

# EDUCATION COMMITTEE OF THE SOCIETY OF ACTUARIES (SOA)

## INTRODUCTORY STUDY NOTE

**EXAM SESSION:** SPRING 2020

**EXAM:** GROUP AND HEALTH—FINANCE AND VALUATION—CANADA

**DATE & TIME:** Wednesday, April 29, 2020  
Segment C—8:30 a.m. – 11:45 a.m. and Segment A— 1:30 p.m. – 3:45 p.m.

1. The examination will consist of five hours of written answer questions. A read-through time will be given prior to the start of the exam, 15 minutes in the morning session and 15 minutes in the afternoon session. No writing is allowed during the read-through time.
2. The following link shows a recommended FSA module/exam sequence for each track:  
<http://www.soa.org/Education/Exam-Req/edu-new-fsa-recommended.aspx>  

This order is NOT mandated. Each candidate will determine the appropriate sequence based on factors including readiness to sit for an exam, exam administration schedules, or study time available. However, the Education committees believe that these recommendations provide the most effective guide for candidate success. An examination/module may assume familiarity with material that is covered in any requirement that is recommended to come before that examination or module.
3. The Syllabus material includes textbooks, online readings, and the study notes listed in the Appendix. Study notes listed with an asterisk (\*) will also be included in the Revision set of study notes. The Appendix also may contain additional important information regarding this exam. A complete listing of the Syllabus and Learning Objectives is located in this exam's home page on the SOA Web site.
4. Several book distributors carry some or all of the textbooks for the Society of Actuaries exams. A list appears on the SOA Web site: <http://www.soa.org/education/exam-req/resources/edu-txt-manuals.aspx>.
5. Any changes in the Syllabus for this exam will be published under "Updates" in this exam's home page on the SOA Web site.
6. Past exams, solutions and case studies are available at: <http://www.soa.org/education/exam-req/syllabus-study-materials/edu-multiple-choice-exam.aspx>
7. A case study will be used as a basis for some questions on the examination. Be sure to answer the questions asked by referring to the case study. For example, if asked for advantages of a particular plan design to a company referenced in the case study, limit your response to the specifics for that company. Other advantages should not be listed as they are extraneous to the question and will result in no additional credit. Further, if they conflict with the applicable advantages, no credit will be given. Candidates are advised to familiarize themselves with the case study. A copy will be included in the examination booklet. Candidates will not be allowed to bring their study note copy of the case study into the examination room.

8. The candidate should be very familiar with the Learning Objectives. These Learning Objectives are the first ingredient in developing the syllabus and also guide the examination committee when writing questions. The Learning Objectives set out the cognitive level needed to pass this exam. You will notice that the candidates are expected to “analyze,” “explain,” “calculate,” “describe,” “apply,” etc. While studying the syllabus material, candidates may want to refer back to the Learning Objectives to remain focused on the goals of the exam.
9. The examination questions for this exam will be based on the required readings for this exam. If a conflict exists (in definitions, terminology, etc.) between the readings for this exam and the readings for other exams, the questions should be answered on the basis of the readings for this exam.
10. Candidates may ONLY use these battery or solar-powered Texas Instruments models: BA-35, BA II Plus\*, BAII Plus Professional\*, TI-30Xa, TI-30X II\* (IIS solar or IIB battery), and TI-30X MultiView\* (XS solar or XB battery). Candidates may use more than one of the approved calculators during the examination.

Calculator instructions may not be brought into the exam room. During the exam, the calculator must be removed from its carrying case so the supervisor can confirm that it is an approved model. Candidates using a calculator other than the approved models will have their exams disqualified.

Candidates can purchase calculators directly from: Texas Instruments, Attn: Order Entry, PO Box 650311, Mail Station 3962, Dallas, TX 75265, ph. 800/842-2737 or <http://epsstore.ti.com>

*\*The memory of the **BA II Plus, BA II Plus Professional, TI-30X II and TI-30X MultiView** calculators will need to be cleared by the examination supervisor upon the candidate’s entrance to the examination room.*

11. A list of various seminars/workshops and study manuals appears on the SOA Web site <http://www.soa.org/education/exam-reg/resources/edu-sem-workshops.aspx> and <http://www.soa.org/education/exam-reg/resources/edu-txt-manuals.aspx>. These seminars/workshops and study manuals do not reflect any official interpretation, opinion, or endorsement of the Society of Actuaries or its Education Committee.

Please note that the Education Committee expects candidates to read the material cited in the *Syllabus* and to use other material as a complement to the primary sources rather than a substitution for them.

12. The Society of Actuaries provides study notes to persons preparing for this examination. They are intended to acquaint candidates with some of the theoretical and practical considerations involved in the various subjects. While varying opinions are presented where appropriate, limits on the length of the material and other considerations sometimes prevent the inclusion of all possible opinions. These study notes do not, however, represent any official opinion, interpretation or endorsement of the Society of Actuaries. The Society is grateful to the authors for their contributions in preparing study notes.

The American Academy of Actuaries, the Canadian Institute of Actuaries, the Conference of

Consulting Actuaries, and the Society of Actuaries jointly sponsor various examinations administered by the Society of Actuaries.

## APPENDIX

Study notes for this exam

### SEGMENT A

Code	Title	Former Code
GHFV-103-16	Health Reserves	GHA-103-16
GHFV-114-19	Canadian Institute of Actuaries Standards of Practice— Insurance	GHA-114-19
GHFV-130-19	Chapter 4 of <i>Insurance Industry Mergers &amp; Acquisitions</i>	GHS-110-14
GHFV-131-19	Chapter 5 of <i>Insurance Industry Mergers &amp; Acquisitions</i>	
GHFV-132-19	2017 Embedded Value Report for Manulife's Insurance Business	
GHFV-133-19	Simple Embedded Value Example	GHS-112-14

### SEGMENT C

Code	Title	Former Code
GHFV-109-19	Health Insurance Accounting Basics for Actuaries	
GHFV-612-13	Simplified Example of CALM Reserve Methodology	GHC-612-13
GHFV-620-13	Educational Note on Source of Earnings Calculations – Group Life and Health	GHC-620-13
GHFV-621-19	Canadian Life and Health Insurance Association: Guideline G3, Group Life and Health	
GHFV-625-16	Legal Aspects of Group Insurance in the Province of Quebec (2015 Edition)	GHC-625-16
GHFV-628-17	The Quebec Act Respecting Prescription Drug Insurance and Its Impacts on Private Group Insurance Plans (2016)	GHC-628-17
GHFV-631-13	Canadian Life & Health Insurance Association: The Protection of Personal Information Under Group Benefit Plans	GHC-631-13
GHFV-632-13	IAS19	GHC-632-13
GHFV-633-17	CIA Standards of Practice – Practice-Specific Standards for Post-Employment Benefit Plans	GHC-633-17
GHFV-637-13	Chapters 16 and 17 of <i>Canadian Life &amp; Health Insurance Law</i> , Jones, H.E.	GHC-637-13
GHFV-644-17	TACCESS: An Advisor's Guide to Understanding How Taxes Impact Group Insurance Benefits in Canada	GHC-644-17

<b>Code</b>	<b>Title</b>	<b>Former Code</b>
GHFV-647-15	Protecting Canadians' Long Term Disability Benefits	GHC-647-15
GHFV-648-15	Canadian Life and Health Insurance Industry Agreement to Protect Canadians' Drug Coverage	GHC-648-15
GHFV-649-15	Comparison of IAS 19, Rev. 2011 with FASB ASC 715: Summary of Provisions Affecting Accounting for Postretirement Benefits	GHC-649-15
GHFV-650-15	Supplemental Calculation Note for IAS 19	GHC-650-15
GHFV-651-16	The High-Stakes Battle of Medications, Insurers and The Government	GHC-651-16
GHFV-652-16	Quebec Amends the Act Respecting Prescription Drug Insurance and the Health Insurance Act, 2015	GHC-652-16
GHFV-653-16	Telus Health Note: How Much Does that Drug Cost?	GHC-653-16
GHFV-659-16	Ontario 2014 Budget Will Forbid Employers from Self-Insuring Long Term Disability Plan to Employees	GHC-659-16
GHFV-660-16	Self-Funded Disability Plans: Time Running Out on Federally Regulated Employers	GHC-660-16
GHFV-661-16	Employee Life and Health Trusts and Health and Welfare Trusts	GHC-661-16
GHFV-662-16	Firefighter Who Died of Cancer was Killed in the Line of Duty, Court Says	GHC-662-16
GHFV-663-16	West Nile Victim Wins \$130,000 Insurance Payout	GHC-663-16
GHFV-667-16	Hicks Morley Pension and Benefits—2013 Case Law Update	GHC-667-16
GHFV-668-16	The New Reality of Retiree Benefits	GHC-668-16
GHFV-669-16	The End of Retiree Benefits?	GHC-669-16
GHFV-671-16	CLHIA Guideline G4: Coordination of Benefits	GHC-671-16
GHFV-672-16	CLHIA Guideline G17: Coordination of Benefits for Out-of-Country/Out-of-Province/Territory Medical Expenses	GHC-672-16
GHFV-673-17	CIA Public Position on a National Pharmacare Plan	GHC-673-17
GHFV-683-17	CIA Revised Educational Note: Dynamic Capital Adequacy Testing	GHC-683-17
GHFV-684-17	OSFI Guideline E18: Stress Testing	GHC-684-17
GHFV-685-17	Campagne D'Assurances Standard Life V. Tremblay 2010—QCCA 933: A Hefty Price to Pay for Unwarranted Surveillance	GHC-685-17
GHFV-686-18	Morneau Shepell <i>New &amp; Views</i> , Volume 13, Issue 12, December 2016	GHC-686-18
GHFV-691-18	IFRS 17—Implications of the Proposed New Standard	GHC-691-18
GHFV-693-19	OSFI Guideline: Life Insurance Capital Adequacy Test	

<b>Code</b>	<b>Title</b>	<b>Former Code</b>
GHFV-694-19	A Guide to Canada Benefits Legislation 2018	
GHFV-695-19	A Joint Statement from the Pan-Canadian Pharmaceutical Alliance and the Canadian Generic Pharmaceutical Association	
GHFV-696-19	Ensuring the Accessibility, Affordability and Sustainability of Prescription Drugs in Canada	
GHFV-697-19	Cannabis: Employer Considerations in a Changing Landscape	
GHFV-698-19	Canadian Institute of Actuaries, Draft Educational Note– Comparison of IFRS 17 to Current CIA Standards of Practice	
GHFV-699-19	OSFI Guideline D-9: Source of Earnings Disclosure	
GHFV-700-19	Chapter 12 (sections 12.1-12.4) and 13 of <i>Canadian Handbook of Flexible Benefits</i> , Third Edition	

The following additional information applies to this exam:

- [ERRATA](#): *Individual Health Insurance*, Bluhm/Leida, Second Edition, 2015