

GH – Valuation & Regulation U.S. Exam

Fall 2023 and Spring 2024

Important Exam Information:

[Exam Registration](#)

Candidates may register online or with an application.

[Order Study Notes](#)

Study notes are part of the required syllabus and are not available electronically but may be purchased through the online store.

Syllabus Readings

Readings listed in this syllabus may include study notes, online readings and textbooks. Candidates are responsible for all readings in their entirety, including sections such as Appendices, unless it is stated otherwise in the syllabus.

[Introductory Study Note](#)

The Introductory Study Note has a complete listing of all study notes as well as errata and other important information.

Case Study

A case study will not be provided for this examination.

[Past Exams](#)

Past Exams from 2000-present are available on SOA website.

[Updates](#)

Candidates should be sure to check the Updates page on the exam home page periodically for additional corrections or notices to the current syllabus.

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1. Topic: Reserving

Learning Objectives

The candidate will understand and apply valuation principles for group and health insurance contracts.

Learning Outcomes

The Candidate will be able to:

- a) Describe the types of claim reserves (e.g., due and unpaid, ICOS, IBNR, LAE, PVANYD)
- b) Explain the limitations and biases of the traditional valuation methods:
- c) Calculate appropriate claim reserves given data
- d) Reflect environmental factors in reserve calculations (trend, seasonality, claims processing changes, etc.)
- e) Evaluate data resources and appropriateness for calculating reserves
- f) Describe, calculate and evaluate non-claim reserves and explain when each is required
- g) Apply applicable standards of practice related to reserving

Resources

- *Group Insurance*, Skwire, Daniel D., 8th Edition, 2021
 - Ch. 39: Claim Reserves for Short-Term Benefits
 - Ch. 40: Claim Reserves for Long-Term Benefits
- *Individual Health Insurance*, Bluhm, William and Leida, Hans, 2nd Edition, 2015
 - Ch. 6: Reserves and Liabilities
 - Ch. 8: Forecasting and Modeling
- GHVR-103-16: Health Reserves
- [ASOP 5: Incurred Health and Disability Claims](#) (excluding Appendices)
- [ASOP 7: Analysis of Life, Health or Property/Casualty Insurer Cash Flows](#) (excluding Appendices)
- [ASOP 22: Statements of Actuarial Opinion Based on Asset Adequacy Analysis for Life Insurance, Annuity, or Health Insurance Reserves and Other Liabilities](#) (excluding Appendices)
- [ASOP 23: Data Quality](#) (excluding Appendices)
- [ASOP 41: Actuarial Communications](#) (excluding Appendices)
- [ASOP 42: Health and Disability Actuarial Assets and Liabilities Other than Liabilities for Incurred Claims](#) (excluding Appendices)
- [Premium Deficiency Reserves Discussion Paper](#), AAA, Mar 2007
- [Read. Think. Write.](#), Health Section News, Oct 2004
- [Claim Reserve Model - How Actuaries Rely Upon the Claim Data They Receive](#), Long Term Care News, Sep 2008

2. Topic: Financial Statements
Learning Objectives
The candidate will understand how to prepare and be able to interpret insurance company financial statements in accordance with U.S. statutory principles and GAAP.
Learning Outcomes
The Candidate will be able to: <ul style="list-style-type: none">a) Prepare financial statement entries in accordance with generally accepted accounting principlesb) Interpret the results of both statutory and GAAP statements from the viewpoint of various stakeholders, including regulators, senior management, investorsc) Project financial outcomes and recommend a strategyd) Apply applicable standards of practice
Resources
<ul style="list-style-type: none">• <i>Group Insurance</i>, Skwire, 8th Edition, 2021<ul style="list-style-type: none">○ Ch. 43: Analysis of Financial and Operational Performance• GHVR-109-19: Health Insurance Accounting Basics for Actuaries (excluding Ch. 1 & section 2.2)• GHVR-818-18: Revised Actuarial Statement of Opinion Instructions for the NAIC Health Annual Statement• GHVR-819-18: Practices for Preparing Health Contract Reserves• GHVR-831-23: Supplemental Comments (March 2022) for GHVR-819-18• GHVR-833-F23: Supplemental Comments for GHVR-109-19• GHVR-834-F23: Excerpt from AAA Application of ASU 2018-12 to the Accounting for Long-Duration Contracts under U.S. GAAP (Section IV only)• ASOP 21: Responding to or Assisting Auditors or Examiners in Connection with Financial Audits, Financial Reviews, and Financial Examinations (excluding Appendices)• ASOP 28: Statements of Actuarial Opinion Regarding Health Insurance Liabilities and Assets (excluding Appendices)• Actuarial Memorandum Practice Note, AAA, Oct 2020

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3. Topic: Regulation & Taxation

Learning Objectives

The candidate will understand how to evaluate the impact of regulation and taxation on companies and plan sponsors in the US.

Learning Outcomes

The Candidate will be able to:

- a) Describe the regulatory and policy making process in the US
- b) Describe the major applicable laws and regulations and evaluate their impact
- c) Interpret a capital needs assessment and calculate RBC
- d) Apply applicable standards of practice

Resources

- *Group Insurance*, Skwire, Daniel D., 8th Edition, 2021
 - Ch. 4: Health Policy and Group Insurance
 - Ch. 15: Principles of Health Insurance Regulation
 - Ch. 16: State Regulation in the United States
 - Ch. 17: Federal Regulation in the United States
 - Ch. 27: Group Insurance Rate Filings and Certifications
 - Ch. 41: Risk-Based Capital Formulas
- GHVR-821-18: Employer Guide for Compliance with the Mental Health Parity and Addiction Equity Act, pp. 1-19
- GHVR-830-21: A Hard Pill to Swallow: Appreciating the Mathematical Dynamics of the Affordable Care Act
- GHVR-832-F23: RBC Calculation Examples
- [Pharmaceutical Patent Regulation in the United States](#), The Actuary, Feb 2021
- [Potential Abuses Within U.S. Pharmaceutical Patent Regulation](#), The Actuary, Feb 2021
- [ASOP 8: Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits](#) (excluding Appendices)
- [ASOP 26: Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans](#) (excluding Appendices)

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4. Topic: Retiree Benefits
Learning Objectives
The candidate will understand how to evaluate retiree group and life benefits in the United States.
Learning Outcomes
The Candidate will be able to: <ul style="list-style-type: none">a) Describe why employers offer retiree group and life benefitsb) Recommend appropriate baseline assumptions for benefits and populationc) Describe funding methods for retiree benefits
Resources
<ul style="list-style-type: none">• <i>Group Insurance</i>, Skwire, Daniel D., 8th Edition, 2021<ul style="list-style-type: none">○ Ch. 8: Retiree Group Benefits, pp. 120-131• GHVR-816-16: US Employers' Accounting of Postretirement Benefits Other Than Pensions Study Note