

Envision Tomorrow a Success

ENVISION TOMORROW, the Academy's successful 2024 annual meeting held Oct. 15–16 in Washington, D.C., shined a spotlight on high-level key issues, featuring federal and state-level stakeholders and actuarial leaders, just a few weeks before the election. [See the supplement.](#)

The meeting, which had the theme “[Exploring a World of Risk](#),” examined topics including the global risk environment, climate change, aging, financial inclusion, state regulatory trends, Medicare, artificial intelligence (AI), and Social Security. It featured a general session on the Academy's commitment to professionalism as a self-regulated profession.

SEE **ENVISION TOMORROW**, PAGE 4



ASB, ABCD Appointments

NEW MEMBERS have been submitted for the Actuarial Standards Board (ASB) and the Actuarial Board for Counseling and Discipline (ABCD)—see p. 3. ▲



Academy Board Outlines Strategic Objectives

THE ACADEMY BOARD met Oct. 17–18 in Washington, D.C., following the successful two-day [Envision Tomorrow](#) event. The Board held the annual meeting of the Board of Directors, during which the slate of officers proposed by the Nominating Committee was elected. As previously announced, the following officers' terms will begin on Nov. 13, immediately following the annual meeting of Academy members.

They are:

- ▲ President-Elect—Tricia Matson.
- ▲ Secretary-Treasurer—Ben Slutsker.
- ▲ Vice President, Casualty—Susan Kent.
- ▲ Vice President, Health—Annette James.
- ▲ Vice President, Professionalism and Education—Nancy Behrens.

In addition to the officers the Board elected on Oct. 17, the directors Academy members selected over the



Matson

summer—Steve Armstrong, Eric Keener, and Stephen Koca—will begin three-year Board terms on Nov. 13.

The Strategic Planning Committee (SPC) presented its work, which included an inventory of mentions of the MAAA designation and the American Academy of Actuaries in over 1,400 state and federal laws and regulations; the Academy's role in providing notice to actuaries when disruptive events occur and guidance on how actuaries should appropriately respond to such events; and the role the Academy plays in reinforcing and maintaining self-regulation as a critical strategic area of focus for the profession in the United States.

The Board heard from the Committee on Membership and the Committee on Education regarding continued efforts to promote and reinforce the Academy's

SEE **OBJECTIVES**, PAGE 4

2

Contingencies,
Actuary Voices
[Spotlight Cybersecurity](#)

3

Video Highlights
the Academy &
[Professionalism](#)

5

Nov. Professionalism
Webinar to
[Focus on Health](#)

6

Professionalism Counts—
Understanding the
[ABCD Inquiry Process](#)

CE & OTHER LEARNING OPPORTUNITIES

2024



NOVEMBER

4-7 [Life and Health Qualifications Seminar](#); Arlington, Va. (in-person event)

4-6 The Academy will host educational sessions and a luncheon for newly credentialed actuaries at the CAS annual meeting

12 [Ethical Dilemmas Facing Health Actuaries: Insights and Case Studies](#)

14-19 The Academy will conduct multiple session updates at the NAIC Fall National Meeting

DECEMBER

3 [Capital Markets—What Now?](#)

6 [Tales From the Dark Side](#)

9-10 [Seminar on Effective P/C Loss Reserve Opinions](#); New Orleans (in-person event)

12 [Surplus Considerations for Public Pension Plans](#)

13 PBR Bootcamp: VM-31 as Seen by Regulators

For an updated list of Academy events, visit the online [Events Calendar](#). Archived webinars are now accessible through [Academy Learning](#). (Member sign-in required.)


Academy NEWS Briefs

Actuarially Sound Highlights Informed Voting

THE LATEST ACTUARIALLY SOUND blog post notes the [importance of voting](#) in next week's presidential election and highlights the Academy's Election 2024: Issues Clearinghouse—a resource for members, public policymakers, and the broader public policy community to find independent, unbiased insights with the actuarial perspective on some of the top public policy issues facing the country. ▲



Actuarially Sound



Actuary Voices Features Isabelle McCullough

COMMITTEE ON CYBER RISK MEMBER

Isabelle McCullough is featured in the latest episode of [Actuary Voices](#), the Academy's podcast, in which she talks about the committee's work, the trends it is seeing, and what drew her to working in this area. Subscribe to [Actuary Voices](#) wherever you get your favorite podcasts. ▲

Recently Released

TO MARK CYBERSECURITY AWARENESS MONTH, a *Contingencies* web exclusive, "[Cyber Awareness: It's Everyone's Responsibility](#)," has a wide-ranging interview with Committee on Cyber Risk Chairperson Wanchin Chou, who offers insights into the evolving state of cybersecurity as digital threats become more sophisticated.

An Actuarially Sound blog post, "[Don't Be Scared! Cybersecurity Awareness Month Serves as a Reminder of Threats](#)," highlights government and Academy initiatives that help protect the nation's cybersecurity.

The Fall [Retirement Report](#) leads with a Q&A with Social Security Committee Chairperson Sam Gutterman on the committee's recent issue



Web Exclusive

Cyber Awareness: It's Everyone's Responsibility

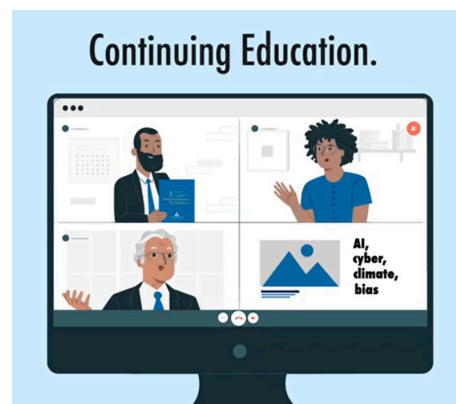
paper on the importance of immigration to Social Security's financial sustainability. Also in the issue, the latest in the "ERISA at 50" series. ▲

Academy NEWS

Video Highlights Professionalism and the Academy

B EING AN ACTUARY ISN'T JUST A JOB—it's a profession. A new [Academy video](#) takes a look at the various elements of professionalism that guide actuaries, the standards they hold themselves to, and the various ways the Academy helps serve their professionalism needs. Watch the video on the Academy's YouTube channel and spread the word on the importance and role professionalism plays in reinforcing what it means to be an actuary.

Like/share on LinkedIn—Like the video? Share it with your professional network—[click here to like and share](#) the Academy's post on LinkedIn. ▲



Selection Committee Appoints New ASB, ABCD Members

T HE SELECTION COMMITTEE, established in the Academy bylaws and composed of the presidents and presidents-elect of the Academy, the Casualty Actuarial Society, and the Society of Actuaries—made appointments to the Actuarial Standards Board (ASB) and the Actuarial Board for Counseling and Discipline (ABCD), which take effect Jan. 1.

Current ABCD Vice Chairperson William Hines will be the new ABCD Chairperson, and new ABCD vice chairpersons will be Academy Past President Shawna Ackerman and April Choi.

Tim Geddes and Eli Greenblum are new appointees to the ABCD. Both are former Academy Pension Practice Council vice presidents; Geddes is currently vice president of professionalism



Geddes



Greenblum



Miller

and education, serving in that position through the end of this year. Each is appointed to a three-year term, and they will replace Tammy Dixon and Richard Kutikoff.

Academy Past President Mary Frances Miller, a casualty actuary, was appointed to the ASB, and will replace Pat Woods. Miller's most recent ASB involvement was as past chairperson of the ASB's Casualty Committee, and she is the current chairperson of the committee's ASOP No. 30 Task Force. Miller was appointed to serve a three-year term and is eligible for a second such term. ▲

Lisa Slotznick Joins CCA's Leadership Interviews Series

A CADEMY PRESIDENT Lisa Slotznick was featured in the latest edition of the "Leadership Interview Series" from the Conference of Consulting Actuaries (CCA), speaking with CCA Past President Michael Clark. Watch the video on CCA's [YouTube Channel](#). ▲



Slotznick

Academy Attends SOA Annual Meeting

A CADEMY VOLUNTEERS and staff attended the Society of Actuaries (SOA) 2024 [ImpACT Conference](#) Oct. 27–30 in National Harbor, Md. Data Science and Analytics Committee (DSAC) Chairperson Dorothy Andrews and DSAC member David Schraub and Committee on Professional Responsibility AI Task Force member Matthew Wininger presented in an "AI: Industry and Regulatory Challenges" session, which also featured the NAIC's Miguel Romero.

▲ **CCA**—Academy representatives also attended and presented multiple sessions at the Conference of Consulting Actuaries (CCA) [annual meeting](#) Oct. 27–30 in Marco Island, Fla., including a professionalism session by current and past leaders of the Actuarial Board for Counseling and Discipline.

▲ **CAS**—The Academy will host a [Nov. 4 luncheon educational session](#) for Academy non-members at the Casualty Actuarial Society's (CAS) annual meeting Nov. 3–6 in Phoenix, which will feature Academy President Lisa Slotznick. Also, incoming Casualty Vice President Susan Kent will present in a Nov. 5 "P/C Regulatory and Legislative Environment" session moderated by Senior Casualty Fellow Rich Gibson, which will include Christian Myers, chief actuary with the New Mexico Office of Superintendent of Insurance Regulations.

▲ **NAIC Fall Meeting**—Volunteers and staff also will attend the [NAIC Fall National Meeting](#) in Denver Nov. 16–19, meeting with NAIC's casualty, health, and life task forces, and presenting on professionalism issues. ▲

Academy Attends AAE Meeting

SENIOR DIRECTOR OF PUBLIC POLICY Geryalyn Trujillo attended the [Actuarial Association of Europe](#) (AAE) meeting, held Oct. 9–11 in Budapest, Hungary. Representing more than 29,000 European actuaries, the AAE meeting focused on several key areas in policy, governance, and professionalism.

Discussions included the impact of AI in the insurance industry, the economy, and the role of the actuaries; the future of the profession and the need to continue to elevate the expertise and knowledge that actuaries bring to the C-suite; the influence of Solvency II and what future changes could mean; and how the AAE and its member associations will continue to engage and grow its relationship with key external stakeholders, including the European Parliament, the European Insurance and Occupational Pensions Authority, and the International Actuarial Association. ▲▲

Uccello Co-Authors Medicare Article

SENIOR HEALTH FELLOW Cori Uccello co-authored the story, “[The Opportunity Costs of Medicare Advantage Plan Rebates](#),” published by the *New England Journal of Medicine*. The story examines the costs of Medicare Advantage rebates for beneficiaries and explores alternatives that could improve beneficiary outcomes and the program’s finances. ▲▲

Envision Tomorrow, Continued from p.1

The Academy presented its annual awards—the Jarvis Farley Service Award, to Al Bingham; the Robert J. Myers Public Service Award, to Fred Andersen; the Outstanding Volunteerism Awards, presented to four Academy volunteers; the Rising Actuary Awards, presented to nine recipients; and the Award for Research, to Australia-based Doron Samuelli.

President Lisa Slotznick gave an address, and President-Elect Darrell Knapp also took the stage. [C-SPAN](#) was on hand to film the Social Security session. See a video of Envision Tomorrow images, and a photo spread in the supplement.

Envision Tomorrow included networking opportunities and a reception, a Fun Run, and a scavenger hunt. For a full recap, see the “Envision Tomorrow—A Closer Look” supplement to *Actuarial Update*.

Save the Date—Leadership Transition

The Academy’s bylaws require an Annual Meeting of Members, and the presidential and Board of Directors leadership transition will take place in a virtual event at noon EST on Nov. 13. Why virtual? The Academy wants to ensure more members can access the event and hear directly from Academy leaders on the successes of the past year and what’s in store for the year ahead. ▲▲

Objectives, Continued from p.1

[Competency Framework](#), and the communications plan for the [new membership requirements](#), which will become effective on Jan. 1, 2026.

The Board heard from each public policy council on current initiatives and discussed priorities for 2025. It also conducted a learning and knowledge-sharing session with an external consultant to reinforce the Academy’s strategic focus on incorporating elements of diversity, equity & inclusion in all aspects of Academy operations and activities.

Finally, the Board was updated on the Academy’s annual call for volunteers and discussed results, progress, and next steps. ▲▲

THE ACADEMY IN THE NEWS

[CNBC](#) presidential election coverage included a story citing comments by Academy Social Security Committee Chairperson Sam Gutterman on the issue of immigration and Social Security, following the committee’s recent issue brief on the subject.

In addition to [C-SPAN](#) (see p. 1), other outlets covering the Envision Tomorrow general session on Social Security included [Insurance News-Net](#), [Money](#), and [Financial Planning](#).

Other Envision Tomorrow coverage included [InsuranceNewsNet](#)’s coverage of keynote speaker Gen. Wesley Clark’s discussion of global

and security risks, and the presentation of Outstanding Volunteerism Awards and Rising Actuary Awards was included in [PropertyCasualty360](#)’s roundup of P/C activities.

A [Think Advisor](#) story on COVID-19’s effect on mortality rates regarding life insurance mentioned the Academy’s work on the topic.

The Academy’s February [issue brief on offshore reinsurance](#) was cited in a [Reinsurance Business](#) story on recent related NAIC activity.

[Barron’s](#) quoted Long-Term Care Committee member Laurel Kastrup on LTC insurance issues. ▲▲

Member Spotlight

Joe Dorocak

READ THE LATEST “Member Spotlight” to learn more

about health volunteer Joe Dorocak, a 2024 Rising Actuary Award recipient. Dorocak discusses his journey to becoming an actuary, new tools like simulation modeling and GenAI, and volunteering on the Health Equity Committee. Visit the [Member Spotlight page](#) to read more about Dorocak ... and the trials and tribulations of being a Cleveland sports fan. ▲▲





ASB Boxscore Recaps ASOPs Activity

THE FALL ASB [Boxscore](#) includes the Actuarial Standards Board's (ASB) adopting a revision of Actuarial Standard of Practice (ASOP) No. 24, *NAIC Life Insurance Illustrations Model Regulation*, with a Dec. 1 effective date.



Also of note, Nov. 1 is the deadline for comments on three exposures:

- ▲ *Enterprise Risk Management* (second exposure draft of a new proposed ASOP)
- ▲ *Pricing Reinsurance or Similar Risk Transfer Transactions Involving Life Insurance, Annuities, or Long-Duration Health Benefit Plans* (proposed new ASOP)
- ▲ *Profit Margins and Contingency Provisions in Property/Casualty Risk Transfer and Risk Retention* (ASOP No. 30, proposed revision)

Information on how to submit comments can be found in the [Exposure Drafts Open for Comment webpage](#). ▲

November Professionalism Webinar to Focus on Health

A NOVEMBER PROFESSIONALISM WEBINAR, [Ethical Dilemmas Facing Health Actuaries: Insights and Case Studies](#), will feature three leaders of the profession in the health practice area discussing ethically difficult situations that health actuaries may face in their work:

- ▲ Academy President-Elect Darrell Knapp is a former ASB chairperson and chairperson of the Life and Health Qualifications Seminar Subcommittee.
- ▲ Rob Damler, a more recent ASB past chairperson, has a long Academy volunteer history with the ASB Health Committee and the Health Practice Council.
- ▲ Audrey Halvorson is a past Academy health vice president who has also served in many volunteer roles, including previously as chairperson of the Committee on Professional Responsibility.

They will discuss case studies including issues of confidentiality, third-party responsibility, qualifications, Medicare Advantage upcoding, and pressure from principals. The webinar is set for Tuesday, Nov. 12—[register today](#). ▲

CASUALTY NEWS



Webinar Examines Cyber Risk

COMMITTEE ON CYBER RISK Chairperson Wanchin Chou led committee members in an Oct. 30 [Navigating the Cyber Risk Landscape: New and Emerging Work](#) webinar, in which presenters covered updates to the *Cyber Risk Toolkit* including personal cyber, cybersecurity requirements established by the U.S. Securities and Exchange Commission, and an overview of the global cyber reinsurance market. See a replay via [Academy Learning](#). ▲

SEC Cybersecurity Disclosure Requirements and Related Directors & Officers Liability Risks

THE LATEST RELEASE to the *Cyber Risk Toolkit*, “[SEC Cybersecurity Disclosure Requirements and Related Directors & Officers Liability Risks](#),” details how the U.S. Securities and Exchange Commission (SEC) is regulating cybersecurity and the reporting of cybersecurity incidents by publicly traded corporations to investors, as well as the implications of these regulations. ▲



NEW CASUALTY VOLUNTEER POSITIONS/ROLES

- ➔ **Ishmealina Boye** is the LPC Liaison for the Medical Professional Liability Committee, and the following are new committee members: **Nicholas Blaubach**, **Willie Davis**, and **Jennifer Teter**.
- ➔ **Benjamin Turner** joined the P/C Committee on Equity and Fairness.

CASUALTY NEWS IN BRIEF

The Casualty Practice Council (CPC) [submitted comments](#) regarding the California Department of Insurance's Notice of Proposed Rulemaking on Catastrophe Modeling and Ratemaking. Specifically, the CPC weighed in on the inclusion of the phrase “most actuarially sound” in the state's regulations. ▲

Read more—for the latest updates on the Academy's P/C-practice work, visit the [Public Policy Casualty page](#). ▲

Understanding the ABCD Inquiry Process

“STANDARDS, AND ALL THE CREDIBILITY THEY IMPLY, have to be meaningful. Discipline will play a role, as it must; an incompetent actuary can adversely reflect on the profession as a whole. Discipline is not intended to terrorize actuaries, but to provide them with a means of filtering out the poor work that will hurt professional credibility.”¹

The above quote is from a time when our current professionalism framework was just beginning to be established. As the architects of actuarial professionalism knew, discipline—that is, consequences for violating the profession’s standards—is essential to successful self-regulation. Thus, the Actuarial Board for Counseling and Discipline (ABCD) was established soon after the Actuarial Standards Board began issuing actuarial standards of practice (ASOPs).

The ABCD, like the ASB, resides within the Academy’s structure, but operates independently of the Academy’s Board of Directors. It serves several functions on behalf of the actuarial profession in the U.S. First, it provides counseling, answering questions from actuaries related to the profession’s standards of conduct, qualifications, and practice in an effort to prevent poor practice before it occurs. Second, it investigates complaints concerning potential violations of those standards and recommends discipline to the various actuarial member organizations, including the Academy, when appropriate.

What if you find yourself on the receiving end of a call from the ABCD, informing you that someone has lodged a complaint against you? No doubt you will experience a range of negative emotions—anger, fear, disappointment, humiliation. Take a deep breath and remember that the process is designed to be confidential and fair to actuaries who are the subject of an ABCD complaint. As a subject actuary, you will have several opportunities to explain your actions so that the ABCD can determine whether there was a material violation of the Code or simply a misunderstanding between the complainant and the actuary.

First, you will receive a copy of the complaint and an invitation to respond. This is your first opportunity to tell your side of the story, explain what you did and why, and show good faith and willingness to cooperate with the ABCD, thereby complying with Precept 14, which requires you to “respond promptly, truthfully, and fully” to requests for information from the ABCD. The ABCD will consider the complaint and your response and decide whether to dismiss the matter, investigate further, or offer mediation.

If the ABCD decides further investigation is warranted, an independent investigator will be appointed to gather information and prepare a report documenting the facts supported by evidence. This is another chance for

you to cooperate and demonstrate your commitment to professionalism.

After reviewing the investigator’s report, the ABCD may decide to dismiss the complaint, offer mediation, provide counseling, or hold a fact-finding hearing. If a hearing is held, you may attend the meeting, along with counsel if desired, to provide more information and give testimony.

After the hearing, the ABCD will decide whether to dismiss the matter, provide counseling, or recommend discipline to the actuarial organizations to which you belong. Discipline may take one of four forms: private reprimand, public reprimand, suspension, or expulsion. Counseling is not considered discipline, and the ABCD may provide counseling in addition to recommending discipline. It is important to note that the ABCD does not discipline actuaries; it only *recommends* discipline. It is the organizations to which the actuary belongs that ultimately decide whether to discipline an actuary and what form that discipline should take.

As we have seen, the process provides subject actuaries with multiple opportunities to participate and present their side of the story. By cooperating fully with the ABCD and responding to their and the investigator’s inquiries in a timely manner, a subject actuary can make the process go more smoothly for all concerned. On the flip side, failing to cooperate in a timely manner or being combative or obstructionist can backfire on the subject actuary. The ABCD has found such actuaries to have violated Precept 14, in addition to the possible violations that sparked the investigation in the first place.

The architects of our professionalism framework knew that a disciplinary process would be necessary to discourage bad practice, uphold the standards, and preserve the reputation of the profession. They were also wise enough to create a body that provides counseling to help prevent bad practice before it occurs and that investigates potential violations of the Code in a manner that is fair to the subject actuary.

If you have questions about your practice, we encourage you to contact the ABCD with a [request for guidance](#) to reduce the possibility of inadvertently violating the Code. If the ABCD has questions about your practice, we encourage you to respond promptly, truthfully, and fully to their inquiries. ▲

¹ Walter Rugland, Academy Vice President, Special Supplement to *Actuarial Update*, March 1984

American Academy of Actuaries

New Membership Requirements 2026

What are the new requirements?

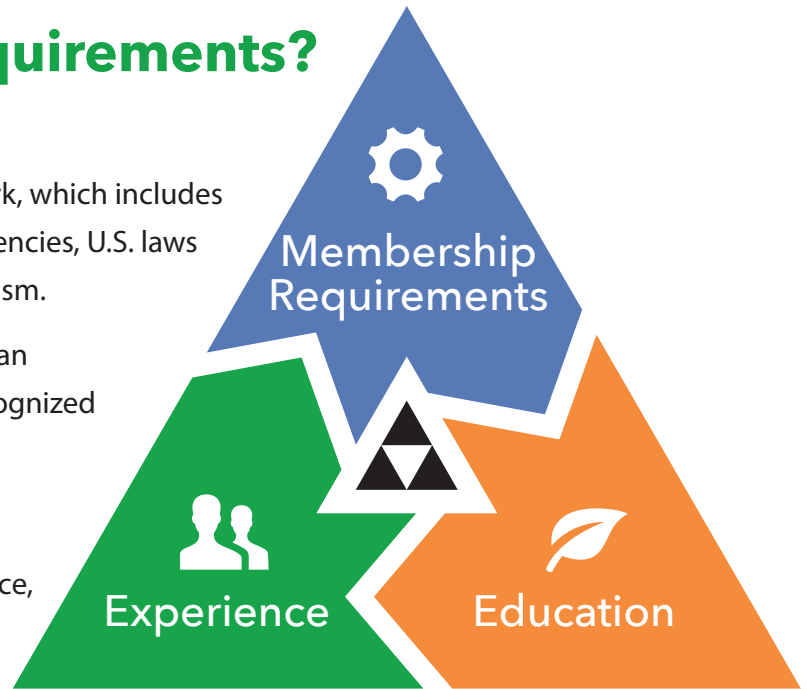
Education

Compliance with the Competency Framework, which includes baseline knowledge of key actuarial competencies, U.S. laws and practices, and U.S. actuarial professionalism.

Achievement of an actuarial credential from an actuarial organization, both of which are recognized by the Academy.

Experience

Three years of responsible actuarial experience, including at least one year of responsible U.S. actuarial experience.



Why it matters

The new requirements will be effective **starting Jan. 1, 2026**, and aim to ensure that the Academy continues to maintain high standards in support of fulfilling its mission to serve the public and the U.S. actuarial profession.

Visit actuary.org/membership-requirements to read our FAQ and learn more.



AMERICAN ACADEMY
of ACTUARIES

"With these new requirements, Academy membership will continue to represent the expertise and professionalism expected by our stakeholders in our ever-changing environment."

—Lisa Slotznick, Academy President (2023-24)

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HEALTH NEWS



Issue Brief Examines ERISA in Health-Benefits Context

THE HEALTH Practice Council released an issue brief, [ERISA at 50: ERISA and Health Benefits](#), which covers the history of the *Employee Retirement Income Security Act of 1974*'s (ERISA) application to health benefits, subsequent amendments to the landmark law, ERISA's facilitation of coverage under employer-sponsored health plans, and its challenges. Also released—an [executive summary](#). ▲

Uccello Participates in GAO Health Roundtable

SENIOR HEALTH FELLOW Cori Uccello participated in a Government Accountability Office Comptroller General's Forum on U.S. health care spending. The forum was convened to advance the national dialogue around issues of cost, access, and quality challenges. ▲

Read more—for the latest updates on the Academy's health-practice work, visit the [Public Policy Health page](#). ▲

LIFE NEWS



LIFE NEWS IN BRIEF

The Life Practice Council (LPC) sent comments to the NAIC Life Actuarial Task Force regarding [the Scope and Aggregation sections](#) and [the entirety](#) of the exposure, AAT for Reinsurance Actuarial Guideline Draft. ▲

NEW LIFE VOLUNTEER POSITIONS/ROLES

➡ **Rhonda Ahrens** joined the Life Practice Council's Investment Analysis Subcommittee.

Read more—for the latest updates on the Academy's life-practice work, visit the [Public Policy Life page](#). ▲

RETIREMENT NEWS



JBEA Seeks Actuarial Exam Committee Members

THE JOINT BOARD FOR THE ENROLLMENT OF ACTUARIES (JBEA) is seeking applications for the Advisory Committee on Actuarial Examinations for a term from March 1, 2025, to Feb. 28, 2027. The committee plays an integral role in assisting the JBEA in offering examinations that assess the knowledge necessary to qualify for enrollment. Applications are due Dec. 6. For information on how to apply, visit the [IRS/JBEA webpage](#). ▲

Read more—for the latest updates on the Academy's retirement-practice work, visit the [Public Policy Retirement page](#). ▲