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Building on a Strong Foundation

by Mark Costello



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In February, when I wrote my first column, it was in the midst of spring training for baseball and I spoke with confidence about the wonderful year that my beloved Cardinals were sure to have. Now, as I write this, it's a cool fall day and the Cardinals have just choked away the division lead that they held for most of the summer. So, as far as baseball goes, it's "wait 'til next year."

However, another season is also winding down; and, that's my term as chairperson of the LTC Section Council. As I wrote in February, I was excited about the passion that the council was bringing to our section. And now, as I look back, I think that passion translated into a successful year (unlike the Cardinals' year). I'm defining that success based on the progress we've made toward the goals we set—supporting the educational needs of the members; investing in research of importance; and developing community among the members.

As far as supporting the educational needs of membership, we as a Section Council continued to work with conference organizers to provide content and passionate speakers for great sessions at a variety of events through the course of the year. In addition, we provided educational content through webcasts. A webinar on the CLASS Act had 103 registrants; the one on ALM/ERM had 55 registrants. What was particularly great about these two sessions was that they provided unique and timely content that was clearly valued by the membership and audience.

We have also continued to focus on sponsoring research. This spring, research began on a proposal to study LTC morbidity over time in an effort to analyze and quantify morbidity improvement. A Project Oversight Group worked through the summer with the researcher and preliminary results were provided at the SOA Annual Meeting in New York. To supplement that research, the Section Council sent out a request for proposal on several additional topics. We received many responses to that RFP and have agreed to provide funding for research into verifying and/or quantifying any pricing hedges created when LTC riders are attached to life and/or annuity contracts. In both these cases, we received additional support—financial and otherwise—from the ILTCI Board. I think most of our membership thinks of the ILTCI simply in conjunction with the annual conference; but, they do so much more and this is just one example.

It is in the arena of developing community that the Section Council really excelled. Our section is somewhat unique in that about a third of our membership are not actuaries. Our challenge is to meet the broad spectrum of needs (not necessarily actuarial) of all 1,050 members. To do that, the Section Council has implemented the track system. We have subdivided our section into five tracks: Actuarial; Underwriting & Claims; Management & Operations; Marketing; and Regulatory & Compliance tracks. Each track has its own chairperson; with each chairperson participating in our Section Council meetings. Each track chairperson's role is to ensure that the particular interests of each track are considered as the Section Council makes decisions. I think just having the tracks develops a sense of community. However, to take it one step further, we used the ILTCI meeting in New Orleans this spring to have a track reception. The point was for the entire membership to have another networking opportunity, and also to provide a specific place for each track to get together and get to know one another better.

I also think the implementation of LinkedIn (which I discussed in the last issue) can be a great way to build community. After the rollout, the LTC Section Group became the most populated SOA group with 398 members. There were several LinkedIn discussions during the summer and there was a fairly varied group of participants. Use has tapered off a bit recently; but, we will continue to do what we can to promote its use.

The LTC Section Council was also very involved with the Think Tank that took place immediately following the ILTCI meeting. To me, the most important result from the brainstorming session (63 individuals participated) was a commitment to follow-up and follow through on all that was discussed. An Oversight Committee was identified and they will—with assistance from the sponsors, the SOA Long-Term Care insurance Section Council and the ILTCI Conference Committee—work

to provide a forum to continue the discussion with the possibility of reconvening at the 2011 ILTCI Conference. As a first step, a report summarizing that Think Tank is being finalized and there is a follow-up session scheduled for the Annual Meeting.

To me, the past couple of years have been about laying a solid foundation for the future. I want to take this opportunity to thank outgoing Section Council members Amy Pahl, Al Schmitz and David Kerr for all of their hard work in getting these strong fundamentals in place.

As I step down, I know that your incoming Section Council is dedicated to building on this solid foundation. Dave Benz will take over as chairperson with Jay Bushey as his vice chairperson. Joining the Section Council via the recent elections are Bob Darnell, Jim Stolfus and Jeremy Williams. This group is well-equipped to tackle these goals. We can build on the work we did last year on the website so that it can be a more comprehensive source of information and community for the entire membership. We can build on the successful LinkedIn launch, continuing to promote its use by engaging more participants and more discussion and therefore more education and more community. We can learn from the three successful webcasts we've had to provide more frequent sessions with fresh and timely information. We can continue to rely on the track chairpersons and affiliate members to ensure that we are getting feedback regarding the needs of all of you, our members—actuaries and non-actuaries. We can and must continue to look for opportunities to fund valuable research as well as Think Tank-like events to address industry-wide concerns.

What I hope you get out of this is a better sense out of what your section and its leadership at the council level are doing and what is yet to come. The Section Council is here to meet your needs. As always, I encourage you to provide your input through e-mail, LinkedIn or whatever means you choose. Communication is key to our ongoing success and our drive to build a stronger community. Thank you for the opportunity to serve as your chairperson and have a great 2011! ■

We can build on the work we did last year on the website so that it can be a more comprehensive source of information and community for the entire membership.

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