

COMMENT #8 – November 10, 2008

From: Kasner, Ken (CLAIM, Actuarial)
Sent: Monday, November 10, 2008 3:52 PM
To: ASB Comments
Subject: ASB COMMENTS

To: Actuarial Standards Board

I've reviewed the exposure draft for ASOP 41, and offer the following comments and suggestions for your consideration:

2.1 Actuarial Communications "with respect to actuarial services" is too broad and goes beyond what is needed or intended. I would suggest:

A written, electronic, or oral communication issued by an actuary ~~with respect to actuarial services~~ [for the purpose of conveying actuarial findings or opinions.](#)

Section 2. Definitions Would suggest you include a definition of deviation.

3.1.3 Communication of Significant Actuarial Findings To add clarity as to when an actuary should issue an actuarial report as opposed to another form of actuarial communication, I would suggest replacement with the following:

[Actuarial findings that the actuary considers to be significant should be formally presented in an actuarial report that discloses the methods, procedures, assumptions, and data used by the actuary unless the actuary judges that approach to be inappropriate. Findings that the actuary does not consider to be significant, or where the actuary judges an actuarial report to be inappropriate, should be presented in one of the other forms of actuarial communication that does not require these disclosures.](#)

3.1.5 Other Considerations I would suggest you strike the word "communications" from "communications guidance in other ASOPs" and simply refer to "guidance in other ASOPs". This will help reinforce that communication guidance is generally reserved for ASOP 41.

3.1.4 Actuarial Report I would recommend moving 3.1.4 Actuarial Report before 3.1.3 Communications of Significant Actuarial Findings to enable

the concepts in 3.1.3 and 3.1.5 be seen more closely together and add clarity as to when an actuarial report should be used.

Background Substitute the word "[e-mail](#)" for email.

Regarding the questions you had asked: 1. Do you believe it appropriate to require the actuary to be responsible for assumptions and methods used within an actuarial communication unless otherwise disclosed? [Yes](#) Do you believe that this standard is the appropriate place to do that? [Yes](#) Does this draft make this intent sufficiently clear? [Yes](#)

2. This ASOP is titled "Actuarial Communications" even though it also addresses documentation. Does this create any confusion? [No, this is fine](#). If so, what would a better title be?

3. Does this draft make it sufficiently clear when the actuary should issue an actuarial report disclosing methods, procedures, assumptions, and data as opposed to issuing another form of actuarial communication that does not make these disclosures? [No. See my suggestions above for adding additional clarity](#).

4. Are the added disclosure requirements in cases involving deviation clear and appropriate? [Yes](#)

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