

Support for SOA Mortality Studies

The purpose of this call was to discuss a draft resolution in which LHATF would support the Society of Actuaries' efforts to collect mortality data from companies.

Tom Rhodes of MIB updated LHATF on recent activities. He is aiding the SOA in its collection of mortality data on individual life insurance, with one major goal being to produce results by preferred and non-preferred classes. There is a lot of interest in this goal from regulators and from companies.

Having doubled the number of contributing companies to twenty for the last studies, Rhodes set an ambitious goal to get 50 participants for the next study. He is now up to 42 commitments, which he attributed to the SOA's flexibility in accepting data in various formats instead of the old rigidity of format.

Rhodes believes that support from LHATF will help push the number of companies over the top. There was really no controversy among regulators or companies, as most of them seem eager to see studies by underwriting class. After the LHATF group modified its draft to emphasize it would not lessen its commitment to the development of a principles-based reserve approach, the motion passed unanimously.

LHATF members also noted that the Academy has been asked to work with the SOA to develop multiple levels of select valuation mortality tables and to recommend requirements for use of each level. This is a separate project, but obviously related to the subject of today's call.

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13 July 2005

