Models for Predicting Long-Term Disability Benefit Application Rates in the Public/Private Sectors

Using the Social Security Disability Insurance benefit claim rate as a proxy, this study investigates two statistical approaches to forecasting long-term disability benefit claims.

To view a complete listing, visit [www.soa.org/Research](http://www.soa.org/Research) and click on Completed Research Studies.

## COMPLETED EXPERIENCE STUDIES

### Literature Review and Assessment of Mortality Improvement Rates in the U.S. Population; Past Experience and Future Long-Term Trends

The SOA has released a report initiated by its Retirement Plans Experience Committee that reviews current literature on models and assumptions used in the projection of mortality improvement.

To view a complete listing, visit [www.soa.org/Research](http://www.soa.org/Research) and click on Completed Experience Studies.

## WRITE FOR *THE ACTUARY*

Do you have an article you think should appear in *The Actuary*? Would you like to write it or know someone who might be interested? We are looking for articles covering topics such as solvency issues, longevity, regulatory environments of emerging markets, what makes a good leader, and how the role of the non-traditional actuary is changing. Email your ideas or articles to [theactuary@soa.org](mailto:theactuary@soa.org).

