

CASUALTY ACTUARIAL SOCIETY

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Education and Examination Structure

In 2005, the Casualty Actuarial Society will implement a revised preliminary education structure in conjunction with the Canadian Institute of Actuaries and the Society of Actuaries. The revised structure will include:

Validation by Educational Experience (VEE) for three required topics

- Applied Statistical Methods
- Corporate Finance
- Economics

Examinations

- Exam 1, Probability
- Exam 2, Financial Mathematics
- Exam 3, Statistics and Actuarial Models
- Exam 4, Construction and Evaluation of Actuarial Models

The CAS will offer transitional exams for the three VEE topics for at least two years to guarantee that appropriate alternative options have developed in addition to university courses.

Exams 5-9 will remain the same for 2005, although the Board of Directors created a task force to make recommendations about revisions that may be implemented in 2006. The Associate (ACAS) designation will require credit for the three VEE requirements, seven Associate level exams, and the Course on Professionalism. The Fellowship designation (FCAS) will require two additional exams in addition to the ACAS requirements. The VEE process and Preliminary Actuarial Exams 1, 2, and 4 are jointly administered with the SOA and the CIA is a co-sponsor.

The CAS, CIA, and SOA are working with a consultant to offer Exam 1 as a computer-based test (CBT) starting in September 2005. It is anticipated that Exam 1 will be offered by CBT four times in 2006.

The *Syllabus of Examinations* describes the examination structure, schedule, and other details. It is available in the "Admissions" section of the CAS Web Site (www.casact.org). The next CAS exam sitting is during late October and November 2004.

Reduced examination fees are available to eligible candidates in qualifying countries. Additional information may be found in the “Admissions” section of the CAS Web Site.

The CAS Modeling Workshop Task Force will pilot a modeling workshop in November and December. In December, the task force will make a recommendation whether the workshop should become a mandatory part of the Fellowship curriculum.

The CAS Task Force on Classes of Membership has recommended that there be one class of membership. The proposal has been released for comment and is available on the CAS Web Site

(<http://www.casact.org/members/reports/TFClassesOfMembership.pdf>).

The CAS Task Force on the ACAS Vote has recommended that Associates have the right to vote five years after receiving the ACAS designation and to be elected to most offices (with specific exceptions such as President, President-Elect, as well as prohibited Admissions offices). The proposal is available online

(<http://www.casact.org/members/reports/TFACASVote.htm>).

Research in Progress

Research Working Parties. The CAS currently has seven active research working parties on the following topics:

1. Correlations and Dependencies Among All Risk Sources
2. Elicitation and Elucidation of Risk Preferences
3. Quantifying Variability in Reserve Estimates.
4. Bornhuetter-Ferguson-Initial Expected Losses
5. [Dynamic Risk Modeling Handbook](#)
6. [Public-Access DFA Model](#)
7. Tail Factors

The [Working Party on Executive Level Decision Making Using Dynamic Risk Modeling](#) (DRM) recently completed its work. This Working Party was formed to give practicing actuaries help in developing effective DRM presentations for senior management. The Working Party produced a number of items to help practicing actuaries with their presentations, including a written report, presentation template, and three sample presentations. All of these items can be downloaded through the Research section of the CAS Web Site, where additional information on all of the CAS Working Parties is available.

Call Paper Programs. Annually the Casualty Actuarial Society conducts three to four call paper programs on various topics. Both CAS members and non-members are invited to submit proposals. Call paper program announcements are posted in the research section of the CAS Web Site. The papers accepted by these programs are presented at a Society meeting or seminar and are published in the *Discussion Paper Program or Forum*. These papers are also available on the CAS Web Site. Current programs include:

2005 Discussion Paper Program. Papers have been invited on “Primer on Enterprise Risk Management (ERM).” Accepted papers will be presented at the 2005 CAS Spring Meeting scheduled for May 15-18, 2004 at Pointe Hilton South Mountain Resort in Phoenix, Arizona. The Michelbacher Prize of \$1,500 will be awarded to the author of the best paper.

2005 Call for Ratemaking Discussion Papers - Papers on all ratemaking topics are welcome, but papers are preferred which focus on the considerations listed in the CAS Statement of Principles regarding property and casualty insurance ratemaking. In addition, papers on the following topics are of interest: use of scoring models, impact of shocks to insurance markets, alternative risk-transfer instruments, reinsurance, and the medical malpractice insurance "crisis." Authors may be invited to present their papers at the 2005 Ratemaking Seminar, scheduled for March 10-11, 2005 in New Orleans, Louisiana. A prize fund of \$2,500 is available for the best papers submitted in response to the call.

2005 Data Management, Quality, and Technology Call for Papers - The purpose of this program is to develop a source of literature on data topics important to casualty actuaries. Authors of accepted papers may be invited to present their work at the 2005 Ratemaking Seminar, scheduled for March 10-11, 2005 in New Orleans, Louisiana. A prize fund of \$2,500 is available for the best papers submitted in response to the call.

2005 Reinsurance Call for Papers - The purpose of this program is to develop a source of literature on reinsurance topics important to casualty actuaries. Papers have been invited on “Pricing Low-frequency Reinsurance Products.” Authors of accepted papers may be invited to present their work at the 2005 Reinsurance Seminar, scheduled for June 6-7, 2005 in Bermuda. Papers submitted in response to the call will be considered for the Ronald Ferguson Reinsurance Prize. The amount of the Ronald Ferguson Reinsurance Prize is currently \$2,000.

Proceedings Papers - The CAS annually publishes papers in the CAS Proceedings that are accepted by the Committee on Review of Papers. These papers may be on any property and casualty topic and are presented by the authors at the CAS Spring or Annual Meeting. The 2003 Proceedings was published in October 2004 and the research papers and discussions of previous Proceedings papers in this volume are available for download through the CAS Web Site. A copy of the Proceedings may be ordered online through the CAS Web Site (see Publications section) for \$75 (U.S.) plus postage and handling. The Woodward-Fondiller and Dorweiler Prizes are awarded annually to members submitting the best papers.

The Proceedings are also available on CD-ROM. Forty Proceedings volumes, from 1960 to present, are available as a two-CD set for a purchase price of only \$24. This product can be purchased through the CAS Web Site. The CDs include built-in search features, such as the ability to perform multi-file PDF searches. Enhanced navigation features are also built-in, including an opening screen with a table of contents linking to

each volume, and a “home” button on each page for easy navigation back to the opening screen.

Charles A. Hachemeister Prize for ASTIN and AFIR Papers. The CAS awards an annual prize to the author of an ASTIN or AFIR paper, with emphasis in judging placed on the paper’s impact for North American actuaries and practicality of application. Papers eligible for the prize include articles, workshop articles, and invited papers published in the *ASTIN Bulletin*, in addition to papers and Speakers’ Corner papers presented at the ASTIN or AFIR Colloquium in the calendar year prior to the prize award. The amount of the prize is currently \$1,000.

CAS Web Site (<http://www.casact.org>)

The CAS Web Site’s “Online Database of Actuarial Abstracts”

(www.casact.org/casbibsearch.cfm) is a searchable database of actuarial research paper citations. The Catalog contains citations for over 4,000 papers and includes abstracts and links to papers that are available online. Users can download full texts of papers through the Web Site’s publications section (www.casact.org/pubs/pubs.htm). This section includes the *Proceedings* from 1914-present and all issues of the *CAS Forum* and *Discussion Paper Program* that have been published.

The complete collection of over 600 articles in the IAA *ASTIN Bulletin* is online on the CAS Web Site. These papers are available to ASTIN members through a direct linkage from the IAA Web Site.