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Letter from the Editor

Greetings to All Health Actuaries!

by Jeffrey D. Miller

This edition of the *Health Section News* has fewer articles than previous editions, but the quality is just as high. Our objective for this newsletter is to give health actuaries some new ideas and reinforce their practice in some traditional areas. This edition certainly achieves those two objectives.

First, I'd like to apologize to Karl Volkmar for the errors in his fine article in our December 2000 edition. An erratum has been published through our blast e-mail system and is also included in this newsletter. We'll try to do better next time, Karl. Please keep those articles coming.

I'm particularly focused on Joe Campbell's article on health insurance fraud. This problem seems to be growing, and we all need to focus our attentions on dealing with it. No health actuary can price a product to provide for fraudulent claims. Some of my recent experiences in Colombia have driven that point home big time!

Jim O'Connor also gives us a good refresher course on our role in mergers and acquisitions. While some of this material may be review for those of us with gray hairs from transactions of the past, we can all use some review on the basics, particularly as they apply to health-care and health insurance business.

Bill Lane continues his series on small-group pricing with a discussion of renewal rating. Clearly, all companies have been forced closer to the middle on this topic because of regulations and market realities.

Kevin Pedlow gives some excellent discussion of claim reserving using authorized bed days. Nearly everyone involved in claim reserving is looking for more reliable leading indicators. Kevin has some good ideas.



Jeff Miller, Editor

Rowen Bell provides an excellent discussion of the final health privacy rules under HIPPA. We all face a huge administrative challenge from this rule in the very near future.

Finally, Johan Lotter continues his series on critical illness. I suspect that most health actuaries have fielded questions on this topic in the last few months.

Welcome to Leigh Wachenheim as our new Section chairperson, as well as all other new members of the council. Thanks, also, to all of those who have sent kind comments about our newsletter. I look forward to continuing to serve as your editor over the coming year.

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