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Subject: CID Actuarial Newsletter – Winter 2020 - Life and Health

Happy Holidays!

Per survey after our second Life & Health appointed actuaries' meeting (10/27/2020), most of you think an email from the Department announcing significant changes to Instructions, Regulatory Guidance or other NAIC matters of interest would be useful. Following are a few subjects for this 2020 Winter CID Actuarial Newsletter for Life and Health:

1. As a reminder: if there is a change in Appointed Actuary, please ensure compliance with the applicable section of the Annual Statement Instructions Manual--for Health companies, and with Section 2.A. of VM-30--for Life Companies.
2. Due to COVID-19 impacts, we refer you to this bulletin: https://portal.ct.gov/-/media/CID/1_Bulletins/Bulletin-FS-40.pdf for required actuarial submissions including Statements of Actuarial Opinion.
3. VM-31 PBR Actuarial Report is due on 4/1/2021. We request that companies that would like to file a Life PBR Exemption (for individual life policies issued on or after 1/1/2021) use the attached template.
4. With regard to variable annuity reserves that will be calculated using VM-21 beginning year-end 2020, any change in reserve amount must be reflected in Exhibit 5A ("Changes in Bases of Valuation During the Year") of the Life Annual Statement. Per paragraph 37.b. of SSAP No. 51R, a "change in valuation basis for principle-based reserves shall include cases where the required reserve methodology has changed or the insurer makes a voluntary decision to choose one allowable reserving method over another. These types of changes include, but are not limited to, new standardized mortality tables such as Commissioners Standard Ordinary tables and regulatory changes in methodology."
5. For Health actuarial memo, we request that companies provide the narrative and technical components with appropriate supporting and indication of actuary review level to conform to the Annual Statement Instruction requirements and proposed guidance.
6. Introduced CID Actuarial Division website: <https://portal.ct.gov/CID/About-Us/Actuarial-Division>.
7. Held the second Appointed Actuaries symposium on 10/27/2020 virtually. Summary of feedback from the attendees:
 - i. Symposium format was conducive to allow questions and comments.
 - ii. The symposium was very helpful, useful and productive. In particular, very helpful to hear about emerging issues. One respondent said: "It was helpful to get a feel for the number for the similarities and differences in our concerns."
 - iii. The information shared by our Panelists on:
 - o VM-21 Implementation Not as helpful because only a few companies have Variable Annuities that are subject to VM-21
 - o COVID-19 Pandemic Impact Interesting and useful for most companies; "helpful to see the thinking around both morbidity and mortality"
 - o Current Health RBC Activities Not as relevant to most companies that responded.

iv. Topics found most effective

- It is important to hear from the Connecticut Insurance Department about areas of improvement regarding statements, memos and supporting documents.
- Hearing and seeing the Department actuaries make the relationships more personal.
- Helpful to get a feel for the number of other Connecticut domiciled companies.
- Slides on Life Issues and Appointed Actuary changes were informative

As indicated previously, please feel free to [contact](#) us if you have any suggestions.

Best Regards,

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