

Comment #2 – 4/15/13 – 7:14 p.m.

As an actuary who practices almost entirely in public retiree health plans, I find the instructions on modelling per capita health care costs for pooled plans to be of no practical value and not in any way reflective of the environment we work in. It is not possible for me to reasonably apply it to a large proportion of my clients.

I am absolutely gobsmacked by the addition of the suggestion that the actuary make up an age and gender distribution table for a pooled plan when actual information isn't available. This is, in my opinion, contrary to actuarial principles, not best practice and creates absurd consequences when used in conjunction with GASB 45 compliance. That this is the Subcommittee's response to overwhelming practical objections to the initial Exposure draft is extremely disappointing.

The Response in Appendix 2 to the voluminous comments on 3.7.8 addressed very few of the extremely important issues that were raised in comments to the First Exposure Draft, thereby sweeping issues of extreme importance to practitioners under the rug. If these issues were considered, those who took time to detail their concerns deserve a response that addresses those concerns rather than to be silent and barely change the ASOP (and in a negative way, at that).

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