

GH – Advanced Exam

Spring 2019

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.

[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](#)

The case study will be provided with the examination.
Candidates will not be allowed to bring their copy of the case study into the examination room.

[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.

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1. Topic: Provider Reimbursement

Learning Objectives

The candidate will understand how to evaluate the effectiveness of different provider reimbursement methods from both a cost and quality viewpoint.

Learning Outcomes

The Candidate will be able to:

- a) Calculate provider payments under various reimbursement methods
- b) Evaluate standard contracting methods from a cost-effective & quality perspective
- c) Understand contracts between providers and insurers
- d) Understand accountable care organizations and medical patient home models and their impact on quality, utilization and costs

Resources

- *Essentials of Managed Health Care*, Kongstvedt, Peter R., 6th Edition, 2013
 - Ch. 4: The Provider Network
- *Healthcare Risk Adjustment and Predictive Modeling*, Duncan, Ian G., 2nd Edition, 2018
 - Ch. 22.6-22.7
- GHA-102-13: Evaluating Bundled Payment Contracting
- GHA-110-15: Commonwealth Fund Paper – The Final Rule for the Medicare Shared Savings Program
- GHA-119-18: Physician Remuneration Options, pp. 3-11
- GHA-120-18: Avoiding Unintended Consequences in ACO Payment Model
- GHA-122-19: Episode-Based Physician Profiling: A Guide to the Perplexing
- GHA-123-19: Physician Cost Profiling – Reliability and Risk of Misclassification
- GHA-124- 19: Medicare Shared Savings Program in the Quality Payment Program
- [Design and Pricing of Tiered Network Health Plans](#), Health Watch, May 2009
- [Provider Payment Arrangements, Provider Risk, and Their Relationship with Cost of Healthcare](#) (excluding Appendices)

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2. Topic: Healthcare Interventions

Learning Objectives

The candidate will understand how to evaluate healthcare intervention programs.

Learning Outcomes

The Candidate will be able to:

- a) Describe, compare and evaluate programs
- b) Estimate savings, utilization rate changes and return on investment
- c) Apply the actuarially adjusted historical control methodology
- d) Calculate chronic and non-chronic trends in a manner that reflects patient risk

Resources

- *Managing and Evaluating Healthcare Intervention Programs*, Duncan, Ian G., 2nd Edition, 2014
 - Ch. 3: Care Management Programs and Interventions
 - Ch. 4: Actuarial Issues in Care Management Evaluations (background only)
 - Ch. 8: Understanding the Economics of Care Management Programs
 - Ch. 9: Applying the Economic Model: The Example of Opportunity Analysis
 - Ch. 10: Measuring Care Management Savings Outcomes (background only)
 - Ch. 11: The Use of Propensity Scoring in Program Evaluation
 - Ch. 12: An Actuarial Method for Evaluating Care Management Outcomes (excluding Appendix 12.2 & 12.3)
 - Ch. 13: Understanding Patient Risk and Its Impact on Chronic and Non-Chronic Member Trends
- GHA-113-16: Population Health Alliance and HERO– Program Management and Evaluation Guide, Ch. 1 and 2

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3. Topic: Reserving

Learning Objectives

The candidate will understand and apply valuation principles for 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., 7th Edition, 2016
 - Ch. 37: Claim Reserves for Short-Term Benefits
 - Ch. 38: Claim Reserves for Long-Term Benefits
- *Individual Health Insurance*, Bluhm, William and Leida, Hans, 2nd Edition, 2015
 - Ch. 6: Reserves and Liabilities
- GHA-103-16: Health Reserves
- GHA-114-19: Canadian Standards of Practice, sections 2120 and 2300 (excluding 2320.33 to 2320.37, 2340, 2350.19 to 2350.31, 2350.41 to 2350.45, 2360 and 2370), Feb 2018
- [ASOP 5: Incurred Health and Disability Claims](#) (excluding Appendices)
- [ASOP 23: Data Quality](#) (excluding Appendices)
- [ASOP 41: Actuarial Communications](#) (excluding Appendices)
- [ASOP 42: Health and Disability Actuarial Assess and Liabilities Other than Liabilities for Incurred Claims](#) (excluding Appendices)
- [CIA Educational Note - Valuation of Group Life and Health Policy Liabilities](#), sections 6-14
- [AAA Premium Deficiency Reserves Discussion Reports](#)
- [Read. Think. Write.](#), Health Section News, Oct 2004
- [Financial Reporting Implications Under the Affordable Care Act, Section IV](#)
- [Claim Reserve Model—How Actuaries Rely Upon the Claim Data They Receive](#), Long Term Care News, Sep 2008

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4. Topic: Underwriting

Learning Objectives

The candidate will understand how to apply principles of pricing, risk assessment and funding to an underwriting situation.

Learning Outcomes

The Candidate will be able to:

- a) Understand the risks and opportunities associated with a given coverage, eligibility requirement or funding mechanism
- b) Understand, evaluate and apply various risk adjustment mechanisms
- c) Recommend strategies for minimizing or properly pricing for risks
- d) Describe and apply approaches to claim credibility and pooling
- e) Apply applicable Actuarial Standards of Practice

Resources

- *Group Insurance*, Skwire, Daniel D., 7th Edition, 2016
 - Ch. 21: Estimating Medical Claim Costs (pp. 356-361)
 - Ch. 27: Experience Rating and Funding Methods
 - Ch. 30: Group Insurance Underwriting
 - Ch. 31: Managing Selection in a Multiple-Choice Environment
 - Ch. 33: Health Risk Adjustment (pp. 571-577)
- *Individual Health Insurance*, Bluhm, William and Leida, Hans, 2nd Edition, 2015
 - Ch. 4: Managing Antiselection (pp. 109-148)
- GHA-118-17: Issues to Consider in Self-Funding Long-Term Disability Insurance
- GHA-121-18: Assuris for Group Insurance in Canada
- [Level Funding: An Alternative to ACA for Small Groups, Health Watch](#), May 2016
- [Issues in Applying Credibility to Group Long-Term Disability Insurance](#) (pp. 5-15)
- [A Practical Approach to Assigning Credibility for Group Medical Insurance Pricing](#)
- [The Role of the Actuary in Self-Insurance](#), May 2018, sections 4, 5 & Appendices (excluding 4.4, 4.6.1, 4.6.2 & 4.6.3); please note this link is to a zip file and candidates are responsible for all items contained within it.