JUL 2026

Actuarial UPDATE

THE NEWSMONTHLY OF THE AMERICAN ACADEMY OF ACTUARIES

Academy Names VP & Secretary-Treasurer Nominees

THE NOMINATING COMMITTEE of the Academy Board named three volunteers to become vice presidents for Casualty, Health, and Professionalism and Education as well as Secretary-Treasurer, succeeding four outgoing Board officers. They will begin their terms in mid-December following the Academy's Leadership Transition event.

- **Williams Hines** was nominated to be vice president, professionalism and education, succeeding Nancy Behrens. Hines is currently chairperson of the Actuarial Board for Counseling and Discipline (ABCD) and has been an ABCD member since 2021. Hines has served in many Academy committee and task force roles, including vice president of risk management and financial reporting; chairperson of the Financial Reporting Committee, Accounting Practices Work Group, Financial Regulatory Task Force, and International Accounting Standards Task Force.
- **Kevin Dyke** was nominated to be vice president, casualty, succeeding Susan Kent, who has been nominated to be the Academy's next president-elect. Dyke was a member of the Actuarial Standards Board (ASB) from 2020 to 2025, serving as vice chairperson 2022–2023 and chairperson 2024–2025. A member of the Committee on Qualifications and the P/C Committee on


Hines


Dyke


Pantely


Ferris

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Academy Welcomes Two Staff Actuaries

Making Strategic Investments to Enhance Value & Impact

THE ACADEMY HIRED two staff actuaries, in the health and life & risk management practice areas—part of its strategic investment in what will be four full-time, in-house actuaries to deepen member and stakeholder value and benefit Academy work in policy and professionalism.

Seong-min Eom began as Senior Actuary, Policy and Stakeholder Strategy for life and risk management, on July 13, and Julia Lerche started as Senior Actuary, Policy and Stakeholder Strategy for health, on July 27. The Academy plans to add two more staff actuaries, in the casualty and retirement practice areas, later this year.

"The Academy is reinforcing the value delivered by actuarial professionals as preeminent experts in risk and financial security with the addition of in-house, full-time staff actuary roles," said Academy Executive Director and CEO Bill Michalisin. "Seong-min Eom and Julia Lerche bring deep benches of actuarial and regulatory expertise, diverse perspectives from the field, and prolific Academy volunteer experience to our day-to-day operations. As the Academy expands and innovates its portfolio of resources to meet the needs of our members and stakeholders within an increasingly complex risk, technology, and public policy landscape, we are looking forward to the contributions staff actuaries will make to advancing our mission and the work of our dedicated volunteers and staff."


Eom


Lerche

Eom and Lerche both have extensive Academy volunteer experience. Eom has more than 25 years of diverse actuarial experience that spans regulatory, consulting, and corporate environments, and 15 years of experience as an

See **ACTUARIES,** p. 4 ▶

CE & OTHER LEARNING OPPORTUNITIES

2026 WEBINAR

August

- **20** Call for Volunteers Information Session (free membership webinar)
- **26** VM-22 Practitioners Forum; Denver; following Society of Actuaries Valuation Actuary Meeting (SOA ValAct)

September

- **10** Modeling IRC Section 7702 Rate Changes: A Calculator Demonstration (life webinar)
- **14–16** Casualty Loss Reserve Seminar; Las Vegas (co-sponsored with CAS)
- **23** Toward a Sustainable Retirement System: Choices That Shape the Future; Washington, D.C. (symposium)
- **28–Oct. 1** Life and Health Qualifications Seminar; Arlington, Va.

December

- **7–8** Seminar on Effective P/C Loss Reserve Opinions; Nashville, Tenn.
- **10** Leadership Transition

Event Calendar

For the latest list of Academy events, visit the Event Calendar. Visit Academy Learning, a free member benefit, for webinar recordings and other Academy content. (Member sign-in required.)

Academy NEWS *Briefs*

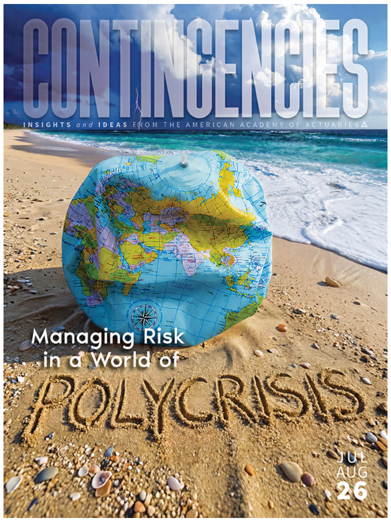
Actuary Voices Features Author & Pricing Actuary Pietro Parodi

IN THE LATEST Actuary Voices, author and pricing actuary Pietro Parodi shares his unconventional path into the actuarial profession, from studying physics and AI to becoming one of the industry's leading voices on pricing and actuarial modeling. Subscribe to Actuary Voices wherever you get your favorite podcasts.

Actuarially Sound Examines NFIP

THE LATEST Actuarially Sound blog post covers the future of the National Flood Insurance Program (NFIP), including what the program does—and does not—cover. It notes a recent executive order on the NFIP and the critical perspective the Academy offers on the program. Actuarially Sound, accessible via the *Contingencies* webpage, offers regular public policy insights, highlighting Academy policy priorities and external engagement with the Academy's stakeholders.

Contingencies Looks at Polycrisis, GLP-1 Drugs, AI & Health Care



THE JULY/AUGUST issue of *Contingencies* leads with a cover story on polycrisis, including extreme weather, cyberattacks, geopolitical conflict, and economic volatility that are creating new challenges in an increasingly interconnected world, and the role of actuaries. Other feature stories include how the rise of GLP-1 drugs is shaping health care, costs, and coverage, raising new risk considerations for actuaries and insurers and an exploration of the role of artificial intelligence (AI) and moral hazards in health insurance. In addition, in her President's Message, Tricia Matson explains why the actuarial profession's expertise is more important than ever, while Executive Director Bill Michalisin's CEO Insights column highlights the knowledge, judgment, and skills actuaries need to address today's challenges.

Contingencies Seeking a Puzzle Writer

Love a good puzzle or mind-tester? Better yet, do you love creating them? *Contingencies* is looking for a volunteer to write its popular puzzle column. Read more and apply here.

Life Perspectives Previews VM-22 Forum

The Summer *Life Perspectives* leads with a Q&A with PBR Implementation Subcommittee Chairperson April Shen, who explains why life actuaries involved with principle-based reserving (PBR) should attend the Academy's August VM-22 Practitioners Forum (see p. 7).

Academy NEWS

Olivier Côté Receives Academy Award for Research

OLIVIER CÔTÉ, A PH.D. candidate at Université Laval's School of Actuarial Science in Quebec City, Canada, received the Academy's 2026 Award for Research. Academy Research Committee Vice Chairperson Becky Sheppard presented the award July 23 at the 2026 Actuarial Research Conference held at The Ohio State University in Columbus.

Côté and his co-authors' research, "A Scalable Toolbox for Exposing Indirect Discrimination in Insurance Rates," was published as part of the Casualty Actuarial Society's (CAS) Series on Bias and Insurance. Their novel approach leveraged lessons from machine learning work that did not squarely apply or fit the insurance context, to create a scalable tool that provides accessible information for assessing fairness in insurance.

Casualty Vice President and Academy President-Elect nominee Susan Kent also spoke at the banquet, and ASB member Erica Baird, a plenary session speaker, highlighted valuable takeaways on research data and imputation methods. Another Academy session included presentations by Côté and other research award finalists. Also in attendance from the Academy were Director of Research Steve Jackson, Assistant Director of Research Kim Ferrero, and Senior Research Analyst Julie Goodwin.

The Award for Research, now in its fourth year, includes a $7,500 honorarium. Read the Academy news release.

Cheywags Photography

Sheppard (right) presents Award for Research to Côté at ARC

Call for Volunteers Coming in August

THE ACADEMY'S ANNUAL Call for Volunteers will open on Aug. 17 and run through Sept. 17. The Academy will also hold an Aug. 20 online information session for interested or prospective volunteers. The annual call for volunteers offers members an opportunity to support the Academy's mission to serve the public and the U.S. actuarial profession through volunteering—whether advancing professionalism, writing for *Contingencies*, tackling policy challenges in issue briefs, speaking at webinars, or serving as a peer reviewer. A variety of opportunities are available. Check out which committees are particularly interested in adding new volunteers or are seeking specific expertise or talents to add to our rosters.

Questions? Contact Volunteer and Member Engagement Manager Anthony Washington at volunteer@actuary.org.

LHQ Seminar Early Discounts End Soon

EARLY REGISTRATION discounts end soon for the 2026 Life and Health Qualifications Seminar, being held Sept. 28–Oct. 1 in Arlington, Va., outside Washington, D.C. Now being held earlier in the year, the event will include separate life and health tracks following a day of general education. Registration is limited for the popular seminar, which delivers three days of training and instruction and an optional three-hour exam on the fourth day, and is considered one of the best ways to get directly relevant CE to qualify to issue either the NAIC Life, Accident & Health, and Fraternal Annual Statement (Blue Blank) or the NAIC Health Annual Statement (Orange Blank). Get an early discount through Aug. 17—register today.

Academy to Present at IABA, OLA

THE ACADEMY will present at the August annual meetings of the International Association of Black Actuaries (IABA) and Organization of Latino Actuaries (OLA).

IABA—The 2026 IABA Annual Meeting will be held Aug. 6–9 in Charlotte, N.C. Academy Senior Health Actuary Julia Lerche will present "Public Policy in Action—Positioning Actuaries for Societal Impact" in a session moderated by IABA President Gloria Gilliam. Other Academy volunteers are taking part, including President Tricia Matson, who will present on a life panel.

OLA—The 2026 OLA Avanza Conference will be held Aug. 12–14 in Chicago. Homeowners Task Force Vice Chairperson and Extreme Events Committee member Emma Casehart will present on "Professionalism for All, from the Newly Credentialed to the Seasoned Actuary" on Aug. 13. Donna Megregian, an Academy member-selected director and vice chairperson of the Life Practice Council, will present in a "Public Policy in Action—Positioning Actuaries for Societal Impact" session.

CLRS to Include Academy-Led Sessions on Professionalism & Public Policy

ACADEMY STAFF AND VOLUNTEERS will present at the 2026 Casualty Loss Reserve Seminar (CLRS), Sept. 14–16 in Las Vegas. ABCD member Arthur Randolph and former ABCD member Albert Beer will present in a professional development session, "Sticking to Ethics in High-Stakes Environments."

In a session moderated by Casualty Policy Project Manager Rob Fischer, the P/C Committee on Equity and Fairness (PCCEF) will present findings from two forthcoming work products related to bias, featuring committee member Tara Miller and Academy Director of Research Steve Jackson. Fischer will also facilitate a roundtable discussion on P/C public policy issues.

See the full agenda. CLRS is co-sponsored by the Academy and the Casualty Actuarial Society (CAS). Register today.

Academy to Attend NAIC Summer Meeting in August

ACADEMY casualty, health, and life staff and volunteers will attend and present at the NAIC Summer Meeting, Aug. 11–14 in Columbus, Ohio. Academy practice councils will present to NAIC actuarial task forces, including a presentation by Health VP Annette James to the Health Actuarial (B) Task Force (HATF) on the HPC's ongoing Broadening the Focus initiative.

For those attending, be sure to RSVP for the Academy's Aug. 11 dinner.

ACADEMY IN THE NEWS

A consumer-directed *Yahoo! Finance* story on the effect of tariffs on automobile insurance cited the Automobile Insurance Committee's April issue brief on the topic.

Yahoo! Finance's reporting on an estimate of the annual Social Security cost-of-living adjustment includes a link to the Academy's Social Security Challenge.

An independent regulatory update highlighting the NAIC Risk-Based Capital Investment Risk and Evaluation (E) Working Group's adoption of a framework for collateralized loan obligation factors noted the Academy's work in this area.

A *Bermuda Business Review* annual report cited the Academy's 2024 issue brief, *Asset-Intensive Reinsurance Ceded Offshore From U.S. Life Insurers (With Focus on Bermuda)*, in a story on reinsurance market shifts.

Nominees, continued from page 1

Equity and Fairness, Dyke has also served on the Council on Professionalism, the Automobile Insurance Committee, and the Medical Professional Liability Committee.

- **Susan Pantely** was nominated to be health vice president, succeeding Annette James. Co-Vice Chairperson of the Health Practice Council (HPC), Pantely has served on many HPC committees and task forces, including chairing the Behavioral Health Task Force, Health Care Delivery Committee, and Prescription Drug Work Group; and as a member of the Medicaid Committee, Surprise Billing Work Group, and Telehealth Work Group. Pantely also testified for the Academy in a May Texas House hearing on health insurance affordability.
- **Andy Ferris** was nominated to be secretary-treasurer, succeeding Ben Slutsker, who served three consecutive one-year terms. Ferris has been a member of the Life Practice Council (LPC) and has chaired the LPC's Contingent Annuity Work Group. He has served on the Data Science and Analytics Committee (now the AI, Data Science, and Analytics Committee), on which he remains an interested party.

Actuaries, continued from page 1

Academy volunteer, including serving as the Academy's vice president of risk management and financial reporting from 2021 to 2023. She also chaired the Climate Change Joint Committee, shepherding the Academy's work in this priority public policy domain. Most recently, Eom was chief actuary at the New Jersey Department of Banking and Insurance and she served on several NAIC task forces including the Life Actuarial (A) Task Force, the Valuation Analysis Working Group, and the Longevity Risk (E/A) Subgroup (chair).

Lerche's actuarial background includes extensive public and private roles, as well as multiple Academy volunteer roles. She served as a member-selected director, chairing the Board's DEI Committee and the Health Practice Council's (HPC) Medicaid Committee, and was co-vice chairperson of the HPC. At the North Carolina Department of Health and Human Services, she was instrumental in designing and implementing Medicaid managed care and programs expansion as chief strategy officer and chief actuary for NC Medicaid, and worked with the NC Department of Insurance, leading implementation of the Affordable Care Act.

ASB, ABCD Openings

THE ACADEMY is seeking members interested in serving as volunteers on the Actuarial Standards Board (ASB) and the Actuarial Board for Counseling and Discipline (ABCD) for three-year terms beginning Jan. 1, 2027. Nominations are due by Aug. 15.

ASB—The ASB is seeking an experienced pension volunteer with a keen ability to consider and understand issues in areas outside of the individual's practice area. Those interested should review the selection criteria and send your name and contact information to ASB@actuary.org.

ABCD—The ABCD is also seeking two experienced life volunteers with a deep understanding of the Code of Professional Conduct and the ability to think through complex ethical issues. If interested, please review the selection criteria and submit your name and contact information to abcd@actuary.org.

ASB Approves Pricing Reinsurance ASOP Exposure Draft

THE ASB APPROVED a second exposure draft of a proposed revision of a new actuarial standard of practice (ASOP), *Pricing Reinsurance or Similar Risk Transfer Transactions Involving Life Insurance, Annuities, or Long-Duration Health Benefit Plans*. Comments are due Oct. 15—information on how to comment is available in the draft.

Health ASOPs Open for Comment—A reminder that comments on proposed revisions to ASOP No. 45, *The Use of Health Status-Based Risk Adjustment Methodologies*, and ASOP No. 49, now titled *Medicaid Managed Care Capitation Rates*, are due Sept. 1. Information on how to submit comments can be found in the drafts.

Webinar Examines Algorithmic Bias

A JULY 22 professionalism webinar, Algorithmic Bias: It's There, So What's Being Done About It?, featured presentations by AI, Data Science, and Analytics Committee Co-Chairperson Maggie Ruzicka and member Shruti Gupta and, who discussed potential harms that can result from algorithmic bias. Watch a free replay on Academy Learning.

Outreach to Employers & Clubs Continues

THE ACADEMY'S professionalism outreach to employers continued with Committee on Qualifications member Michelle Iarkowski presenting "A Professionalism Passport" to the Everest Group on July 9—an innovative presentation using the analogy of a plane trip to discuss the professionalism process, from the pre-flight check (the Code of Professional Conduct) through baggage claim (professionalism questions that actuaries may need to ask themselves after the journey).

ASB Chairperson Laura Hanson presented "ASOPs in Action" to the Twin Cities Actuarial Club on July 28, giving an overview of the ASB and the ASOPs, and engaging attendees in an interactive, competitive "ASOP Game Show."

Actuarial Communications

Academy Past President and ASB ASOP No. 41 Task Force Chairperson Lisa Slotznick presented virtually on July 23 to a large, international Reinsurance Group of America audience on "Leveling Up Your Communications: Takeaways from the U.S. Code of Professional Conduct." Slotznick gave background on the U.S. approach to actuarial communication, grounded in the Code and ASOPs.

- **Speakers Bureau—**The Academy is available to provide speakers to actuarial clubs, employers, and educational entities. The Speakers Bureau provides qualified speakers on professionalism and public policy topics.

Industry-University Webinar Series Examines Climate

NATURAL DISASTER Risk and Resilience, part two of the Academy's industry-university cooperative research centers (IUCRC) webinar series, featured presenters from the National Science Foundation (NSF) and National Oceanic and Atmospheric Administration, and spotlighted the Center for Interdisciplinary Research on Convective Storms (CIRCS) and Center for Innovation in Risk, Catastrophes, and Decisions (CIRCAD). Watch a replay on Academy Learning.

The Code Celebrates A Quarter Century

Confidentiality: The Lynchpin of Trust

CONFIDENTIALITY is the lynchpin of trust. Without it, professional relationships can fall apart. With it, the trust that it engenders gives principals the confidence to share information actuaries need to do their work well.

Because actuarial work generally requires a significant amount of data and other information that is often not publicly available, actuaries often gain access to confidential information, which the [Code of Professional Conduct]() defines as "Information not in the public domain of which an Actuary becomes aware as a result of providing Actuarial Services to a Principal. It includes information of proprietary nature and information that is legally restricted from circulation." That might include items such as proprietary software, data, personal health and financial information, financial transactions, and experience studies.

By preserving confidentiality of the information they gain access to while providing actuarial services, actuaries strengthen the bonds of trust between themselves and their principals. But it is not only the principal who benefits from the actuary maintaining confidentiality.

Most immediately, individuals and businesses whose data the actuary has access to benefit if the actuary keeps their personal information confidential. But more broadly, members of the public benefit, too. This is because one of the benefits of the trust between an actuary and their principal is that the actuary generally gains access to more and better information than they would if that trust were absent. Better information, in turn, helps the actuary to provide more accurate results, which are often used to make important decisions that affect members of the public. Thus, by maintaining confidentiality, actuaries help stakeholders make better decisions—to the benefit of all.

But in some situations, breaking confidentiality may be appropriate. The Code recognizes this by providing for exceptions in two situations: where the principal authorizes the disclosure to another party; and where law requires such disclosure. In cases where the principal authorizes disclosure, the actuary would do well to document that authorization.

Precept 9

"An Actuary shall not disclose to another party any Confidential Information unless authorized to do so by the Principal or required to do so by Law."

Examples of breaches

Actuaries, particularly consulting actuaries who provide services for many different companies, some of which may be competitors, may find themselves with access to information at one company that would be useful in their work for another company. Actuaries must resist such temptations—using proprietary information, data, methods, etc., from one principal to provide actuarial services to another principal is a clear violation of Precept 9.

Even inadvertent disclosures of confidential information are covered by Precept 9, such as confidential information being stolen due to lax cybersecurity measures or accidentally saying too much online or over lunch. Of the two instances where the Academy imposed discipline for a material violation of Precept 9, one was for "disclosing confidential information without authorization to do so on an electronic message board…." (The other was a clear breach of confidentiality in connection with an insider trading scheme.)

Where confidentiality is concerned, there can be gray areas, for example, data that was based on publicly available data or general knowledge gained during an assignment. In such cases, actuaries should exercise judgment with care, preferably erring on the side of discretion.

Upholding Precept 9 by maintaining confidentiality of the proprietary, sensitive, or simply non-public information you have access to through your work builds trust with principals and other stakeholders, thereby helping to uphold the reputation of the profession.

Casualty News

Casualty Webinars Examines Bias, Workers' Comp

THIS MONTH'S Casualty Practice Council (CPC) webinars examined issues around bias and workers' compensation.

- Bias in P/C Insurance: Current Research, Outreach, and Regulatory Engagement from the PCCEF, held July 30, featured members of the P/C Committee on Equity and Fairness (PCCEF) presenting key insights from the committee's forthcoming paper on bias.
- A July 23 webinar, Is Workers' Comp Beginning to Turn? Perspectives on Emerging Trends, featured a discussion on economic cycles and how actuarial and structural factors may signal a turning point in workers' compensation.

Replays are available on Academy Learning.

CASUALTY NEWS IN BRIEF

The CPC submitted comments on the second exposure draft of ASOP No. 30, *Profit Provisions, Contingency Provisions, and the Cost of Capital in Property/Casualty Risk Transfer and Risk Retention*, and the second exposure draft of ASOP No. 39, *Treatment of Catastrophe or Extreme Event Losses in Future Cost Estimates for Property/Casualty Risk Transfer and Risk Retention.*

The Committee on Property Liability and Financial Reporting submitted a comment letter to the NAIC's Casualty Actuarial and Statistical (C) Task Force (CASTF) on CASTF's recent exposure of the Schedule P Title instructions.

AI, Data Science, and Analytics Committee members presented "Measuring Statistical Bias in Data Using Entropy" at CASTF's Book Club meeting.

NEW CASUALTY VOLUNTEER POSITIONS/ROLES

- **Scott Brown** and **David Payne** joined the P/C Risk-Based Capital Committee.

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

Health News

HEALTH NEWS IN BRIEF

The Climate Change Joint Committee presented at the virtual SOA Health Meeting, offering a health insurance company case study based on its recent policy paper, *Climate Scenario Considerations: ORSA*.

The HPC responded to a question from a member of the Texas House Select Committee on Health Care Affordability, before which the Academy testified on May 1.

The Medicaid Committee submitted comments on Centers for Medicare & Medicaid Services' proposed Medicaid managed care state-directed payments and Medicaid fee-for-service targeted practitioner payment proposed rule.

Read more—For the latest updates on the Academy's health practice work, visit the Health Public Policy page.

Life News

Limited Space Left for August VM-22 Forum

THERE ARE JUST A FEW SPOTS remaining for the Academy's VM-22 Practitioners Forum, Aug. 26 in Denver. The event, to be held following the Society of Actuaries Valuation Actuary (SOA ValAct), is designed for life actuaries who are past the introductory phase and ready to sharpen their understanding of VM-22 by connecting with peers navigating the same terrain. Read more in the Summer *Life Perspectives*. Secure your spot—register now.

Actuarial Update

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LIFE NEWS

PBR Webinar Series Kicks Off

THE LIFE PRACTICE COUNCIL opened its webinar series on principle-based reserving on July 29 with PBR in Practice: A Practical Look at PBA Projections. Former life Vice President Jason Kehrberg, a member of the Life Reserves Subcommittee, moderated the inaugural session, which featured presentations by representatives of Thrivent, PwC, and Northwestern Mutual. A replay is available on Academy Learning.

LIFE NEWS IN BRIEF

The Annuity Products Subcommittee provided comments to the NAIC on the June 2 exposure of the List of Potential Modifications to Model 245 Summary Guide and Actuarial Guideline.

Read more—For the latest updates on the Academy's life practice work, visit the Life Public Policy page.

RETIREMENT NEWS

EBSA's Aron Szapiro to Keynote Sept. 23 Retirement Symposium

ARON SZAPIRO, senior ERISA program advisor in the Labor Department's Employee Benefits Security Administration (EBSA), will deliver the opening keynote address at the Academy's September retirement symposium in Washington. Szapiro will address retirement plan sponsorship, longevity risk-sharing pools, and EBSA's 2027 priorities, offering timely insights for policymakers, researchers, and practitioners working on retirement issues.

Toward a Sustainable Retirement System: Choices That Shape the Future will be held from 1 p.m. to 5:30 p.m. EDT on Sept. 23 in the nation's capital. Register today.

Szapiro

Social Security One-Page Graphic Released

THE SOCIAL SECURITY COMMITTEE released a one-page graphic showing highlights from the 2026 Social Security Trustees Report, including information on the program's financials and economics, impacts on the public—and what can be done going forward to keep the popular program solvent.