



SOCIETY OF ACTUARIES

Article from:

# The Financial Reporter

March 2013 – Issue 92

# Financial Reporting Research Scorecard

By Sam Keller

Sam Keller, FSA, MAAA,  
is an actuary at Allianz  
Life Insurance Company  
in Minneapolis. He  
can be reached at sam.  
keller@allianzlife.com.

**R**esearch is a primary mission of the Financial Reporting Section and is the largest use of section dues. This scorecard will keep section members informed about research projects sponsored or co-sponsored by the section.

Research initiatives in process (updated as of 12/19/2012):

Project Name	Description	Targeted Completion	Status	Project Oversight Group (POG) Contact
Monograph on Discount Rates	An IAA-sponsored monograph on the concepts and practical methods used in discounting across actuarial practice areas.	Q2 2013	Comments received during public exposure have been shared with the author team. The Ad hoc Project Oversight Group received the updated draft in January 2013.	Frank Grossman
Monograph on Risk Adjustment	A monograph addressing the application of risk and uncertainty in the measurement of insurance liabilities.	Q3 2014	The POG is reviewing an alternative project plan to accommodate delays encountered around the sourcing and vetting of research materials.	Mark Yu
Comparative Failure Experience in the Insurance and Banking Industries	Identification of the factors that have been effective for the insurance and banking industries to reduce failure rates.	Q1 2013	The POG has completed its editing of the report and is working with the researcher to finalize for posting.	Larry Rubin
Principle-Based Approaches Implementation Guide	This study will produce a resource for practitioners regarding practical implementation issues around PBA.	2013	Bids have been received and are being reviewed by the POG to select a researcher.	Ronora Stryker
Setting Dynamic Policyholder Behavior	This is a survey of current practice of life insurers and annuity companies on setting dynamic policyholder behavior.	2013	Bids have been received and are being reviewed by the POG to select a researcher.	Katie McCarthy
IFRS	Examines the impact to life insurance financial reporting of the upcoming IASB Exposure Drafts on accounting of insurance contract liabilities.	TBD	Researchers are continuing to work with actuarial task forces to assemble financial statements under U.S. GAAP and IFRS bases.	Tom Herget

Recently published research of interest to Financial Reporting Section members:

Project Name	Link
Premium Persistency Study of Flexible Premium Products	<a href="http://www.soa.org/Research/Research-Projects/Life-Insurance/research-premium-persist-assumptions.aspx">http://www.soa.org/Research/Research-Projects/Life-Insurance/research-premium-persist-assumptions.aspx</a>
Credit Risk Modeling Techniques for Life Insurers	<a href="http://www.soa.org/Research/Research-Projects/Life-Insurance/research-credit-risk-mod.aspx">http://www.soa.org/Research/Research-Projects/Life-Insurance/research-credit-risk-mod.aspx</a>
Behavioral Simulations: Using agent-based modeling to understand policyholder behaviors	<a href="http://www.soa.org/Research/Research-Projects/Risk-Management/Behavioral-Simulations/">http://www.soa.org/Research/Research-Projects/Risk-Management/Behavioral-Simulations/</a>
Volatility of Fair Value Accounting	Check the Completed Research Projects section of the SOA website for details
A Survey of Actuarial Modeling Controls in the Context of a Model-Based Valuation Framework	<a href="http://www.soa.org/Research/Research-Projects/Life-Insurance/Actuarial-Modeling-Control.aspx">http://www.soa.org/Research/Research-Projects/Life-Insurance/Actuarial-Modeling-Control.aspx</a>

Have an idea for a research project? Send it to Matt Clark ([matthewclark@deloitte.com](mailto:matthewclark@deloitte.com)) or John Esch ([john.esch@allianzlife.com](mailto:john.esch@allianzlife.com)). ■