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Chairperson's Corner

By Elaine Corrough

> We learn valuable lessons about efficiency from our personal experiences in the health care system.

With all of its problem-solving, principled reasoning and numerical analysis, health actuarial work is both challenging and enjoyable. Much of our collective work focuses on evaluating efficiency in the health care system. Over the past few years I have had the privilege of working with several health systems in the western half of the United States on efficiency of care and risk-based contracting. As a Society of Actuaries (SOA) volunteer, I talk regularly with seasoned health actuaries about provider efficiency. I am diligent with continuing education, and try (successfully or not) to keep up with current events. But listening to other actuaries, I have found that we learn different but equally valuable lessons about efficiency from our personal experiences in the health care system. It's perhaps analogous to the difference between studying *Moneyball* and standing in the batter's box, waiting for the first pitch.

In fall 2015, I stepped into the batter's box and had my own experience with health care inefficiency. Tragicomic details aside, over a four-month period, I had three conflicting diagnoses regarding a serious illness, redundant lab and radiology tests, and finally, one unnecessary surgery requiring general anesthesia. All of this arose from a single human error with one initial report filed incorrectly by a laboratory technician.

In a spreadsheet model, most of the lab tests and the surgery would be considered inefficiencies. In reality, I don't see any other way we could have handled care after that initial human error. What this experience emphasized for me was the dramatic difference between the inefficiencies we routinely analyze in our work and the actual opportunity that reflects human error, patients' expectations, and the desire to err on the side of caution when it comes to our health and the health of our families. The human factor—human error, patient expectations, strength of social support—surely contributes to outcomes, potentially even overriding the effect of evidence-based medicine and efficient care protocols in some cases. Let us not forget that our work as health actuaries ultimately affects—and should reflect—not just insurers, payers and health care systems, but also patients and their families.

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My comments are by no means unique or original, and other actuaries are making great strides in analyzing human behaviors in health care. Chris Coulter leads our section's subgroup for Behavioral Finance, bringing in expertise from other professions as well as from fellow actuaries. If this subject area interests you, I strongly encourage you to sign up for this subgroup.

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With the onset of spring, our attention turns to the 2016 SOA Health Meeting in Philadelphia, June 15–17. For our 2016 flagship event, I'm looking forward to exciting keynote speakers, engaging sessions, and, perhaps most important, the opportunity to talk with fellow health actuaries and catch up with old friends. I hope to see you there!

Any mention of the SOA Health Meeting brings to mind the incredible effort of our volunteers who plan and execute this event. Our thanks go to Brian Pauley, our Health Meeting chair, as well as Sarah Osborne and Jenny Gerstorff, our Health Meeting vice chairs. They, along with dozens of session coordinators, presenters and SOA staff members, have been preparing diligently for a successful event. Thank you all!

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If you haven't already, check out the special seminar immediately preceding the 2016 SOA Health Meeting: Best Actuarial Practices in Health Studies Seminar. We launched this seminar last year in Atlanta to positive reviews, as attendees gained experience and confidence in communicating the results of actuarial work through a series of intensive sessions focused on specific aspects of actuarial reports. Data visualization, report construction and practical writing advice are covered, and attendees will have the opportunity to critique and revise an actuarial report using what they've learned.

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The spring meeting is just one of the volunteer-intensive efforts in our annual plan. One of the priorities for the Health Section Council is to enhance and add some structure to how we communicate with section members on volunteering opportunities. Our initiatives include welcome letters for new section members and aspiring volunteers; collaboration on the SOA volunteer database development; and more guidance for our sub-group leaders. I would especially like to highlight the efforts of council members JoAnn Bogolin, Julia Lambert and Marilyn McGaffin, who have led these initiatives. Their efforts are helping to reinforce our volunteer infrastructure so that it is easier for section members to seek, find and participate in volunteer activities.

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Thanks, as always, to our volunteers and staff partners. See you in Philly! ■

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