



SOCIETY OF ACTUARIES

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SOA Embarks on Several Pandemic-Related Initiatives

by Steven C. Siegel

It's hard to pick up the newspaper these days and not scan the front page for the latest news on whether avian flu is destined to become an all-out pandemic. Whether it is a report of avian flu broaching another continent or new cases in already touched areas, it's difficult not to be concerned by the flu's potential. Certainly, in the event of a widespread pandemic, daily life would be greatly impacted with many of our normal activities immediately curtailed. *The New York Times* went so far as to report in a recent article that even our customary handshake greeting would need to be replaced by the more hygienic, albeit less intimate, "elbow bump."

In the face of these developments, how has the SOA responded? Last fall, through its Issues Advisory Council (IAC), the SOA's Board of Governors recognized the growing importance of this issue and put in place a broad-based initiative to educate and provide information on this topic to SOA members. A multidisciplinary staff team was assembled to coordinate and develop efforts to provide actuaries with the most relevant available information and research that could be used in their daily responsibilities.

As of the writing of this article, several activities are already well underway:

- (1) Relevant Literature Search – A search for the most relevant pandemic information and articles of use to actuaries was undertaken by the staff team coordinating the pandemic initiative. This gathering of publications includes articles ranging from the latest in actuarial models simulating an influenza outbreak to the clinical uses and indications of the antiviral medicine, Tamiflu. The literature search is available on the SOA's Web site. Check it regularly for updates.
- (2) Insurer Readiness Research Project – The SOA's Life Sections and Risk Management Section are sponsoring a research project examining the impact of an avian flu pandemic on life and health insurers. The

study, which is being led by Jim Toole, a managing director of MBA Actuaries in Winston-Salem, N.C., will address the readiness of insurers in the face of a widespread pandemic including the extra exposure to mortality and morbidity risk. How an insurer might function with major portions of its workforce either ill or unable to travel are among the many preparedness questions that will be considered. The results of this project are planned to be made available during the SOA's Spring Health Meeting in June in Hollywood, Fla.

- (3) Pandemic/ERM Roundtable – A roundtable of leading experts, both actuarial and non-actuarial, has been recruited to discuss, in the context of enterprise risk management, the potential effect on a corporation from a pandemic in the context of enterprise risk management. This event will be transcribed and made available on the SOA Web site. In addition, an article describing the roundtable is planned for the June issue of *The Actuary*. Watch for it in your mail.

The SOA is dedicated to advancing knowledge and helping its members become more conversant on the potential consequences of an avian flu pandemic. As actuaries, we will surely be called upon by senior management to both elucidate today's facts and predict tomorrow's unknowns. As such, we would greatly appreciate any ideas or thoughts you have to make this initiative more valuable for you. Please feel free to contact me at ssiegel@soa.org.



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