



Welcome to the Actuarial Standards Board's newsletter. Boxscore highlights and reports on the ASB's work in developing, updating, and promulgating actuarial standards of practice in the United States. Each issue provides information on ASB's current and upcoming projects, events, and recently completed projects.

Winter/Spring 2026

BOXSCORE

New ASB Chairpersons, Members Appointed

On Jan. 1, 2026, Laura Hanson assumed the role of chairperson of the American Academy of Actuaries' Actuarial Standards Board (ASB), with Rick Lassow and Chris Noble serving as vice chairpersons. Rotating off the ASB are chairperson Kevin Dyke and member vice chairperson Dave Neve. The ASB also welcomed Erica Baird and David Heppen as new incoming members. Baird most recently served as chair of the ASOP No. 45 task force and Heppen of the ASOP No. 30 task force. The ASB extends its appreciation to Dyke and Neve for their service to the board and the actuarial profession.

ASB Approves Third Exposure Draft of Proposed Revision of ASOP No. 41

The ASB approved a third exposure draft of a proposed revision of Actuarial Standards of Practice (ASOP) No. 41, *Actuarial Communications*. The first exposure draft was released in June 2022 and received 38 comment letters; the second exposure draft was released in December 2024 and received 28 comment letters.

Notable changes made in the third exposure draft include adding guidance in section 1.2, Scope, to reflect guidance found in other General ASOPs addressing conflicts with practice-area ASOPs. In addition, section 4.1 was replaced with three sections covering required disclosures in any actuarial communication; required disclosures in an actuarial report; and omitting disclosures.

The comment deadline is June 1, 2026. Information on how to submit comments can be found in the draft.



ASB Adopts Revisions of ASOP Nos. 7 and 20

The ASB adopted revisions of ASOP No. 7, now titled *Life or Health Cash Flow Analysis*, and No. 20, now titled *Analysis of Property/Casualty Cash Flows, Including Discounting*.

ASOP No. 7 provides guidance to actuaries performing actuarial services with respect to the analysis of life or health cash flow risks, while ASOP No. 20 provides guidance for property/casualty cash flow analysis, including discounting. Since the 2002 revision of ASOP No. 7, the use of advanced models for cash flow analysis has become widespread. In addition, the ASB has since approved several ASOPs related to the modeling and analysis of cash flows. Consequently, the ASB decided to revise ASOP No. 7 in December 2020.

After the exposure of the revised standard, in response to comments received, the ASB decided to remove property/casualty actuarial services from the scope of the standard and expand ASOP No. 20 to include property/casualty cash flow analysis. Both ASOPs underwent one exposure and received nine and seven comment letters, respectively. Notable changes to ASOP No. 7 include broadening the scope to include cash flow analysis an actuary performs for a noninsurance entity that insures or self-insures risk, adding guidance for reviewing actuaries and specifying when to perform a cash flow analysis. Notable changes to ASOP No. 20 include expanded guidance on the timing of underwriting cash flows, investment cash flows, and other cash flows; changing conditions that might impact discount; and risk margins applied to all cash flows.

The revision of ASOP No. 7 is being issued in conjunction with the revision of ASOP No. 20. Both ASOPs are effective for any actuarial work product covered by their respective scopes issued on or after June 1, 2026.

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The Actuarial Standards Board (ASB) sets standards for appropriate actuarial practice in the United States through the development and promulgation of actuarial standards of practice (ASOPs). These ASOPs describe the procedures an actuary should follow when performing actuarial services and identify what the actuary should disclose when communicating the results of those services.



ASB Approves Exposure Draft of Proposed Revision of ASOP No. 6

The ASB approved an exposure draft of a proposed revision of ASOP No. 6, *Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions*. In the proposed revision, section 1.2, Scope, was expanded to acknowledge that the performance of actuarial services for retiree group benefit programs may require actuaries from more than one practice area, in which case, all references to actuary collectively apply to collaborating actuaries. The revision also clarifies the application of the standard when the actuary selects an output smoothing method and when an assumption or method is not selected by the actuary.

In addition, guidance was added on the adjustment of prior measurements, amortization method, output smoothing method, contribution lag, and reasonable actuarially determined contribution, along with definitions for contingent participant and funding valuation. The comment deadline is May 15, 2026. Information on how to submit comments can be found in the draft.

Looking Ahead...

The ASB tentatively plans to review the following drafts during its June 2026 meeting:

- a second exposure draft of a proposed new ASOP on reinsurance pricing;
- a draft for discussion of a proposed revision of ASOP No. 1, *Introductory Actuarial Standard of Practice*; and
- a draft for discussion of a proposed revision of ASOP No. 12, *Risk Classification (for All Practice Areas)*.

Meetings

JUNE 10–11, 2026

SEPT. 21–23, 2026

DEC. 2–4, 2026

ASB meetings are held in compliance with the meeting policy established by the American Academy of Actuaries. The ASB office should be notified of any intent to observe the meetings at least 10 days in advance of the meeting by contacting Director of Professionalism Erica Kennedy at kennedy@actuary.org. Unless otherwise noted, meetings take place at the American Academy of Actuaries office in Washington, D.C.



ASB Approves Second Exposure Drafts of Proposed Revisions of ASOP Nos. 30 and 39

The ASB recently approved second exposure drafts of ASOP No. 30, now titled *Profit Provisions, Contingency Provisions, and the Cost of Capital in Property/Casualty Risk Transfer and Risk Retention*, and ASOP No. 39, now titled *Treatment of Catastrophe or Extreme Event Losses in Future Cost Estimates for Property/Casualty Risk Transfer and Risk Retention*.

ASOP No. 30 provides guidance to actuaries when performing actuarial services with respect to developing or reviewing profit provisions and contingency provisions that are included in future cost estimates for all forms of prospective property/casualty risk transfer and risk retention. The first exposure draft was released in July 2024 and received nine comment letters that were considered in making changes that are reflected in the second exposure draft. Notable changes made to the second exposure draft include modifying definitions of “contingency provision,” “profit provision,” and “risk margin”; adding guidance regarding the interaction of different provisions, as well as the intended purpose and intended measure of the future cost estimate; expanding guidance on profit provision; and modifying guidance on contingency provisions.

ASOP No. 39 provides guidance to actuaries when performing actuarial services with respect to analyzing, determining, or reviewing future cost estimates for catastrophe losses and loss adjustment expenses for property/casualty risk transfer or risk retention. The first exposure draft was released in February 2025 and received 10 comment letters that were considered in making changes that are reflected in the second exposure draft. Notable changes made to the second exposure draft include removing the definition of “extreme event”; revising the definition of “catastrophe,” which now includes extreme events; and adjusting language accordingly throughout the standard. In addition, the definition of “catastrophe model” was modified to explicitly include “deterministic scenario analyses” and guidance on “adjusting catastrophe model output” was added.

The comment deadline for both drafts is July 1, 2026. Information on how to submit comments can be found in the drafts.

ASB Projects

SUBJECT AREA	2026 QUARTER				COMMENTS
	1	2	3	4	
CASUALTY COMMITTEE					
ASOP No. 20, <i>Discounting of Property/Casualty Claim Estimates</i>	F				The ASB adopted a revision of ASOP No. 20 in December 2025 with an effective date of June 1, 2026.
ASOP No. 30, <i>Treatment of Profit and Contingency Provisions and the Cost of Capital in Property/Casualty Insurance Ratemaking</i>	SE				The ASB approved a second exposure draft in December 2025 with a comment deadline of July 1, 2026.
ASOP No. 39, <i>Treatment of Catastrophe Losses in Property/Casualty Insurance Ratemaking</i>	SE				The ASB approved a second exposure draft in March 2026 with a comment deadline of July 1, 2026.
ASOP No. 43, <i>Property/Casualty Unpaid Claim Estimates</i>	TF				The ASB approved a proposal to revise ASOP No. 43 in December 2025. A task force is being created. The ASB plans to review an exposure draft in early 2027.
GENERAL COMMITTEE					
ASOP No. 1, <i>Introductory Actuarial Standard of Practice</i>	D				A task force is drafting a proposed revision and plans to present a draft for discussion to the ASB during its June 2026 meeting.
ASOP No. 12, <i>Risk Classification</i>	R				The ASB approved an exposure draft in September 2023 with a comment deadline of May 1, 2024. The task force is reviewing comments and plans to present a draft for discussion to the ASB during its June 2026 meeting.
ASOP No. 41, <i>Actuarial Communications</i>	TE				The ASB approved a third exposure draft in December 2025 with a comment deadline of June 1, 2026.
HEALTH COMMITTEE					
ASOP No. 8, <i>Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits</i>	TF				The ASB approved a proposal to revise ASOP No. 8 in September 2024. A task force is being created. The ASB plans to review an exposure draft in early 2027.
ASOP No. 45, <i>The Use of Health Status Based Risk Adjustment Methodologies</i>	E				The ASB approved an exposure draft in March 2026 and will release the draft in the second quarter with a comment deadline of Sept. 1, 2026.
ASOP No. 49, <i>Medicaid Managed Care Capitation Rate Development and Certification</i>	E				The ASB approved an exposure draft in March 2026 and will release the draft in the second quarter with a comment deadline of Sept. 1, 2026.
LIFE COMMITTEE					
ASOP No. 7, <i>Analysis of Life, Health, or Property/Casualty Insurer Cash Flows</i>	F				The ASB adopted a revised version of ASOP No. 7 in December 2025 with an effective date of June 1, 2026.
ASOP No. 52, <i>Principle-Based Reserves for Life Products under the NAIC Valuation Manual</i>	D				The ASB approved a proposal to revise ASOP No. 52 in September 2025. A task force has been approved, is drafting a proposed revision, and plans to present an exposure draft to the ASB during its September 2026 meeting.
Reinsurance Pricing ASOP	R				The ASB approved an exposure draft in June 2024 with a comment deadline of Nov. 1, 2024. The task force is reviewing comments and plans to present a second exposure draft to the ASB during its June 2026 meeting.
PENSION COMMITTEE					
ASOP No. 6, <i>Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions</i>	E				The ASB approved an exposure draft in November 2025 with a comment deadline of May 15, 2026.

Legend:

PD	Planning/Discussion	TE	Third Exposure Draft
P	Proposal for Standard	R	Revisions/Redrafting
D	Drafting	F	Final Pronouncement
DD	Discussion Draft	DS	Development Suspended
E	Exposure Draft	WD	Working Draft
SE	Second Exposure Draft	RI	Request for Input

