



SOCIETY OF ACTUARIES

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Health Watch

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Chairperson's Corner

By Kevin Law

It is an exciting and interesting time to be in the health actuarial field. We are now about 20 months away from the January 2014 implementation of the state based health insurance exchanges which, along with the subsidies, penalties and mandate, will dramatically reshape the health insurance market. Health plans and health insurance companies have been focused on developing strategies to compete effectively in the new environment and to comply with the Affordable Care Act's (ACA's) requirements.

All of this intense activity is taking place with the Supreme Court's decision on the constitutionality of the ACA looming on the horizon. The Supreme Court scheduled three days of oral arguments for March 26-28, with an election-year ruling expected by the end of June. That timing is close to the date of our SOA Health '12 meeting, which provides a convenient segue to discussing this event.

SOA Health '12 Meeting

Health '12 will take place June 13-15 at the New Orleans Marriott in New Orleans, La. The Health Section Council has been working hard since last October planning the sessions and lining up the presenters. It is not a small task as the council, along with our volunteer "Friends of the Council" group and our colleagues in the Health Disability Income special interest group are responsible for creating, developing and staffing 60 sessions. We believe there is a great slate of health topics and excellent speakers in store for attendees. While space does not permit describing the session specifics in this article, I would like to mention our three keynote speakers:

Tom Davenport is a world-renowned consultant and author of a series of business books. He will be speaking at the general session about analytics and decision-making.

Mary Milla is a communications expert and presentation skills trainer. Mary will speak at the general luncheon on Wednesday.

Paul Ginsburg, Ph.D., is president of the Center for Studying Health System Change (HSC). Founded in 1995 by Ginsburg, HSC conducts research to inform policymakers and other audiences about changes in organization of financing and delivery of care and their effects on people. Particularly known for his understanding of health care markets and health care costs, Ginsburg has been named eight times by Modern Healthcare as one of the 100 most influential persons in health care. Ginsburg will discuss the changes taking place in the health care system and the future outlook at Thursday's general luncheon.

New Orleans is an interesting city to serve as the venue for our health meeting. It offers superb restaurants and a variety of "extra-curricular" activities. The New Orleans Marriott is located on the edge of the French Quarter. I am certainly partial to New Orleans, as I lived and worked there for 25 years and consider the city to be my adopted hometown. We will not be chilled outside like we were in Boston last year. Mid-June average high temperatures in the Big Easy are 90°, with typical morning relative humidity of 90 percent. It will be early in hurricane season, so that should not be a concern.

Canadian Outreach and Collaboration

The Health Section is pleased to begin working with Joseph De Dominicis, who joined the SOA as staff fellow, Canadian membership. Joe's accountabilities include promoting SOA content that is relevant to Canadians and encouraging increased engagement in the SOA by Canadian members. Maureen Premdas has been selected to assume the role of "Canadian membership liaison" to the Health Section Council. Her primary responsibilities involve:

- contributing the Canadian perspective into the section's research, professional development events and other projects,

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To join the section, SOA members and non-members can locate a membership form on the Health Section Web page at <http://www.soa.org/health/>

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- apprising the council of initiatives conducted by Canadian organizations, particularly the Canadian Institute of Actuaries, and
- identifying gaps in Canadian content that could be addressed by the Health Section.

We are looking forward to collaborating with our Canadian colleagues. This initiative will be beneficial to the section and its members, as it will increase our membership and volunteer base, expand the scope of section activities and enrich section content via the addition of a unique Canadian perspective.

Value of Health Section Membership

Speaking about enhancing the value of the Health Section leads to the benefits of belonging to our section. The council was surprised to learn during a recent meeting that there are a significant percentage of SOA members who identify “health” as their primary area of practice, but who do not belong to the Health Section. There are several tangible benefits of belonging to SOA sections:

- **Enhance personal brand** – Section memberships, which are shown in the online actuarial directory, indicate focus and interest in being on top of the latest breakthroughs in the field.
- **Access to information** – Section members have the opportunity to become aware of, and have convenient access to, the latest research, industry updates and practice news.
- **Network** – Breakfasts, receptions and events are available, often at a lower price.
- **Discounts** – In 2012, section members will receive a \$25 discount on one section-sponsored webcast.
- **Avenue for greater participation** – The section structure provides opportunities to volunteer, write, present and lead in an actuary’s area

of interest, facilitating network building and name recognition within the profession.

- **Support overall profession** – Section dues, which are relatively low, support communications (newsletters and e-books) plus continuing education events and materials (meeting sessions, symposia, boot camps, webinars and podcasts). These resources produced for section members by volunteers and on small budget are quite phenomenal.
- **Enable research** – This has been an important focus for the Health Section as we believe it is a valuable service to provide to members. Over the last two years, our average annual research funding has been just slightly below \$100,000.

HARI Research

In addition to the Health Section’s sponsored research, there are other significant health research initiatives underway. The Health Actuarial Research Initiative (HARI), announced in the May 2011 issue of *Health Watch*, is being funded by the SOA. Results of the first HARI project, a study of risk adjustment under health reform, are scheduled to be presented at Health ’12.

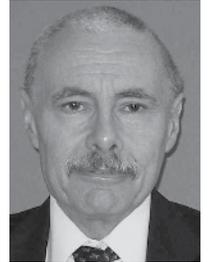
HARI’s second project, “accountable care organizations: actuarial and risk issues,” is currently underway, with the final report expected during the summer.

Their third project will be a study of the health care costs of the uninsured, in order to clarify expectations for the new exchange-based market when a significant portion of this population becomes insured. Data will be obtained from several sources, including the new Health Care Cost Institute (HCCI) database created last fall. This database currently consists of health care claims data from four major health plans, including \$5 billion health care claim and utilization records and over \$1 trillion of health care claim dollars over several years. Dale Yamamoto is representing the SOA on HCCI’s Governing Board and Scientific Review Committee.

Thanks to Our SOA Health Staff Fellow

Finally, on behalf of the entire Health Section Council, I would like to express sincere thanks to Sara Teppema, who has held the position of SOA

health staff fellow for several years. Sara has been promoted to senior staff fellow, practice research at the SOA and we wish her much success in the new position. Sara has been an invaluable SOA resource and a tireless supporter of the Health Section. ■



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App Idea?

Share it and you could win an iPad!

The SOA's Technology Section is sponsoring an "Apps for Actuaries" contest.

Ideas could include an app that:

- Serves a clear function for actuaries or actuarial students
- Serves a function for business or financial services
- Is original
- Works well regardless of platform

These are just examples—use your imagination!

Entering is easy. Just fill out the contest form on <http://appsforactuaries.org/App-Idea-Contest>

