

The NAIC (A) Committee, parent of LHATF for all life and annuity issues, had a brief but wide-ranging call today. This paper summarizes just the actuarial issues that were discussed.

The Committee considered five model regulations for deletion, revision or retention. It ultimately voted to retain all of them. The only one of an actuarial nature was the Life Insurance Illustration Model Regulation.

The Committee voted to accept the 2006 charges that LHATF recommended with one change, adding a phrase to the principles-based reserving charge related to providing relief from redundant reserves. The (A) Committee did not actually say that reserves are redundant. Principles-based reserving remains one of the top priorities in (A) Committee's charges for 2006.

The Committee approved the 2006 GRET tables recommended by LHATF.

Finally, the Committee spent some time discussing the Annuity Nonforfeiture Model Regulation approved by LHATF two days earlier. Committee members expressed concern that the vote to approve by LHATF had a large number of abstentions. (LHATF had approved it 5-1, with 7 abstentions.) The Committee asked LHATF members present on the call if the sense was that the Model could be improved. Interested parties fear that the lack of consensus means the lack of widespread adoption. One LHATF member indicated that some simple changes could accommodate most LHATF members, but other LHATF members disagreed. The (A) Committee finally voted to approve the Model with no dissenting votes.

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