



SOCIETY OF ACTUARIES

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2014 Annual Meeting Reinsurance Sessions Preview

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Planning for this year's Annual Meeting in Orlando is well underway. The Reinsurance Section Council will kick off the meeting by hosting a gathering from 4 to 7 p.m. on Sunday evening that will include a golf scoring challenge and beer tasting. We will also be hosting a hot breakfast at which Mark Prichard of NMG will showcase some of NMG's U.S. life reinsurance results, including shifts in market trends, perceptions of value, and reinsurance buyer preferences. He will also give a global comparative framework.

We will of course be hosting some informative sessions that do not include food and beverage for your continuing education needs. The section will be co-sponsoring five sessions with the Product Development Section and sponsoring three sessions. The co-sponsored sessions are:

- **Chronic Illness Acceleration Riders Parts 1 & 2:** Chronic illness acceleration riders attached to individual life policies have recently become more prevalent in the U.S. market. The first session will provide an overview of the riders, including the common product designs as well as considerations from an underwriting, admin, claims and reinsurance perspective. The second session will dive deeper into the pricing of these riders and will cover results of the SOA project regarding living benefit riders. Both the direct and reinsurance perspectives on pricing will be presented.
- **Post-Level Term Parts 1 & 2:** The post-level term analysis sponsored by the SOA in 2009 and 2010 was pivotal in understanding the importance of post-level term pricing assumptions and the policyholder behavior associated with those assumptions. The SOA has now completed a follow-up to this analysis that provides insight into how companies have changed their assumptions since the first publication as well as provides new experience results emerging from post-XXX term business. During the first session, a panel of experts will discuss the updated findings for the United States and the findings of a recently sponsored Canadian Institute of Actuaries (CIA) study. The second session will investigate how differing approaches

to the end-of-level-period pricing can affect short-term block persistency and profitability and will discuss the trends and thoughts behind some of the changes in the post-level world both for new products and in-force products from both a direct and reinsurance perspective.

- **Winning Strategies for In-Force Management:** This session will cover pricing and reinsurance strategies, and risk management techniques to address life insurance and annuity product in-force issues. Topics to be presented include, but are not limited to:
 - Life insurance and annuity in-force management issues in today's environment
 - Hedging and risk management techniques used in pricing in-force annuity blocks
 - Insights of things to look for to effectively manage your in-force life blocks
 - Reinsurance strategies to optimize in-force profitability management
 - Technology available to analyze in-force life insurance data.

For your added enlightenment, the Reinsurance Section will sponsor the following sessions:

- **Reinsurance Recapture Issues:** Recapture is not a singular topic. A recapture can be planned for a specific time, or triggered by events such as a retention increase, a premium rate increase, or perhaps a regulatory event. Even if a recapturable event does occur, a company may or may not choose to exercise its right. This session will discuss the reasons company recapture, factors that need to be considered when executing a recapture, the importance of treaty language, and possible ways to balance the interests of the ceding company and the reinsurer.
- **Reinsurance Treaty Construction & Terms:** This interactive session will discuss several different treaty issues and the valid, but sometimes differing,

views of the same issues. Similar to last year's session, the panel will consist of representatives from all three sides—direct company, reinsurer and retrocessionaire. This session will demonstrate why it is important to invest time into the treaty negotiation process to ensure that each party clearly understands the priorities and perspective of their counterparty.

- **It's Your Heart: The Latest Thought on Cardiac Risk and Why You Should Care Professionally and Personally:** This year's ReRun session will feature a panel of experts for insurance medicine and life underwriting. As we all know, cardiovascular disease is a major cause of death. Our experts will

provide their thoughts regarding heart disease in the population, its prevalence and prognoses. Attendees will gain valuable insights to consider when setting future expectations and when setting a path to a healthier life.

In addition to these great sessions, there will be over 100 other sessions available to meet your continuing education needs and desires. As always, remember that these sessions are the hard work of many dedicated volunteers, so please remember to be supportive so we can continue to count on them and hopefully more of you in the future. ■

SOA ELECTIONS 2014

CALLING ALL ELIGIBLE VOTERS

This year, elections open August 18 and close September 5 at 5 p.m. Complete election information can be found at SOA.org/elections. Questions?

Send them to elections@soa.org.

