

Comment #3 – 1/28/21 – 11:18 a.m.

This second comment is to provide clarity about the historic importance of this draft ASOP #3 for the Actuarial Standards Board and the actuarial profession in North America. With the promulgation of this draft ASOP as exposed, the profession abandons its tradition of analytical objectivity and puts itself firmly on the partisan side of those who favor a politics of unfettered laissez faire business practices.

Central to the ASOP as drafted is the countenancing by the Actuarial Standards Board, on behalf of its supporting actuarial organizations, of unlicensed insurance operations. That must be repeated. The Actuarial Standards Board is approving of unlicensed insurance operations.

The first listed among the purposes for the ASOP is: “The revised draft ASOP addresses actuarial practice for At Home Programs that are not regulated as an insurance entity.” This quote from the draft ASOP makes very clear the intent of the Actuarial Standards Board to authorize such operations.

We can’t know if the Board is doing this deliberately. The voice of the public and the consumer/customer stakeholders has been absent from the deliberations. It’s important that this be seen clearly for what it is before the Actuarial Standards Board takes this momentous step into a political future.

For more read the article at: <https://www.seniorlivingforesight.net/obscure-news-an-evolving-story/>. I have also provided detailed comments earlier to the Actuarial Standards Board. This follow-on comment is to focus on the central authorization of this ASOP as drafted. A major development, which is what this is, calls for clarity and plain speaking. To be clear, the core question raised is: “Does the actuarial profession now wish to countenance unlicensed annuity and long term care insurance operations with reduced capital and reserving requirements?”

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