



SOCIETY OF ACTUARIES

Article from:

# Health Watch

May 2015 – Issue 78



ISSUE 78 MAY 2015

# Health Watch

Published by the Health Section Council of the Society of Actuaries.

This newsletter is free to section members. Current issues are available on the SOA website ([www.soa.org](http://www.soa.org)).

To join the section, SOA members and non-members can locate a membership form on the Health Section Web page at <http://www.soa.org/health/>

## 2015 Section Leadership

### Officers

Andie Christopherson, Chairperson  
Elaine Corrough, Vice-Chairperson  
Brian Pauley, Secretary/Treasurer

### Council Members

Terry Bauer  
Kara Clark  
David Dillon  
Daniel Feucht  
Eric Goetsch  
Julia Lambert  
Bill O'Brien  
Michelle Roark  
Rina Vertes

### Editorial Board Members

Valerie Nelson, *Editor-in-Chief*  
[valerie\\_nelson@bcbsil.com](mailto:valerie_nelson@bcbsil.com)

J. Patrick Kinney  
ph: 585.238.4379  
[Patrick.Kinney@excellus.com](mailto:Patrick.Kinney@excellus.com)

Jeff Miller  
ph: 913.707.0067  
[jeff@jdmfsa.com](mailto:jeff@jdmfsa.com)

### SOA Staff

Karen Perry, *Publications Manager*  
ph: 847-706-3527 f: 847-273-8527  
[kperry@soa.org](mailto:kperry@soa.org)

Joe Wurzbarger, *Staff Partner*  
[jwurzbarger@soa.org](mailto:jwurzbarger@soa.org)

Leslie Smith, *Staff Specialist*  
[lsmith@soa.org](mailto:lsmith@soa.org)

Julissa Sweeney, *Graphic Designer*  
ph: 847.706.3548 f: 847.273.8548  
[jsweeney@soa.org](mailto:jsweeney@soa.org)

This publication is provided for informational and educational purposes only. The Society of Actuaries makes no endorsement, representation or guarantee with regard to any content, and disclaims any liability in connection with the use or misuse of any information provided herein. This publication should not be construed as professional or financial advice. Statements of fact and opinions expressed herein are those of the individual authors and are not necessarily those of the Society of Actuaries.

©2015 Society of Actuaries. All rights reserved.

# Letter from the Editor

By Valerie Nelson

I hope everyone is enjoying the spring!

This issue's cover article is on reserving—modern approaches that is! Written by Peter Horman, this piece discusses the changing world of the valuation actuary and ways to address that change.

Ed Cymerys and Sean Duffy have contributed a very interesting read on the latest U.S. Preventive Services Task Force requirements and how health plans can think and act creatively to become compliant with these requirements.

Private exchanges have been picking up a lot of interest in the employer benefits community. Karen Shelton and David Petta have written a study note on this topic, which is being printed in this publication, since it will benefit all actuaries to understand this growing platform.

Basic Health Programs were discussed in the feature article in the January publication. In this publication, Karan Rustagi, Tim Courtney and Julia Lerche follow up on this topic using the lens of the state and the considerations from that perspective.

Jeffrey Petertil's article covers the impact of a recent Supreme Court of the United States decision on the assumed duration of employer-sponsored retiree health benefits. This article is also being featured in *Pension Section News*.

*The North American Actuarial Journal* (Volume 19, Issue 1) contains two health articles that would be of interest to the *Health Watch* readership. Please check out: "Multi-State Actuarial Models of Functional Disability" by Michael Sherris et al, and "Anatomy of a Slow-Motion Health Insurance Death-Spiral" by Ted Frech and Michael Smith.

Finally, in this installment of "Examining the Evidence," Tia Goss Sawhney and Bruce Pyenson deliver a great read on the subject of cause and effect.

Also, an exciting special edition of *Health Watch* is coming out this summer with a sole focus on a five-year retrospective since the passage of the Affordable Care Act and how our world has changed. Please look for this publication in your mailbox and on SOA.org. ■



Valerie Nelson, FSA, MAAA, is an executive director and actuary at Blue Cross/Blue Shield of Illinois. She can be reached at [valerie\\_nelson@bcbsil.com](mailto:valerie_nelson@bcbsil.com).