



SOCIETY OF ACTUARIES

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Chairperson's Corner

by Karl G. Volkmar

The "section-year" runs from late October to late October, beginning and ending during the annual meeting each fall. This is when the Health Section Council (HSC) turns over—three of the nine HSC members officially rotate off the HSC (but, thankfully, they usually still help out!) and three newly elected members join the crew. Please note, however, that this year is different than prior years—everyone is effectively new to the HSC this year. This is not due to a strike or a mass exodus—six of the HSC are, in fact, returning—but due to significant changes being implemented in conjunction with this "changing of the guard." As you may know, the elected HSC has served section members for nearly 25 years. They have served their members primarily by:

- Providing continuing education opportunities primarily through the Spring and Annual SOA meetings;
- Providing communication and networking opportunities (e.g., Health Section News, meeting events, etc.); and,

- Soliciting, oversight and sponsorship of practical short-term research.

The Health Benefit Systems Practice Advancement Committee (HBSPAC) is an appointed committee of the SOA that has served all practicing health actuaries by (for example):

- Providing thought leadership to the SOA.
- Developing and maintaining external relationships with other professions, associations, etc.
- Soliciting, oversight and sponsorship of longer-term research.

As a result of the SOA's governance audit we've been hearing about for some time, the decision was made to merge these two groups into one. The surviving group is called the Health Section Council, but it really could be renamed. It will only be through the effective integration of the energy,

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Book Review

Disease Management Program Evaluation Guide

by William R. Lane

Actuaries who work with medical insurance, either as plan actuaries who must price the cost of coverage, or as employee benefits actuaries who must advise employers as to how well disease management programs are working, will find the "Disease Management Program Evaluation Guide" a good working reference.

The Disease Management Association of America (DMAA) has compiled a lot of basic information on the evaluation of disease management programs into one relatively short book (less than 80 pages).

The book talks about the issues facing anyone who is attempting to evaluate disease management (DM) programs for cost effectiveness. It discusses the most accurate ways to make such evaluations and why these approaches tend to be very difficult to implement in the real world. Page 33 has a chart covering a dozen ways to study cost effectiveness and gives some comparative thoughts on each, such as relative accuracy, relative ability to implement in the real world, relative time frame to implement and whether a control group is needed in order to use this approach.

The book touches briefly on a number of important considerations such as timing, trend, appropriate measures, how to establish a "population," causation, regression to the mean and the general validity of the results. It also provides a checklist for evaluating your own DM evaluation process. Since it is a short book, it cannot cover these topics in depth and often simply highlights the problem without lengthy discussion as to how to solve the problem.

One aspect of the book that I found difficult was the heavy use of "insider" language. "Pre-post" designs may be familiar to DM specialists, but I had some difficulty getting up to speed with the lingo. To alleviate this problem, readers should consider also acquiring the companion volume, "Dictionary of Disease Management Terminology."

I found the book well worth reading and would strongly recommend it to anyone who needs to study the cost benefit of medical interventions. 📖



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talent and resources currently in place in both groups that Health Section members and all practicing health actuaries will benefit in the manner intended by this change in structure. The bottom line is this—whatever structure we use is nothing without the great volunteer support we have—the SOA is just trying to organize that volunteer base so that it is utilized in the most efficient manner possible.

What does this mean? HSC members will serve as coordinators for the Health Section's role in the following areas of activity:

- Secretary/Treasurer (Bill Lane)
- Communications and Publications (Lisa Tourville)
- Basic Education (Damian Birnstihl)
- Continuing Education (John Lloyd, Craig Kalman, Lori Weyuker)
- Research (Bryan Miller)
- Professional Community (Mark Billingsley)

The HSC as a whole will be engaged in other important activities, such as identifying key issues facing health actuaries in their current professional environment. Others (invited advisors, liaisons, friends, etc.) may support the HSC in these activities by providing additional perspectives and volunteer muscle. (To volunteer, see new opportunities for the health section participation on page 27.)

Please note that Lori Weyuker is also serving as vice chair of the HSC this year.

At this point, the plan is that these coordinators will rotate every year to ensure that new perspectives are introduced on a regular basis. A longer-term underlying volunteer structure will ensure that the necessary continuity will be in

place. Thanks to all of these HSC members as they work to support all of us in their respective areas.

I could say a lot more about all of the changes underway and all of the work being done to support the section membership, but I'll save it for a later time!

Two things I'd like to ask of the Health Section membership over the coming year:

- Please be patient with us as we work through this transition. We're trying to provide higher levels of service, and I believe we ultimately will; however, there may be some "bumps in the road" in the short term. Please contact me if you think anything important to you might be slipping through the cracks.
- Please volunteer!!! There are many areas where more volunteers are needed. Are you interested in information regarding opportunities for service? Please contact myself or Kara Clark of the SOA.

Final thoughts:

- Many thanks to HBSPAC members, and we hope you'll continue to serve the SOA/Section membership as you have been.
- Thanks to all of the SOA staff for their support, but especially Sue Martz for keeping us organized, and Kara Clark—without her, much of what you see wouldn't happen (or at least not during my tenure).
- A special thanks to Lois Chinnock, who will be missed very much!

Please feel free to call or e-mail me questions/comments at (317)580-8661 or kvolkmar@unitecactuarial.com. I look forward to a great year! 🍀