



SOCIETY OF ACTUARIES

Article from:

Health Watch

October 2012 – Issue 70

SOA 2012 Health Meeting

Interview with Chairperson Daniel Bailey



Daniel Bailey, FSA, MAAA, is a consulting health actuary for OptumInsight in Rocky Hill, CT; he works with payers, providers, and government clients on projects involving commercial coverage and government programs. He can be reached at Daniel.Bailey@Optum.com.

Health Watch: What did it take to plan and stage the 2012 Society of Actuaries (SOA) Health Meeting?

Daniel Bailey: Most of all, it takes a team of dedicated individuals willing to work together...plus a year of planning and preparation. It's somewhat like a Cecil B. DeMille film—a cast of thousands. Well, not thousands, that's hyperbole, but many—a number of people at the SOA as well as a small army of volunteers, most of whom are health actuaries devoting personal time on evenings and weekends to the cause. Actually, it's not individuals only. The Health Section Council (HSC) is the primary group contributor and its Disability and Employee Benefits subsections as well. Eleven other SOA sections also contribute—about a fourth of the sessions are allotted among them. The rest of the sessions are managed by the HSC. Some sessions are jointly sponsored where interests overlap. People from other actuarial organizations assist too, such as the American Academy of Actuaries (AAA). I have tried to include people from the International Actuarial Association Health Section when possible. Institutional memory is another essential ingredient—people on the HSC and others at the SOA who provide continuity and remember

how to make it work year after year. We also need the generous support of our sponsors.

HW: How long does it take to put it together?

DB: The planning begins a year in advance. It's actually a continual process for the SOA. As soon as one health meeting is over, planning begins for the next. The venues, however, are usually booked a few years in advance. We began in earnest last September figuring out what issues and topics to cover and who should do what. We listen to the feedback provided by past meeting participants. Last September, the SOA held a kick-off webinar that all the section delegates attended. And there were a number of follow-up meetings along the way. Much of the work is carried out by the HSC in conjunction with SOA staff. The process has to be tightly organized and adhere to a schedule. As we draw closer to the meeting date, there are more and more small-scale meetings of moderators and session panelists and the like. If you add up all the hours everyone puts in prior to the meeting itself, it's a mass effort.

HW: What are some of the SOA's meeting objectives that are discussed up front?

DB: In addition to the more obvious objectives, some might not realize that the SOA staff gives a great deal of thought to the quality of the educational experience. One thing that sets our profession apart is the continuing education requirement and the professional development it facilitates. The SOA has enlisted experts and tools such as the "competency framework" to address professional growth and guide the curriculum. Another concept the SOA embraces for some sessions is "blended learning." The SOA strives to make the meeting more than one-dimensional. The HSC members have a great deal of say in establishing what the larger objectives will be for each meeting in addition to the actual health topics the meeting will cover. Beyond the educational aspect, the meeting is a great opportunity to network and gain perspective from one's peers. The SOA seeks to fill out the program with opportunities for interaction that do not otherwise exist for our members.

HW: What was the overarching theme?

DB: I wish I could tell you something *au courant* that includes perhaps vampires, but it's not quite that cool. The theme is always the same—continuing education in a changing world. We strive for a

variety of practical, relevant, timely and thought-provoking sessions that serve us well as continuing education. We have included analytics as a topic for the past few years. Our 2012 keynote speaker, Tom Davenport, addressed that topic front and center. There are five or six different session topics in every timeslot, which allows us to cover a wide range of subjects, and, in some cases, to build on a topic over a sequence of several sessions. We did that with trend and reserving this time, and that was received quite favorably. Some sessions are addressed to those with less familiarity; others are intended for those who already have an intermediate level of knowledge and want something more advanced. We strive for balance but bear in mind the adage from Abraham Lincoln about not being able to please all the people all of the time (I think I'm recalling a paraphrase of Abe's actual quote from a Bob Dylan song about World War Three...yes). There are always sessions that satisfy the professionalism CE requirement. I guess you could call professionalism an ongoing sub-theme. While we're on quotes, I read one from Twain about education being a transition from cocky ignorance to humble uncertainty, or something like that. (I'm paraphrasing again.) Isn't that true?!?

HW: What else can you tell us about the meeting content?

DB: The SOA tries to cover not only the fundamentals such as pricing and reserving, but also softer skills that promote professional growth and development. Some topics are traditional; others are current and cutting-edge. The health meeting is not considered in isolation. Behind the scenes, individuals work to integrate the content of the health meeting with that of the health topics at the annual meeting, the boot camps, the Valuation Actuary Symposium, and the research and webinars produced by the SOA and AAA. Consideration is also given to developments in the exam syllabus and keeping those who are done with exams up to date. There was a great deal of concern about the impact of the Affordable Care Act (ACA) and the nature and timing of the Supreme Court of the United States (SCOTUS) ruling on the meeting content itself. In October 2011, we were uncertain whether the decision would be rendered prior to the health meeting in June. In a way, I think many

of us benefited from the fact that the decision came after the meeting. It forced us to consider many of the intermediate scenarios that might occur and think through their manifold ramifications on the future of the finance and delivery of health care in the United States. Now the whole thing has become very real, and all these intermediate deadlines loom larger than they seemed when sitting on the fence waiting.

In terms of content, we health actuaries are “knowledge workers.” Over the past 25 years, say, the personal computer has added many layers of complexity to our work. There is more to know now than ever before, but likely not as much as next year. That's why we have the diversity of subject matter in six simultaneous sessions in any timeslot. At the annual meeting, there is usually only one health session per slot. Over the past 15 years, the health actuarial profession has evolved into an even more technically oriented and knowledge-intensive career path, and the health meeting has evolved alongside in support of it. Many will recall that we used to call it the SOA spring health meeting, and it was held in May. As Medicare Advantage grew and more of our members became involved in the bid season, the SOA moved the meeting date to after the first Monday in June when bids are due. Sometimes the meeting occurs after the solstice—the beginning of summer. As far as I know, the meeting date is not yet pegged to the lunar cycle.

HW: While we're on the topic of astronomical calendars, do you have any thoughts about why the Mayan calendar ends when it does and what that portends for us all?

DB: That's a big actuarial question. This is just conjecture, but I think the Mayan calendar ends when it does for the same reason that our calendars end on December 31 of each year—because that is how we structure, present and print our calendar, one unit or astronomical cycle at a time. We use one revolution of the Earth around the sun; the Mayan cycle is apparently a much longer astronomical unit. I heard what that Mayan cycle was, and I remembered it for a while, but then I forgot it during bid season. It might not even be an actual astronomic cycle, a pseudo-cycle. When our children were younger, we

CONTINUED ON PAGE 38

Sometimes what we learn from continuing education is a better way to teach ourselves and be effective lifelong learners.

visited the Mayan pyramids in the Yucatan. We are interested in archeological and historical sites when we travel. When the Pyramid of Kukulkan at Chichen Itza was built, people could see the stars more clearly at night, and the Mayan astronomers had a vast store of knowledge about the heavens and their movements. Nowadays we just Google it. However, I'm operating on the premise that it portends nothing important, and hope the Science Channel wastes no further time on programming connected with it and the end of the world. And by the way, I found it very hard to believe the neutrino could travel ... what was it ... 0.0025 percent faster than the speed of light? Apparently some wiring was loose during the OPERA experiment. Do you see how important quality peer review is?!? But we digress.

HW: You mentioned boot camps. Was Medical School for Actuaries part of the health meeting?

DB: No, but it was planned in conjunction with it and conveniently scheduled the day before in the same location. This was an excellent day long program for health actuaries to gain clinical insight into some of the conditions and diseases that drive medical claims. It has been evolving nicely over the past few years. Most of the speakers have been medical doctors, and we have been fortunate to have outstanding physicians volunteer to speak on topics in which they are experts. About five years ago, when Jim Toole was head of the HSC, he encouraged everyone at a health meeting session on population health to find out more about public health where we live. I followed through and eventually did some actuarial consulting around essential benefits and the value of certain health benefits. In order to make that leap, I needed to acquire some clinical background in certain medical conditions, diseases and the medical technology involved. Medical School for Actuaries helped me strengthen my ability to do that work and teach myself what I needed to learn. Sometimes what we learn from continuing education is a better way to teach ourselves and be effective lifelong learners.

HW: How did you come to be the chairperson?

DB: One thing leads to another. I could quote

Forrest Gump's mother here. I have always appreciated the benefit I receive from attending the health meeting over the past 15 years or so. I remember having had some interesting and educational conversations with Harry Sutton years ago at SOA health meetings and realizing how much he knew and how much a health actuary must know to be highly effective in this field. Harry co-authored a book about HMOs on the SOA syllabus, and he has been a great AAA and SOA volunteer. For the past five years or so, I have helped out with the SOA health meeting and the annual meeting. When I was on the HSC, one of my first responsibilities was the health sessions at the annual meeting. Last year I was co-chair for the health meeting and greatly enjoyed working with Chairperson Joan Barrett. Although I finished out my three-year term on the HSC a couple years ago, since I left, I have been helping as a Friend of the Council with the health meeting and boot camps. Along the way, I have tried to document some of the aspects of the planning process in the way of best practices for session planning and the like. It's important to find coordinators, moderators and panelists who will honor their commitment to speak and follow through with a quality session while fulfilling the interim deadlines and obligations along the way. My goal is to be part of a tradition that builds on its own momentum and continually improves itself long into the future. I have volunteered with the AAA and SOA in different respects for almost 10 years. Many years ago, I attended an annual planning meeting of the AAA that enriched me as a volunteer. Dan McCarthy was chair. He had been a president of the AAA. I was deeply impressed by his professionalism and ability to lead the meeting efficiently and effectively. If I recall correctly, Dan was a practice leader at Milliman at that point in his career. He was someone I emulated. Along the way, you meet people who inspire and serve as positive role-models. That is one of the benefits that I have enjoyed as a volunteer.

HW: Have you been a volunteer in other aspects of your life?

DB: Yes, and it has been equally enriching. But I don't want to give anyone a false impression that I do a great deal of volunteering because I don't; and there are actuarial volunteers who deserve far more credit.

I was a literacy volunteer years ago; I co-taught Sunday school for a while; and when my older son was a Boy Scout, I was a woodworking merit badge counselor. We designed and made these small, well-crafted, hardwood boxes—one of the boys was born with Down syndrome and he created an extraordinarily nice project. Looking back, I think I gained as much from these experiences as those I helped. But I can think of others whom I admire who devote a much greater portion of their lives to nonprofessional volunteering and *pro bono* public service. My friends' son is doing HIV/AIDS and malaria education work and outreach in a remote African location with the Peace Corps. Closer to home, my brother-in-law retired from a fantastic career at ESPN, and he now devotes some of his time to driving cancer patients to chemotherapy treatments here in Connecticut after having attended training for the same at several local hospitals, and he also promotes cancer research. That's commitment I admire greatly.

HW: Any comments on New Orleans as a location for the health meeting?

DB: It depends on what one makes of it. A month before the meeting, I read an article in the *New York Times* describing New Orleans as a city of the wicked and the curious. Humorous as it was, I think that's what we called false dichotomy when I studied rhetoric. And it certainly does not adequately capture the thousand or so of us who converged on the Marriott for the meeting. Obviously, it's a place of temptations and distractions, and there seems to be a tractor beam that operates from Bourbon Street silently drawing in visitors with drinking problems from around the globe. After the meeting was over, my wife joined me in New Orleans and we spent the weekend. We had first visited here together in the late 1980s for one of her conferences, and we greatly enjoyed the food, music and antique shops of the French Quarter. This June, we finally got tickets to hear Ellis Marsalis and his quintet at Snug Harbor. We only went to Bourbon Street once, and that was to eat dinner at Galatoire's, which has been there serving excellent meals since long before Bourbon Street became tacky. It was a great dinner. I had to wear a jacket, but at my age, that's a small extra price to pay for extraordinary French cooking. We also had a chance to drink a "hurricane" at Pat O'Brien's after a free jazz concert at the Mint on Saturday. For those of us born near Hartford, there's

nothing in the United States quite like starting the day with a coffee and beignets at Café du Monde. Plus, I didn't have to work that weekend, which is always good.

HW: Before we close, are there any individuals you would like to mention who were instrumental in helping with the meeting?

DB: Yes, very much so; there are many. But if I start, I might not be able to stop, especially with the volunteer list. I want to thank every person who volunteered in whatever capacity and let you know we greatly appreciate your contribution. Without you, we have nothing. Last year, I worked more closely with the SOA than ever before, and I have to say I was deeply impressed by the competence of the hard-working folks at the SOA who are involved. There I think I can name names, and only there, and I apologize in advance if I leave anyone out. Kerri Leo is the primary planner and tireless but ever cheerful in her efforts. Sara Teppema contributed enormously. Kristi Bohn began her contributions to the meeting as an HSC member and was then hired by the SOA about the same time Sara was promoted—Kristi had a hand in several aspects of the meeting. Jill Leprich is always there when needed, and she usually has a smile on her face—let that be a lesson to those of us of often sterner and less accessible demeanor. Glenda Maki helped me with some announcements—it was uncanny; she knew just what to say. Linda Damitz, Judy Powills and Sherri Blyth also pitched in. Even the SOA leadership shows up at the meeting to make sure all goes smoothly. If you ever wondered where your SOA dues go, I am happy to report that these dedicated folks take enormous care in their work. I should also thank the many sponsors, including my employer, OptumInsight, which generously donated to support the keynote speaker, Tom Davenport, after they had already given until it hurt in order to fund the networking reception on Wednesday evening. Finally, I would like to thank all who attended, and I encourage health actuaries to find ways in which you can give back to our profession as your career progresses. ■