



SOCIETY OF ACTUARIES

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# Basic Education for Pension Actuaries

by Robert J. McKay and Patricia L. Scahill

The SOA Education and Examination Committee has been concerned that current Fellowship examinations are not meeting the basic education needs of pension actuaries, particularly consultants. The existing specialty tracks have not provided a suitable alternative for many pension actuaries because they were developed from the insurance model.

The Flexible Education System (FES) for Fellowship topics, to be implemented in November 1988, addresses this problem. FES strikes a balance among topics all candidates must study, topics required for specialists, and topics candidates may choose to study based on their individual needs and interests. Under FES, the pension specialists will be able to concentrate their studies on the topics which are professionally important to them.

With FES we will continually be upgrading the pension syllabus through an ongoing review of existing study material and identification of new material and topics as changes in pension actuarial practice occur.

Because pension specialists are more concentrated in consulting, a majority of the persons serving on the Pension Course Content Committee are consultants. The interests of pension actuaries active in insurance company environments are well represented, however. The mixture of committee members' backgrounds ensures that the basic educational needs of all pension specialists will be met by the new syllabus.

Pat Scahill, of Mercer-Meidinger-Hansen, is the Education General Officer responsible for the Pension Track. Pat, with the assistance of SOA staff actuary Wayne Berney, directs the efforts of the course content specialists.

The FES Pension Track course content specialists are in the process of developing a final course of reading for each of the Pension Track courses, including:

- Design of Employee Benefit Programs – U.S.
- Design of Employee Benefit Programs – Canada

Pension Funding Vehicles  
Principles of Pension Valuation and Accounting Standards for Pension Plans – U.S.  
Principles of Pension Valuation and Accounting Standards for Pension Plans – Canada  
International Pension Issues  
Executive Compensation/Deferred Compensation

We expect that FES, through both its structure and content, will provide

the appropriate basic education for all actuaries, regardless of specialty. We would appreciate hearing your comments on FES once you have had an opportunity to review the course structure.

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## Spotlight on the Sections

# The Health Section

by Howard J. Bolnick

*(Ed. note: This is the first of a number of articles that will focus on the activities of the SOA Sections.)*

The Health Section, officially organized on October 19, 1981, was the first of the Society's special interest Sections. The early enthusiasm of over 500 SOA members to form a special interest group of health care actuaries has continued over the last six and one half years. We now have about 1,800 members.

The purpose of the Health Section is to encourage and facilitate the professional development of members through activities such as meetings, seminars, research studies, and the generation and dissemination of literature in the health insurance and benefit plan fields. The Section's activities, while governed by the Section Council, are organized around seven committees: Basic Education, Communication, Continuing Education, Elections, Health Care Economics, Principles of Rate Making and Valuation, and Research and Data. I am pleased to report that we have enjoyed active participation from many Section members, and while they have done more than I can cover here, I would like to highlight several of their accomplishments:

1. The Communication Committee developed and has regularly published the *Health Section News*. It is a major

vehicle for health actuaries to share information and debate on health actuarial issues.

2. The Continuing Education Committee now plans all Society health care meetings and helps develop health care seminars. This Committee also has organized two major Health Care Symposia with the American College of Healthcare Executives, a professional association of hospital and health care executives.

3. The Basic Education Committee has taken an active role in developing new study notes for the Society's exams.

In planning for the future, we intend to build upon the already established strong base of services to our members. For example, we are changing and expanding the *Health Section News* to make it an even more important part of the professional life of our members. We are also revising and revitalizing our committee structure to better focus our activities to produce useful information for our members.

A recent survey of our members shows that they are happy with their affiliation with the Health Section and that many members want to contribute to our activities. It's a sign of our strength and a challenge to our leadership to make use of this interest in meeting the special needs of health actuaries.

Howard J. Bolnick is President of Celtic Life Insurance Co. He is the Chairperson of the Health Section.