Session 070 PD - Update on Pre-Qualification and Continuing Education

Moderator:
Stuart Klugman, FSA, CERA

Presenters:
Stuart Klugman, FSA, CERA
Kory J. Olsen, FSA, CERA, MAAA
Kevin J. Pledge, FSA, FIA

2017 SOA Annual Meeting & Exhibit

STUART KLUGMAN, KORY OLSEN, KEVIN PLEDGE

70PD, Update on Pre-qualification and Continuing Education

October 16, 2017

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Antitrust Compliance Guidelines

Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants.

The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- Do not discuss prices for services or products or anything else that might affect prices
- Do not discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- Do not speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- Do leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- Do alert SOA staff and/or legal counsel to any concerning discussions
- Do consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone’s responsibility; however, please seek legal counsel if you have any questions or concerns.

Presentation Disclaimer

Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.

Today’s Speakers

- Stuart Klugman
  - SOA Senior Staff Fellow, Education
- Kory Olsen
  - General Chair, Education Executive Committee
- Kevin Pledge
  - Chair, Professional Development Committee

Stuart Klugman

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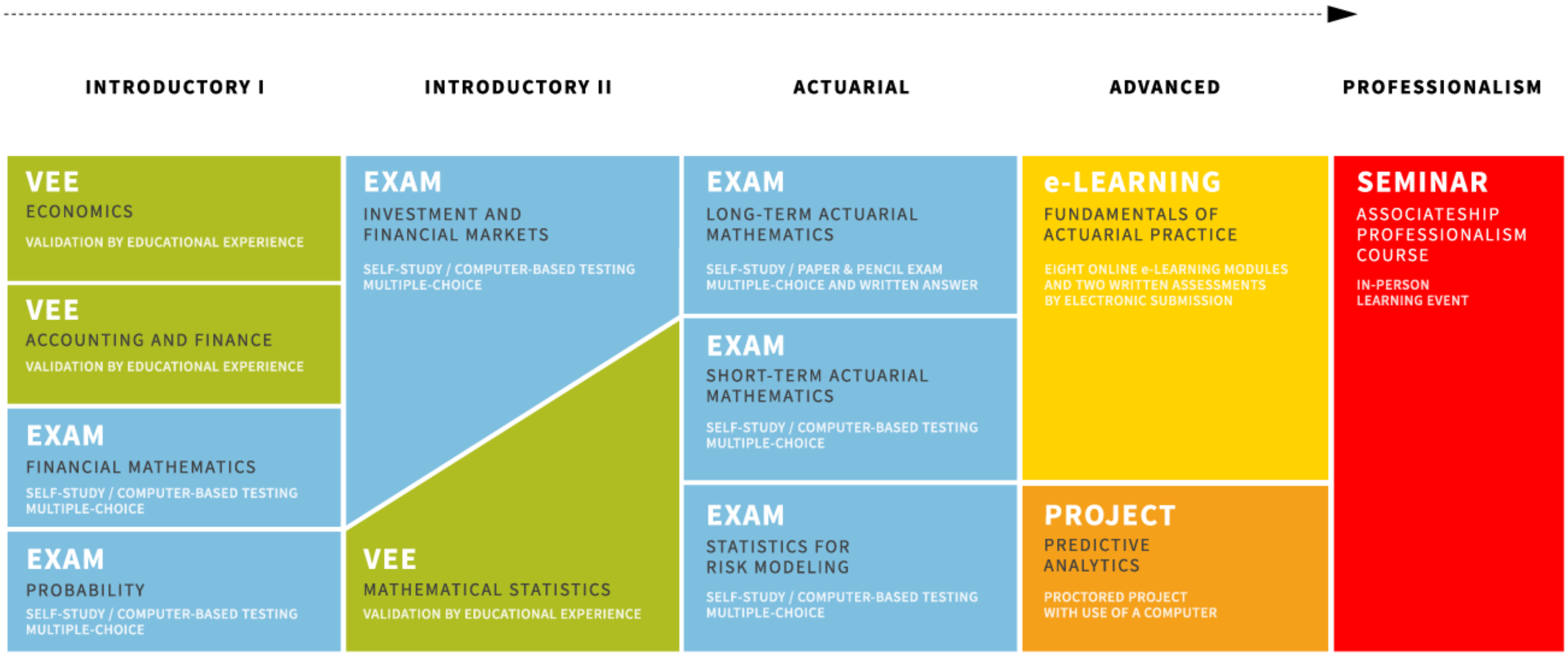
ASA Changes 2018

- Significantly enhanced coverage of predictive analytics
  - Two exams, including a proctored projected
- Better balance of long and short term insurances
  - Changes to Exams MLC and C
- Conform to International Actuarial Association draft syllabus

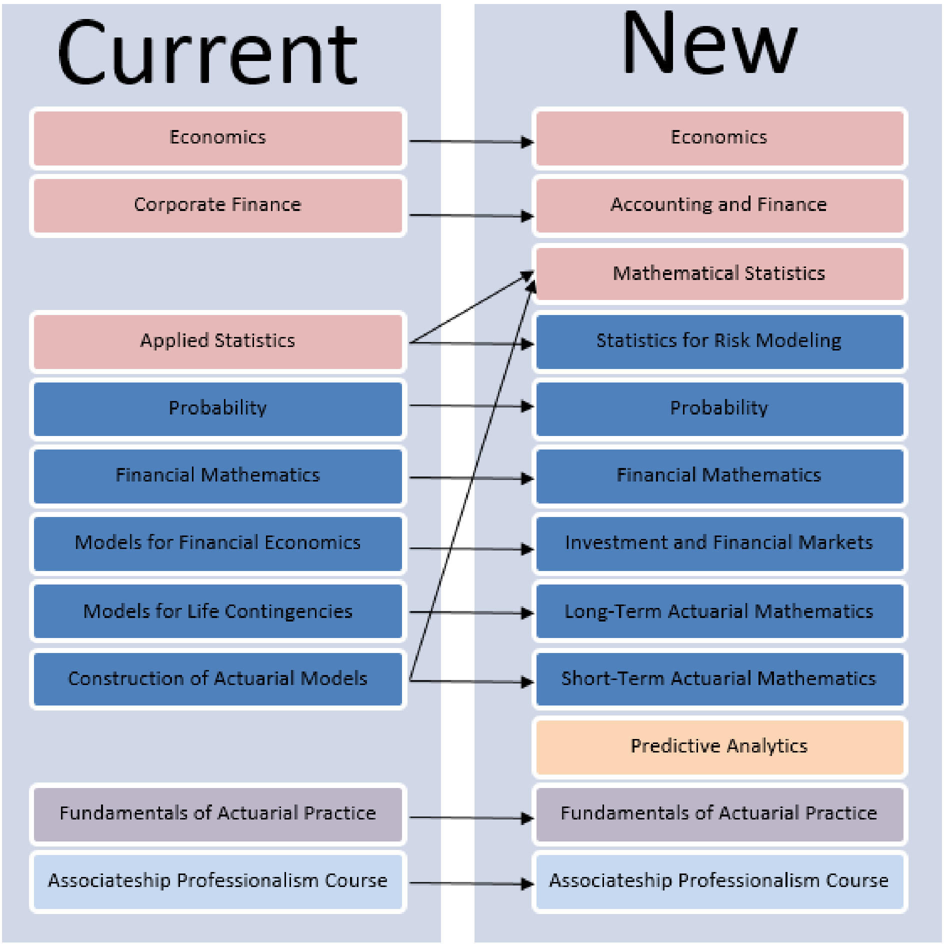
Awesome graphic



YOU MUST COMPLETE 2 EXAMS BEFORE APPLYING TO VALIDATE YOUR EDUCATIONAL EXPERIENCE (EDUCATIONAL EXPERIENCES MAY HAVE OCCURRED PRIOR TO COMPLETING EXAMS).

Less Awesome Graphic

- Shows credits for completing current items
- Everything provides some credit



Timing

- Revised components go into effect with first administrations after July 1, 2018
- There are two exceptions
  - First Exam P under the revised syllabus will be September 2018
  - First Exam FM under the revised syllabus will be October 2018

Timing

- Candidates whose names do NOT appear on the June 2018 or earlier list of new ASAs must complete the new requirements to earn their ASA.
- Candidates whose names appear on the June 2018 or earlier list of new ASAs are exempt from completing the new requirements, provided they also earn fellowship by July 1, 2022.

Key Dates – for ASA by July 1, 2018

- The following exams must be taken (and passed) no later than:
  - Exam P: March 2018 session
  - Exam FM: April 2018 session
  - Exam MFE: March 2018 session
  - **Exam MLC: Fall 2017 session**
  - Exam C: February 2018 session

Key Dates – for ASA by July 1, 2018

- VEE submissions:
  - Course approval forms by February 16, 2018
  - Candidate credit requests by April 27, 2018
- Fundamentals of Actuarial Practice submissions:
  - All end of module exercises and assessments must be submitted by March 30, 2018.

Key Dates – for ASA by July 1, 2018

- Associateship Professionalism Course:
  - Must be completed by May 31, 2018
- Filing of Application for ASA
  - Must be completed by June 8, 2018

Important Points

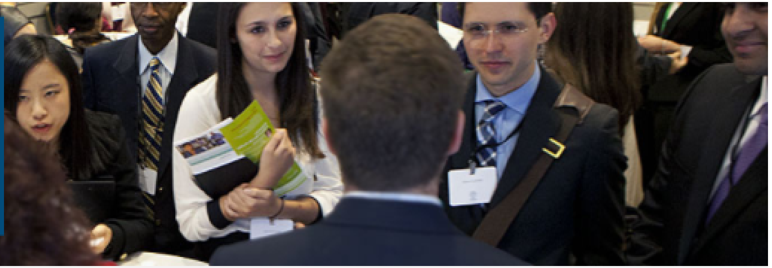
- No one who has an ASA loses it
- Exam SRM is a formal pre-requisite for the PA assessment
- Completing a current requirement before the cutoff for a July 1, 2018 ASA still gives transition credit
- Syllabi at the special curriculum changes page at soa.org – not official until posted at exam’s home page

PA Assessment Current Thinking

- At a test center
- About 5 hours
- Will analyze a data set to solve a business problem
- Will write a formal report
- Will use a computer that
  - Has access to tools such as Word, Excel, R
  - Is blocked from stored files, internet, …

Curriculum Changes

Understand the curriculum changes and requirements for the associate designation and Chartered Enterprise Risk Analyst credential from the SOA.



ASA & CERA Curriculum Changes

Learn about the implementation of the curriculum changes and the transition rules

The SOA has revised the ASA and CERA curriculum as part of its ongoing efforts to support and enhance the actuarial profession. The curriculum reflects employer-valued components and the quality, rigor and depth of expertise expected of SOA members. These curriculum changes address evolving industry challenges and needs, use new educational technologies, and incorporate subject matter on new topics such as predictive analytics. These changes may affect some ASAs who are pursuing the FSA designation. Contact Customer Service with any questions.

About The Changes

Learn why the changes are important and read the FAQs.

Read More ▸

Transition Timing

Read the transition rules and understand the timing deadlines.

Learn More ▸

VEE

Learn about the VEE changes and access the VEE guidelines.

Learn More ▸

Preliminary Syllabi For 2018 ASA Exams

- Financial Mathematics PDF
- Probability PDF
- Investment & Financial

Behind the Scenes

See how the enhanced curriculum was developed.

Kory Olsen

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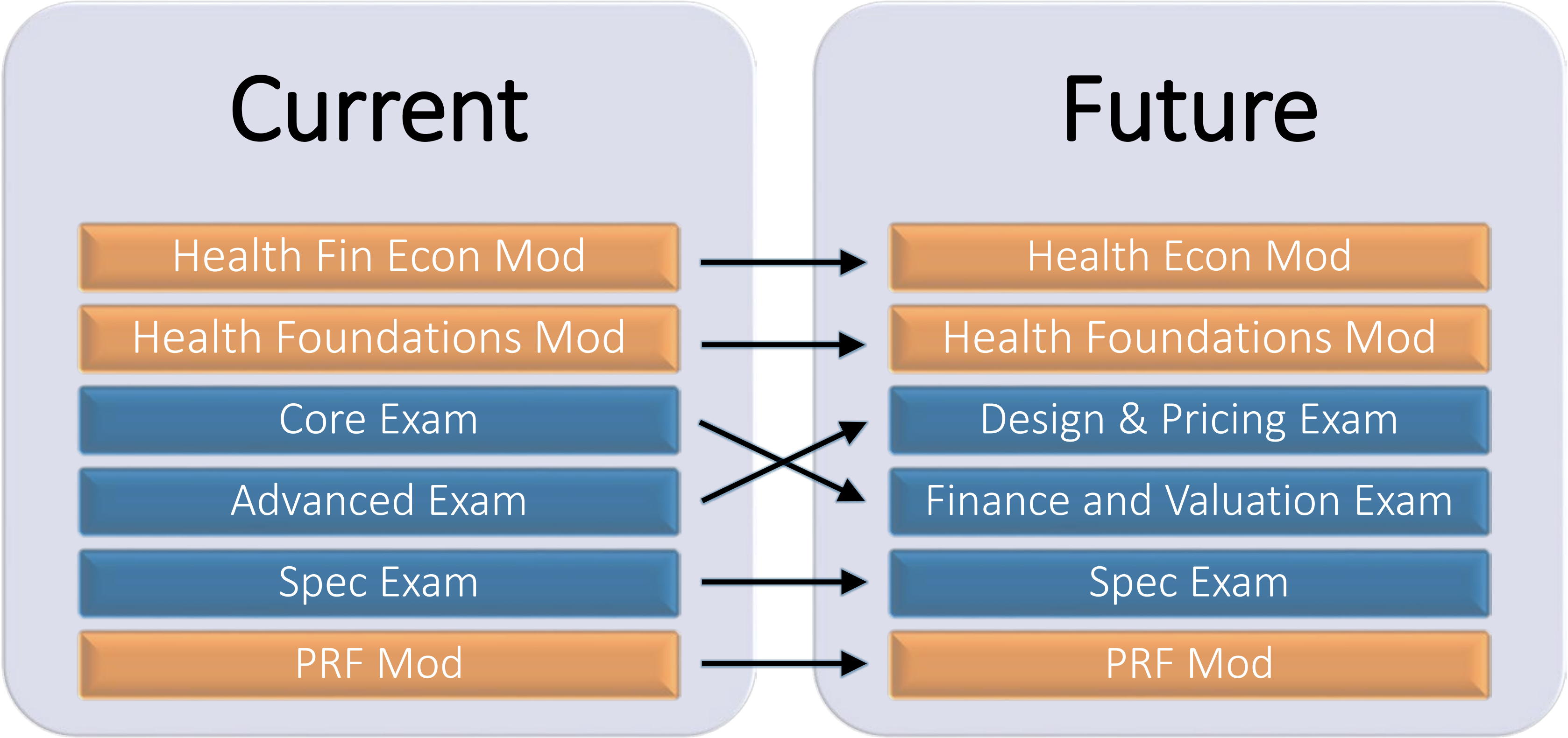
FSA Changes

- Ripple effect from ASA Changes
- Opportunity to better align exam material
- Staging changes over 2018-2020; timing will vary by track
  - Candidates will receive at least 6 months notice of a new module
  - Generous transition rules for modules allowing candidates to complete modules in progress and receive transition credit
  - Candidates will see new exam syllabus 10-12 months in advance. First new exams will be no earlier than Spring 2019
  - Group & Health track will have specific transition rules

Structure

- No change in structure
  - Exams = 5+5+2
  - Modules = 3 + DMAC
- FSA Tracks
  - Group and Health (GH)
  - Individual Life and Annuities (ILA)
  - Corporate Finance and ERM (CFE)
  - Quantitative Finance and Investment (QFI)
  - Retirement Benefits (RET)
  - General Insurance (GI)

Group & Health Track



Group & Health Track Changes

- Reserving & Nation Specific on Finance and Valuation (FV) Exam
- Contract, manual rates, underwriting on Benefit Design and Pricing (DP) Exam
- Advanced long duration material moved from Specialty to 5 hour exams

Group & Health Track Changes

- Expected Timing – July 2019
- Two year transition period for exams
- Details will be posted on SOA website

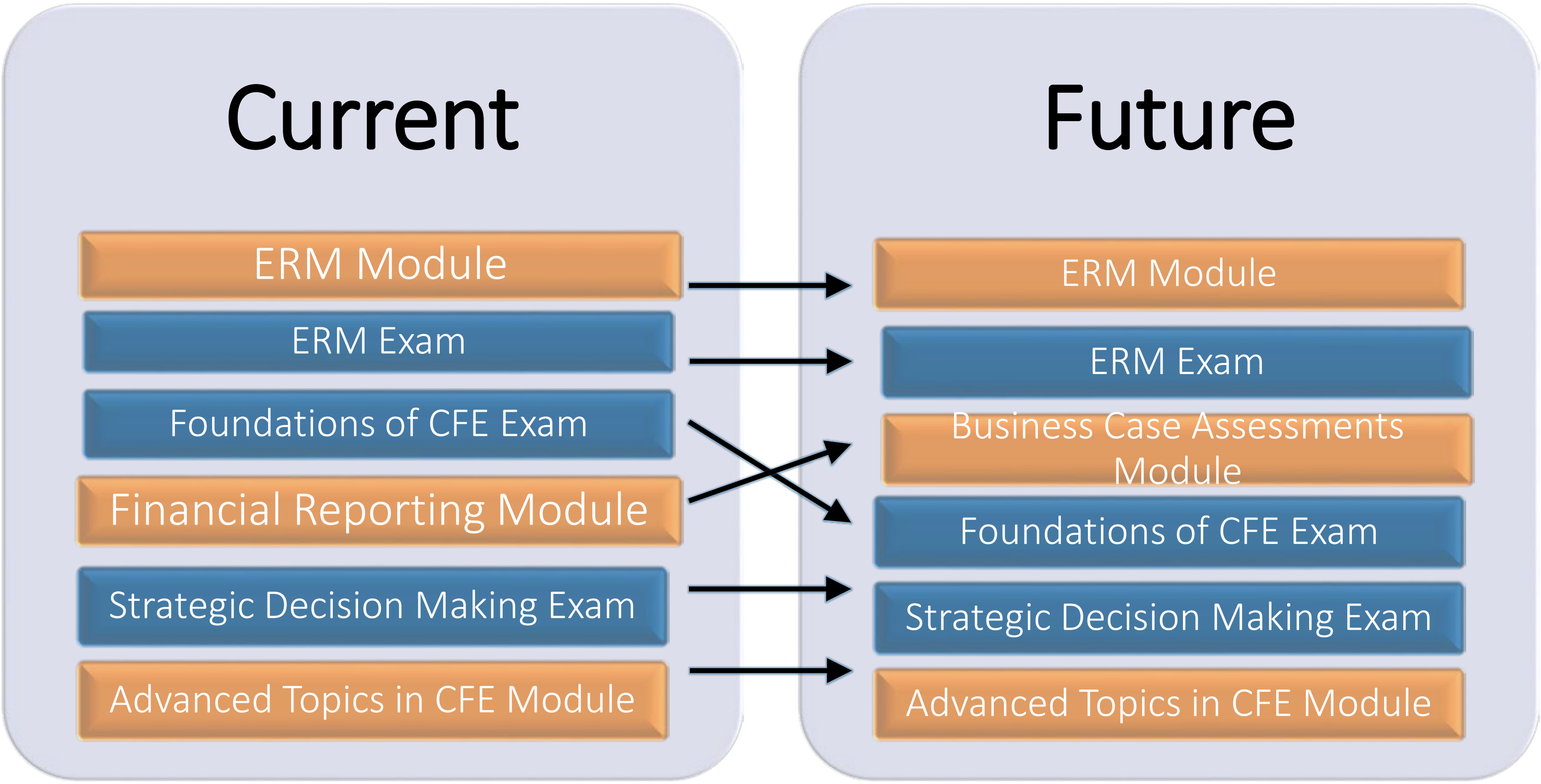
Individual Life & Annuities Track

Current	Future
ERM Module	ERM Module
Regulation & Taxation Module	Regulation & Taxation Module
Financial Economics Module	Introduction to ILA Module
Life Pricing Exam	Product Management Exam
Life Finance & Valuation Exam	Financial Management Exam
Life Risk Management Exam	ALM & Modeling Exam

Individual Life & Annuity Track Changes

- Creation of new Introduction to ILA Module
  - Allows more in-depth topics on the exam
- Product Management Exam
- Financial Management Exam
- ALM & Modeling Exam

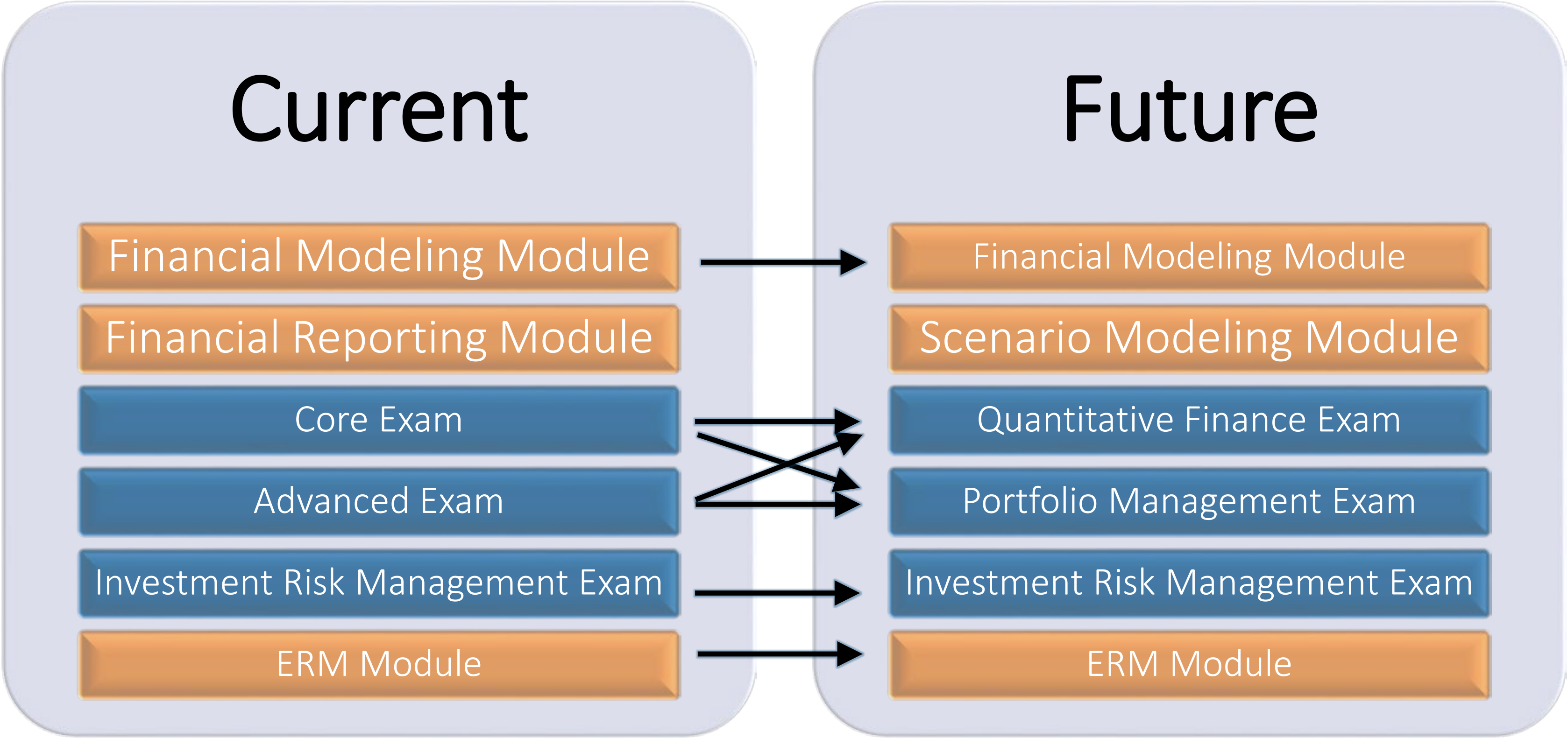
Corporate Finance and ERM Track



Corporate Finance and ERM Track Changes

- Drop Financial Reporting Module
- Add Business Case Assessment Module
- Substantial updates to Advanced Topics Module

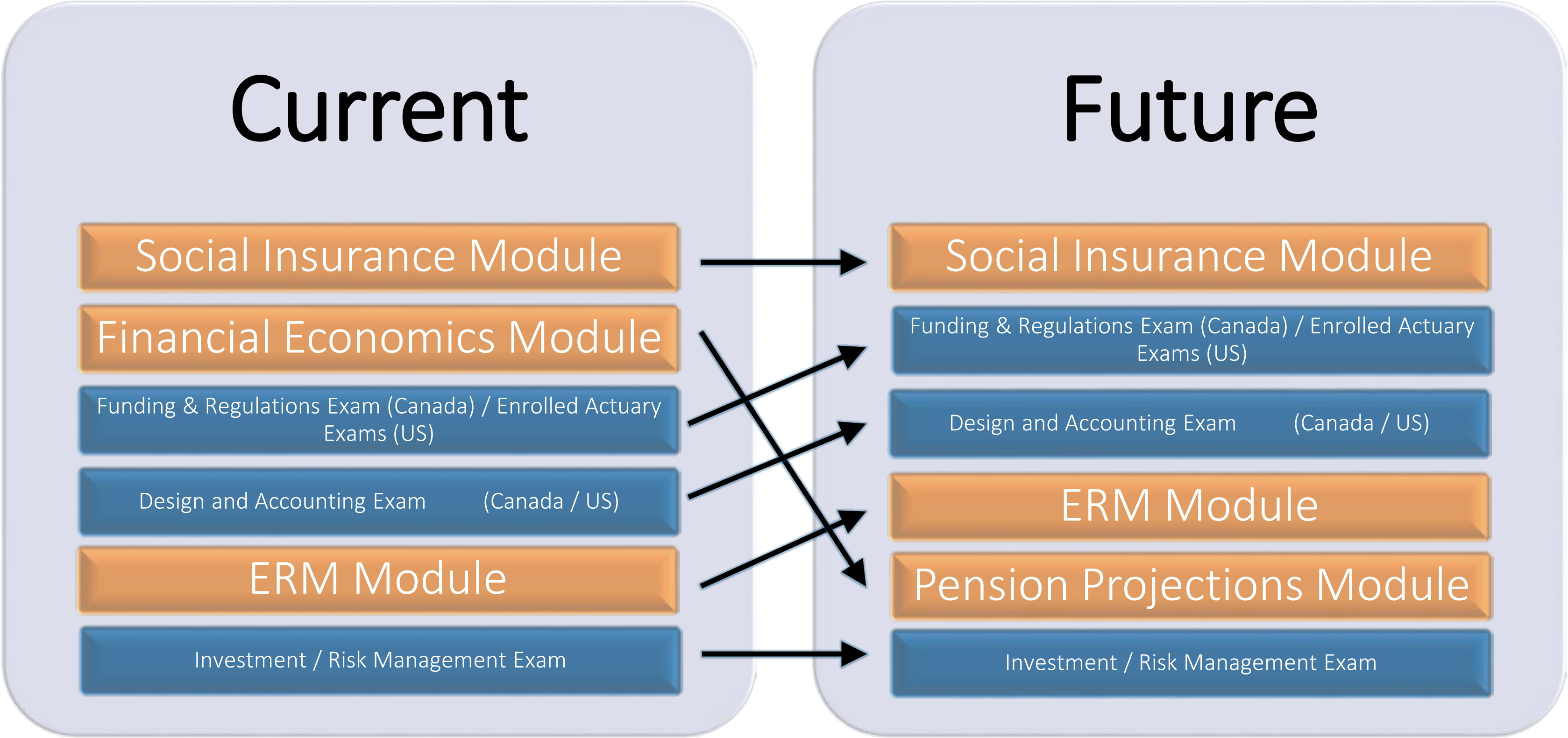
Quantitative Finance & Investment Track



Quantitative Finance & Investment Track Changes

- Major updates to Financial Modeling Module
- New Scenario Modeling Module
- Some topics will shift between exams

Retirement Track



Retirement Track Changes

- Minimal Changes
- New Pensions Projection Module

General Insurance Track Changes

- None at this time

Professional Development Update
Kevin Pledge

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2017 PDC Members

Section Representatives

- George Eknaian – ERM/Finance
- Kevin Pledge – Special Interest
- Marcus Robertson – Pension
- Patrick Kinney - Health
- Terry Long - Life

Additional Members

- Bill Sayre – International
- Joan Barrett – Board Partner
- Martha Sikaras – SOA Staff
- Karen Anway – Curriculum Chair
- Mike Boot – SOA Staff

PD Opportunities

- Major Meetings
- Strategic Alliances Seminars and Section events (Boot Camps, etc.)
- Webcasts
- E-Learning Courses
- Podcasts

Recent Achievements

- Introduction of GI PD opportunities
- Speaker Recognition
- Meeting Formats
- Moderator Training and Speaker Videos
- Advanced Business Analytics Seminar

2017 Priorities

23 Priorities in 9 categories set for 2017

- SOA Strategic Initiative - Predictive Analytics
- Quality

2017 Priorities

Predictive Analytics

- Predictive Analytics Symposium
- Predictive Analytics Pilot Certificate

2017 Priorities

Quality

- Moderator and Speaker Training
- Speaker Session Load
- Speaker Mentoring/Coaching
- Speaker Recognition
- Town Hall Meetings

2018 Goals

- Predictive Analytics Certificate
- Communication
- Continued focus on quality:
  - Speaker Training
  - Moderator Training
- Development of delivery methods

Questions?

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