



Current CAS Issues and Future Directions

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Agenda

- CAS Centennial Goal
- ERM Designation for the CAS
- Basic Education and Membership
- CAS Continuing Education Policy
- Upcoming Events
- Your Input



CAS Centennial Goal

The CAS will be recognized **globally** as a **leading resource** in **educating** casualty actuaries and conducting **research** in **casualty actuarial science**. CAS members will advance their expertise in pricing, reserving, and capital modeling; and leverage their **skills in risk analysis** to become **recognized as experts in the evaluation of enterprise risks**, particularly for the property and casualty insurance industry.



CAS ERM Initiatives



ERM Designation for CAS

CAS Board actions

- March 2009: pursue an Enterprise Risk Management (ERM) designation.
- June 2009: adopt the Global ERM Designation, CERA and authorized Global ERM Designation Treaty



What is the Global ERM Designation?

- A single global ERM designation .
- At least 10 actuarial organizations outside North America plus CAS, SOA, and CIA are expected to sign the treaty.



Why Pursue an ERM Designation?

- A big step toward the fulfilling the CAS Centennial Goal.
- Current financial crisis illustrates the growing need for ERM and professionals trained to evaluate risk.
- Trained to evaluate risk, actuaries can assume a significant leadership role in the ERM arena.
- Provides an opportunity for CAS members in this marketplace.



Next Steps for Global ERM Designation

- CAS Admissions Committees working on the learning objectives, syllabus, and requirements for attaining the ERM designation.
- International committee to finalize the treaty
- Additional details released as soon as available.



Basic Education and Membership



Future Education Methods

- CAS, SOA, and CIA Presidents issued a joint letter on a proposal for future education methods (FEM)
- An accreditation process for qualifying university actuarial programs in Canada and U.S.
- Exemptions for some preliminary CAS/SOA examinations on an exam-by-exam basis
 - targeted to performance in individual actuarial courses at accredited universities.



FEM – Next Steps

- Solicitation of member feedback
- Creation of
 - FEM Steering Committee to provide overall direction and reports to the respective Boards.
 - Joint Accreditation Committee to develop detailed proposal for consideration by FEM Steering Committee.
- FEM Steering Committee to present recommendations to the three Boards for consideration.



Future Education Methods

- Frequently Asked Questions (FAQs) posted to provide details on FEM.
- Visit the CAS Web Site



Membership Survey Recommendations

- Enhanced communications regarding the:
 - International role and goals of the CAS
 - Nomination and election process
 - Release of issues of the E-Forum
 - Sources and uses of CAS revenues
 - Role of the CAS regarding professional standards
 - Involvement of retired actuaries



Membership Survey Recommendations

- Increase focus on practical applications particularly in the areas
 - predictive modeling,
 - stochastic reserving,
 - generalized linear modeling (GLM), and
 - enterprise risk management (ERM).
- Within:
 - Publications and research
 - Meetings, seminars, and other CE opportunities



Membership Survey Recommendations

- CAS and the regional affiliates maximize their CE offerings in most cost-effective method.
 - Provide affordable and convenient education
 - Possible use of new and emerging technologies for communication.
 - Particular emphasis on teaching practical applications.



Membership Survey Recommendations

- Develop and maintain a Members Ethics Handbook
- Consider requiring members (active actuaries) to take periodic course (perhaps web-based) on ethics/professionalism.



Membership Survey Recommendations

■ International

- Assist emerging markets in the development of non-life actuarial disciplines and education
- Gain official recognition of the CAS credential in new jurisdictions
- Encourage local practitioners in developing countries to become members of the CAS
- Send CAS leaders to participate in key meetings
- Make more CAS exams available around the world.



Membership Survey Recommendations

- Continue involvement with the International Actuarial Association and strengthen communication regarding this involvement.
- Consider establishing stronger relations with both the China Actuarial Association and the International Association of Black Actuaries.
- Compare the nature of non-life actuarial training of other organizations to that of the CAS.



Membership Survey Recommendations

- Continue focus on the competencies that support the traditional actuarial roles of ratemaking and reserving, such as predictive modeling and stochastic reserves.



Membership Survey Recommendations

- Possible review of Associate member issues
 - dues,
 - opportunities for involvement, and
 - voting rights



Classes of Membership

- September 2008 Board meeting –
 - Ratified the existing classes of membership, maintaining both Associateship and Fellowship designations, both meet and will continue to meet the educational requirement of the IAA.
 - Agreed to formally consider Associate membership rights, including but not limited to the ACAS right to vote.



ACAS and Signing Rights

- Under the 2011 CAS education structure, passing the Associateship exams will no longer be sufficient to meet the education requirements to sign NAIC statutory reserve opinions.
- Associate admitted under the new structure will also need credit for the material covered in the exam **“Advanced Reserving, Reinsurance, and ERM”** in order to meet the minimum education requirements..



Continuing Education



Continuing Education (CE) Requirements for CAS Members

- Since Nov 2007, the Board has been investigating the issue of CE requirements for members.

May 2009 Board action:

- approved a motion stating that **all CAS members** should be subject to CE requirements, with exceptions.
- charged the Executive Council with development of an implementation plan for the policy.



Technical Excellence

Board is discussing the questions:

- Have CAS members continued to enhance their collective technical skills?
- Should every actuary be familiar with every topic tested on the current exams?
- Could CAS promote continuing technical advancement by offering specialized courses and issuing certificates?



Future Events

- Online Course: Introduction to Enterprise Risk Management, Oct 2-19
- In Focus: Underwriting Cycle Seminar, Oct 5-6, Washington, DC
- Enterprise Risk Management and Modeling (ERM²) Limited Attendance Seminar, Oct 19-20, Chicago
- CAS Annual Meeting, Nov 15-18, Boston



CAS University

CAS is repackaging live educational sessions and provides access to these sessions online.

Accomplished by recording sessions from live events, synching the audio with the PowerPoint presentations, and providing online access through an easy-to-use interface.





CAS Journal

● *Advancing the Science of Risk*

Variance

www.VarianceJournal.org



I welcome your input regarding:

- CAS Centennial Goal
- ERM Initiatives
- CAS Basic Education
- Membership Issues
- CAS CE Requirements and
- Professional Education Offerings
- Other Topics
- Questions?



Thank You!