Regulatory Perspectives on the Actuarial Meaning of Insurance

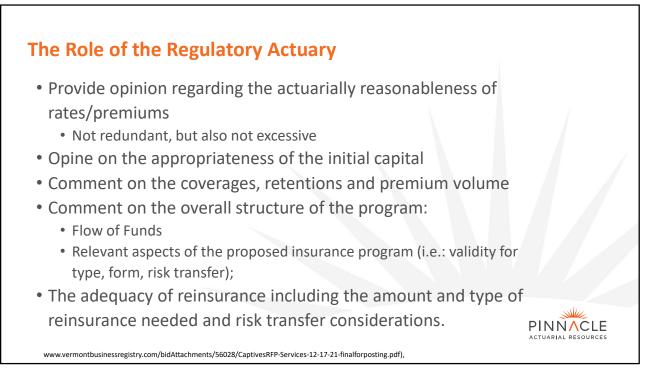
 Rob Walling Pinnacle Actuarial Resources

CAS Annual Meeting November 7, 2022

Why does the regulatory perspective on insurance matter?

- Vermont Department of Regulation:
 - The ongoing work of the department on behalf of Vermonters helps consumers access financial and insurance-related services with confidence that:
 - Consumers are treated fairly, according to the terms of contracts and laws.
 - Regulated companies, institutions, and individuals operate within the law.
 - Regulated entities operate in a <u>financially sound</u> manner, and remain able to deliver on consumers' earnings, benefits, claims, or other services.
 - Costs and services are reasonable for the marketplace.







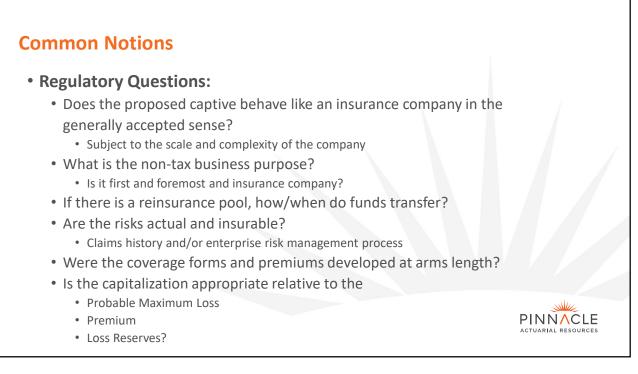
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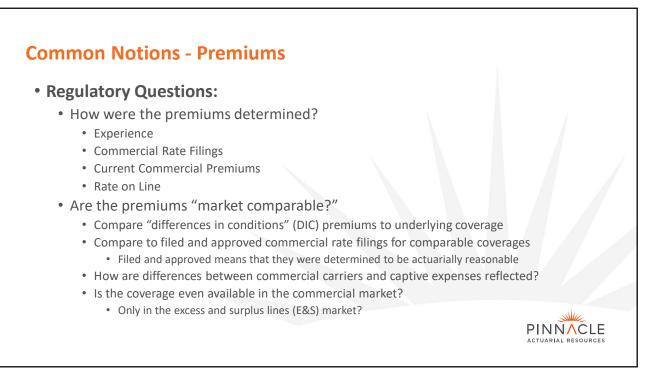
Risk Transfer

- Regulatory Questions:
 - Is there a significant chance of a material loss?
 - What does the adverse scenario of the pro forma financials indicate?
 - Does the program satisfy the self-evident rules?
 - Accounting and actuarial guidance
 - For reinsurance programs, has an Expected Reinsurance Deficit (ERD) been calculated?

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Thank You!

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