

Phone a Friend

THE POPULAR TV GAME SHOW “Who Wants to Be a Millionaire?” initially hosted by Regis Philbin, awards cash prizes for correctly answering a series of multiple-choice questions of increasing (or, in some cases, random) difficulty. In the show’s original format, any contestant who made it to the “Hot Seat” had to correctly answer 15 consecutive questions. Contestants were given a series of lifelines to aid them with difficult questions.

The lifelines, which changed over the course of the show, included “Ask the Audience,” “50/50,” and “Phone a Friend.” With the Phone-a-Friend lifeline, the contestant could call one of up to five friends, read out the question and its possible answers, and get input and guidance on how to answer the question.

In our professional lives, we often face difficult or challenging situations in which the ability to reach out to a colleague for advice is invaluable. The Actuarial Board for Counseling and Discipline (ABCD) provides such a resource to actuaries who request confidential guidance in interpreting the Code of Professional Conduct, the U.S. Qualification Standards, or the actuarial standards of practice (ASOPs). In the past three years, the ABCD has responded to over 170 requests for guidance and participated in a webinar on the topic that was sponsored by the Academy’s Council on Professionalism.

An actuary in search of guidance has the option of contacting a member of the ABCD directly (phone numbers and emails for current members of the board can be found at www.abcdboard.org/about/members.asp) or through the ABCD office (guidance@abcd-board.org; 202-223-8196), which will forward the request to a board member. It’s important to remember that any guidance that a board member offers is only an individual opinion (not that of the entire ABCD) and that any guidance given will be summarized in

a confidential memorandum to the full ABCD. When responding to a request for guidance, the board member goes over the facts and circumstances in question and guides the actuary through the relevant precepts in the Code of Professional Conduct or the ASOPs. In this way, the board member assists the actuary in evaluating possible courses of action to take in addressing a challenging situation.

The subject matter of requests for guidance can be quite diverse. An actuary

may request guidance in a situation in which he or she is taking over a new client and the former actuary is reluctant to provide supporting information for a completed report. To determine if confidential information was being requested, the board member might review Precept 9 of the code with the actuary. Or the board member might discuss Precept 10 of the code regarding courtesy and cooperation among professionals. An actuary taking over a new client may request guidance if errors are found in the former actuary’s work or if assumptions appear unreasonable. In this situation, the ABCD member might review the “skill and care” requirement of Precept 1 and ask the actuary if an attempt had been made to resolve any apparent violations of the code in accordance with Precept 13.

There was a noticeable uptick in guidance requests on qualification issues after the Qualifications Standards were revised in 2008 and actuarial membership organizations subsequently required, among other things, that an actuary issuing a Statement of Actuarial Opinion satisfy continuing education (CE) requirements. Guidance often is requested when an actuary is concerned that he or she no longer is qualified to issue a Statement of Actuarial Opinion because of missing CE. In response to such an inquiry, a member of the ABCD will review the CE requirements with the actuary, perhaps offering some suggestions on ways they can be satisfied, and, if appropriate, discussing how to handle Statements of Actuarial Opinion issued during the period when the actuary wasn’t properly qualified because of missing CE.

An actuary who is changing practice areas or who is asked to complete an assignment in a related practice area may request



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guidance from the ABCD to determine if he or she is qualified in the new or related practice area or to learn what basic education or experience is needed to become qualified. In these situations, the actuary clearly is in the best position to evaluate any gaps among education, experience, and the requirements of the new assignment and to determine if the “look-in-the mirror” test has been met. But a discussion with a member of the ABCD can facilitate that self-evaluation.

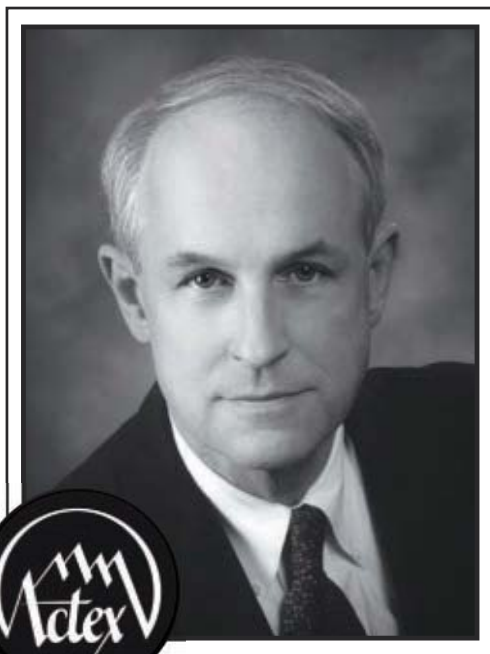
Not surprisingly, the release of a

new or revised ASOP often generates a flurry of guidance requests. This happened when the effective date of ASOP No. 41, *Actuarial Communications*, which expanded disclosure requirements of written, electronic, and oral communications made by actuaries with respect to their services, was imminent. Actuaries from different practice areas who were concerned about compliance with revisions to ASOP No. 41 had questions for the ABCD about relying on the work of other actuaries or nonactuaries,

reviewing that work for reasonableness, and correctly disclosing their reliance on that work.

Whether you are a solo practitioner or you are employed by a large company but have a professional matter that you don't want to discuss with a colleague or supervisor, you always can phone a member of the ABCD and request guidance. Your request, and any guidance that is provided, remain confidential. Although a million-dollar prize probably doesn't hang in the balance, the ABCD can be, and wants to be, your professionalism lifeline. □

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