

January 7, 2025

Rachel Hemphill, Chair  
Craig Chupp, Vice Chair  
Life Actuarial (A) Task Force  
National Association of Insurance Commissioners (NAIC)

Re: Knowledge Statements for Appointed Actuary for Life Blank

Rachel & Craig,

Having read through the latest knowledge statements, I am concerned that there is not adequate coverage for Long Term Care (LTC). The latest knowledge statement includes the following:

“Because the Life Blank may include Health Reserves, specifically on Exhibits 6 and 8, the life appointed actuary should have exposure to long-duration health products commonly sold by life companies, such as LTC, disability and dread disease products, and therefore will also need to refer to the Health Knowledge Statement.”

My understanding is that HATF is removing LTC from their statements since there were comments received that LTC more appropriately belongs on Life (but there was not a comment received to add it to the Life knowledge statements during the subsequent round). I consider it important that LTC material get added.

Later on in the Knowledge Statements, it includes: “The Appointed Actuary must understand asset adequacy analysis and how to determine any amount of additional reserves to be established”. I recommend that this be expanded to state “The Appointed Actuary must understand asset adequacy analysis and how to determine any amount of additional reserves to be established. Additionally, the Appointed Actuary must consider and understand the interaction impact of various lines of business when performing asset adequacy analysis”

Look forward to discussing further on a LATF call.

Sincerely,



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Cc: Scott O’Neal, NAIC