

Replacement of an Appointed Actuary

Source: NAIC *Instructions* Paragraph 1

The insurer appoints the new actuary through formal Board resolution.

1. Within **5 business days**, the insurer shall notify the domiciliary insurance department that the former Appointed Actuary has been replaced.
2. Within **10 business days** of this notification, the insurer shall provide the domiciliary commissioner with a letter stating whether in the 24 months preceding the replacement, “*there were any disagreements with the former Appointed Actuary regarding the content of the opinion on matters of the risk of material adverse deviation, required disclosures, scope, procedures, type of opinion issued, substantive wording of the opinion or data quality*”, or saying none. The letter should also discuss how such issues were resolved.
3. Within this **same 10 business days**, the insurer shall in writing also **request that the former Appointed Actuary provide a letter** addressed to the insurer stating whether the Appointed Actuary agrees with the statements contained in the insurer’s letter (see 2 above) or state reasons why he/she doesn’t agree.
4. Within **10 business days** of this request from the insurer, **the former Appointed Actuary shall provide a written response** to the insurer.
5. The insurer sends to the domiciliary commissioner **both** the **reply from the former Appointed Actuary and** the original letter from the insurer (see 2 above).