

Life Practice Council Update

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Life Actuarial Task Force Meeting—April 8, 2021

Agenda

- Recent Activities
- Current Activities
- Ongoing Activities



Recent Activities

- Hosted 2020 year-in-review webinar
- Published 2021 *Life & Health Valuation Law Manual*
- Created six principle-based reserving (PBR) [analysis templates](#)
 - Additional content on Academy PBR webpage <https://www.actuary.org/content/pbr-practice>
- Published PBR In Brief (VM-22)



Recent Activities (continued)

- Updated C-1 bond factors with new tax rate
- Created Fixed Annuity PBR Deviations Grid
- Submitted comment letters on:
 - Economic scenario generator (LATF)
 - C-1 real estate factors (LRBC)
 - Colorado Senate Bill 21-169 (Senator Buckner)



Current Activities

- VM-21 Practice Note Addendum exposed for comment through April 30
- VM-22 drafting underway; expected in Q2 2021
- VM-22/C-3 P1 field study in development



Current Activities (continued)

- COVID-19 webinar planned for May
- PBR Boot Camp June 7–9
 - Registration is open!
 - Agenda
 - Day One: External reviews of PBR, model overview and model governance, and reserve change analysis and pricing projections.
 - Day Two: Overviews of life insurance—implementation of VM-20, mortality, additional liability assumption, and reinsurance.
 - Day Three: Asset overview, standard projection methodology, and sample reports.



Ongoing Activities

- Support Economic Scenario Generator transition
- Coordinate VM-22 and C-3 field study for non-variable annuities
- Recommend C-2 mortality factors
- Provide analysis of C-1 bond factors, C-1 real estate factors, and C-2 longevity factors



Ongoing Activities (continued)

- Provide commentary on mortality improvement discussions
- Support Yearly Renewable Term (YRT) reinsurance approach for VM-20
- Propose VM-51 data elements
- Publish Life Illustrations Practice Note Addendum
- Publish FAQs on changes to tax reserve calculations and reporting under TCJA (federal tax law)



Ongoing Activities (continued)

- Provide public policy analysis on the use of annuities in retirement plans, including changes as a result of the SECURE Act
- Provide public policy analysis on the use of data and algorithms in risk classification and underwriting
- Provide public policy analysis on efforts to promote diversity and inclusion in the actuarial profession and the broader insurance industry



Thank You

- Questions?
- For more information, please contact the Academy's Life Policy Analyst, Khloe Greenwood, at greenwood@actuary.org.

