

Mary D. Miller Takes Office as Academy President at Well-Received Annual Meeting and Public Policy Forum

MARY D. MILLER began her term as Academy president at the Annual Meeting and Public Policy Forum in Washington last month. The gathering, adopting a new format this year, combined the traditional business motions of the Academy’s annual meeting with a robust public policy forum including guest speakers and education sessions devoted to each practice area and to actuarial professionalism.

Miller, a consulting actuary with Farmington, Conn.-based Risk & Regulatory Consulting LLC, will serve as president for one year. The 2011 recipient of the Academy’s Robert J. Myers Award for Public Service, Miller has been both a regulator, as assistant director of the Ohio Department of Insurance, and an actuary in private practice. She previously served as a regular director on the Academy’s Board, as vice president of the Casualty Practice Council, and as co-chairperson of the Financial Soundness and Risk Management Committee.

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New Academy President Mary D. Miller accepts the gavel and presidential medal from Immediate Past President Tom Terry.

Former HHS Chief Sebelius Addresses Annual Meeting

FORMER SECRETARY OF HEALTH AND HUMAN SERVICES (HHS) Kathleen Sebelius helped to open the Academy’s Annual Meeting and Public Policy Forum in Washington last month by thanking actuaries “for the important work you do.” She started by telling the audience a little of her personal experience with actuaries, saying that “in many ways, an essential connection to a lot of my public policy decisions has been based on advice and recommendations from actuaries.”

Before taking office at HHS, Sebelius served as governor of Kansas, and before that, as Kansas state insurance commissioner. In all three roles, she said, she learned that “the expertise that your members bring to the table is essential.”

Sebelius led the audience through the early days of her time as secretary, noting that she was brought on to lead implementation of the Affordable Care Act (ACA) on such short notice that she boarded a plane for Washington while her confirmation hearing was beginning, and, not wanting to presume the outcome, “left a note in my office that read,

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Former Secretary of Health and Human Services Kathleen Sebelius speaks at the Annual Meeting and Public Policy Forum.

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“By training,” Miller said, “I am a casualty actuary. In many ways, I am both the public and the profession that our mission addresses.” She pledged to focus on a number of cross-practice issues that will have a significant impact on public policy in 2015. “Our first strategic focus this year will be working with the White House Conference on Aging,” she explained, which will be an opportunity for members to provide policymakers with diverse expert advice from multiple practice areas.

“As we embark on our 50th year,” Miller said, “I encourage you to keep up the great work you’re doing, and I am looking forward to our celebration.”

Miller accepted the symbols of office, including a gavel and a medal, from outgoing President Tom Terry. Past presidents play a significant role on the Board of Directors after their presidential year, and Terry will continue on the board and the Presiden-

tial Advisory Committee.

In his concluding remarks, Terry thanked all for the opportunity to serve and noted, “At its core, our profession has a profound responsibility to serve the public interest. The currency of that system is trust.” Terry concluded, “I don’t think trust is a status to be achieved. It is an orientation toward which we must always look.”

Keynote plenary speakers at the forum included former Secretary of Health and Human Services Kathleen Sebelius, former Senator and current National Association of Insurance Commissioners CEO Ben Nelson, and Nora Super, executive director of the 2015 White House Conference on Aging.

Political comedian Mark Russell performed a hilarious set at the dinner between the two days of meetings, satirizing the headlines of the day in spoken word and song. ▲

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“In the event that I am confirmed, I resign my office as governor.”

She acknowledged mistakes in the implementation of the ACA, explaining that HHS “spent a lot of time and energy making sure that insurance companies would participate, and, clearly, not enough time on the website.” While the first eight weeks were very difficult, she did what she thought needed to be done when there is a big mistake: own it, apologize for it, and fix it.

Looking forward, Sebelius identified four trends that, she said, “are playing out and will accelerate” in the health care market over the next several years:

- A move from fee-for-service to a value-based payment system based on outcomes and measurements;
- The introduction of big data, that, “for the first time, will introduce a major consumer voice in health care, which was really not heard from in the past. Because most people didn’t even have *their own* data,” much less the ability to compare them with those of others.
- A focus on prevention and early intervention for keeping people healthier in the first place, and for addressing two issues that drive chronic health care costs: smoking and obesity; and,
- Personalized medicine and targeted therapies. “While we now know that a certain drug is not effective for everyone, it may be effective for, for example, 50-year-old women who have a certain genetic profile,” she explained. Eighty percent of the 50 potential breakthrough drugs recently identified by the FDA are in targeted therapies, with the potential to save lives and cure diseases that earlier had been impervious

to drug treatment.

Most sessions at the forum were closed to the media, to encourage candid dialogue among members, but reporters were allowed to attend the secretary’s speech. Sebelius took several questions from members of the media, including Fox News and *Politico*, and answered many questions from members.

Asked what changes she would make to the ACA with the benefit of hindsight, Sebelius said, “Repeal is not mathematically likely to happen ... so the discussion is, what can be agreed upon politically?” She pointed out that the bill defines a “workweek” as 30 hours, which may be adjusted. “There are features of the bill, around paperwork that large employers are going to be submitting,” that she thinks may be changed. “There is also an ongoing discussion around the medical device tax.”

But, she worried, “we are growing a two-nation health strategy,” as some governors choose to opt out of Medicaid expansion. “We may see lower-income workers who have no options. Whether or not that can be legislatively solved, I have grave doubts.”

Asked whether the law’s individual mandate is likely to change, Sebelius said, “No. I think it’s pretty simple. If people want to have insurance sold without medical underwriting and without pre-existing conditions, then you really have to have a requirement that everyone bear some of the responsibility.”

Addressing her own future, Sebelius told attendees she expected to be done with elected office at this point in her life. “I’m hoping not to do one more big job. I’ve done that a number of times and want to enjoy more flexibility. And my most important job right now is as grandmother of an almost perfect 2-year-old.” ▲