

ACTUARIAL STANDARDS BOARD QUARTERLY REPORT FOR Q1 2014

ASB Adopts a Revision on ASOP No. 6

The ASB adopted a revision of ASOP No. 6, *Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions*, at its March meeting. The revision provides guidance to actuaries when performing actuarial services with respect to measuring obligations under a retiree group benefits program and determining periodic costs or actuarially determined contributions for such retiree group benefits programs. It also provides guidance on assumptions that are specific to retiree group benefits programs, and it addresses broader measurement issues, cost allocation procedures, and contribution allocation procedures. In addition, the standard provides guidance for coordinating and integrating all of the elements of an actuarial valuation of a retiree group benefits program. The revision will be effective for any actuarial work product with a measurement date on or after March 31, 2015; however, if roll-forward techniques are used in the measurement, the standard is not effective until three years after the last full measurement before March 31, 2015. Earlier adoption of the standard is permitted.

ASB Adopts a Revision of ASOP No. 8

The ASB adopted a revision of ASOP No. 8, *Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits*. The revision of ASOP No. 8 provides guidance to actuaries who prepare or review regulatory filings under state and federal requirements for filing health insurance premium rate increases. It also provides further guidance to actuaries reviewing regulatory filings. Furthermore, ASOP No. 8 was revised to add guidance on the preparation and review of health insurance rate filings for medical lines of business that are required by state or federal regulations, including those required under the Affordable Care Act. The effective date of the revision is September 1, 2014.

Health Committee Issues a Discussion Draft on Minimum Value and Actuarial Value under ACA

The ASB Health Committee recently issued a discussion draft titled *Determining Minimum Value and Actuarial Value under the Affordable Care Act*. Although there is a practice note providing information on the subject of determining minimum value and actuarial value under the Affordable Care Act, there is currently no standard of practice specifically addressing the subject. Therefore, the ASB requested that the ASB Health Committee explore a potential ASOP to provide guidance to actuaries in these tasks. As a result, the ASB Health Committee charged a task force with developing a discussion draft to gather feedback on such a potential ASOP. Comments received on the discussion draft will not be posted to the ASB website and will not receive individual responses; however, the Health Committee will consider them in preparing the exposure draft for ASB approval.

ASB to Meet June 12-13 in Washington

The next regularly scheduled meeting of the ASB will be held June 12-13, 2014, at the Academy offices in Washington, D.C.