



SOCIETY OF ACTUARIES

Article from:

# Health Watch

January 2015 – Issue 77

# Chairperson's Corner

By Andie Christopherson

I am delighted to be writing this introduction as your Health Section Council chair for the 2014-15 year! I will talk about some new initiatives we have in store this year in our effort to provide value for our members. But first, I must thank all the outgoing council members for their hard work these past several years. Donna Kalin, Nancy Hubler, Valerie Nelson, Greger Vigen and Olga Jacobs all spent dozens (hundreds?) of hours working on behalf of the section and our profession; a heartfelt thanks to each of you for your dedicated efforts as volunteers.

I also want to welcome those new to the council—Elaine Corrough, Dan Feucht, Bill O'Brien, Brian Pauley and Rina Vertes—we are lucky to have you and appreciate you jumping in with both feet!

It is such an interesting time to be a health actuary. In addition to the Affordable Care Act (ACA), the entire health care system is transforming before our eyes. To that end, your council is pursuing some very important strategic initiatives to position our profession for the future—but we can't do it alone. I would strongly encourage you to reach out to Kara Clark ([kara.clark@walgreens.com](mailto:kara.clark@walgreens.com)) if any of the topics below pique your interest. We are a section 4,000 strong—your council of 12 can lead the charge, but it's up to the wider community of health actuaries to influence the future of our profession.

The broad strategic vision, which will be a multiyear effort, is to delve into topics involving areas of transformation within the health care system. For any particular area of focus, we will seek to answer a set of questions regarding risk and opportunity, with respect to both the industry as a whole and the actuarial profession specifically. A key element will be to acquire outside perspectives—both to further our profession's understanding of the topic, and to establish ourselves as thought leaders outside of the profession.

The first area of focus being pursued is the individual market, ACA and exchanges. Highly variant pricing and the politicized nature of this topic present serious reputational risk to our profession if not handled in a proactive manner. The crux of this work stream will be to get ahead of the things we, as actuaries, see coming down the pike, by presenting information in a way that can be well understood by those outside the profession. Our hope is that by doing so, we will allow for more informed conversation about the challenges and possible solutions. At press time, initial efforts are planned for interpreting the emerging data and looking at how players in the industry are likely to respond to risk protection removals in 2017.

The second subject of focus underway is in the area of accountable value-based care. There are many professionals in the health care industry working in this space, and it is our challenge as an actuarial profession to determine how we can contribute to developing the next generation of solutions in a way that ensures focus on financial performance. We need to build skill sets and understanding within the actuarial community. Understanding outside points of view and the expertise that comes with it is a key aspect of this topic. Actuarial and non-actuarial perspectives need to be brought together to further the discussion and develop new solutions.

In closing, I am very excited about the opportunities and challenges awaiting us all in 2015. For the longest time, 2014 seemed to be the end-all-be-all year as a health actuary. We all made it through; I'm excited to see what nuances and improvements we can bring to the year following it! ■



Andie Christopherson, FSA, MAAA, is chief actuary at Land of Lincoln Health in Chicago, Ill. She can be reached at [achristo@landoflincolnhealth.org](mailto:achristo@landoflincolnhealth.org).

