

ACTUARIAL STANDARDS BOARD QUARTERLY REPORT FOR Q1 2015

ASB Adopts ASOP No. 49 on Medicaid

The Actuarial Standards Board (ASB) adopted actuarial standard of practice (ASOP) No. 49, *Medicaid Managed Care Capitation Rate Development and Certification*. The ASOP was developed to establish guidance for actuaries preparing, reviewing, or giving advice on capitation rates for Medicaid programs, including those certified in accordance with 42 CFR 438.6(c). Since the federal regulations took effect, actuaries have used various methods to prepare the capitation rates. ASOP No. 49 incorporates the appropriate aspects of these methods to establish guidance and considerations in the rate development process. ASOP No. 49 will be effective for opinions and certifications issued on or after Aug. 1, 2015.

ASB Pension Task Force Will Review Public Pension Input

The ASB appointed a task force to review public pension input from sources, including the responses to the ASB's *Request for Comments on ASOPs and Public Pension Plan Funding and Accounting* to develop recommendations for ASB next steps.

ASB Approves Proposal for Life Insurance and Annuity Pricing ASOP

The ASB approved a proposal from the Life Committee for a new ASOP on the actuary's role in individual life insurance and annuity pricing. The ASOP would focus on the actuary's analysis associated with rate development for new products. The ASB plans to review an exposure draft in early 2016.

ASB Launches Enhanced Website

The ASB launched its newly enhanced website. The enhanced website allows for easier access on mobile devices and includes new features that allow users to view pop-up definitions in ASOPs, share items of interest on social networks, search the entire site or individual ASOPs, and review ASOPs in two distinct formats: webpage and downloadable PDF.

ASB Publishes Its 2014 Annual Report

The ASB published the *2014 Annual Report of the Actuarial Standards Board* highlighting its work over the past year, which includes the adoption of four final revised ASOPs, the approval of six exposure drafts for comment, and the approval of proposals to revise four ASOPs for consistency with ASOP No. 1, *Introductory Standard of Practice*. In addition, the ASB issued two requests for comments (one on public pension plan funding, and one on life insurance and annuity pricing) and provided comment to the International Actuarial Association on the exposure draft of International Standard of Practice 3, *Actuarial Practice under IAS 19 Employee Benefits*.

ASB to Meet June 10-11 in Washington

The next regularly scheduled meeting of the ASB will be held June 10-11, 2015, at the Academy offices in Washington, D.C.