



Casualty Actuaries of New England

An Affiliate of the Casualty Actuarial Society

Agenda

Spring Meeting, March 25th, 2022

Virtual Meeting

8:45 to 8:55 CANE Annual Business Session

CANE Board

9:00 to 9:45 – CISA Cyber Resource Brief 2021

Richard Berthao, Cybersecurity and Infrastructure Security Agency

This presentation is an overview of the Cybersecurity and Infrastructure Security Agency and current Cyber resources offered. We will discuss the mission of the CIAS, and the various services we provide free of charge.

9:45 to 11:00 – Travelers Actuarial Reserving Cooking Show

Darian Garner, Colin Heydorn, Janeice Horton, Deb Mergens, Austin Prete, Krystin Walsh, Rae Warner
Travelers Insurance Company

Tune in to Episode 2 of the Travelers Cooking Show. The Travelers Actuarial Reserving Cooking Show follows after the popularity of the inaugural Predictive Modeling Cooking Show. It is a window into the kitchen of master “chefs” as they work, except the chefs are whipping up something different: actuarial reserves!

Watch real actuaries partner with Claim professionals to showcase their skills as they compete to see who can set the tastiest reserves. You'll see basic reserving techniques, the simple steps Actuaries use to predict future claim development, hear brief discussions of advanced techniques, and develop an understanding of the important interactions with business partners. You can also learn more about current events such as social inflation.

11:00 to 11:15 - Break

11:15 to 12:15 – Insuring Municipalities – Coverage Issues and Risk Considerations

Jeremy Macklin, Partner, Traub Lieberman

Municipalities are unique entities that are generally insured for a variety of risks through a single or package policy. Different divisions of a municipality can face liability claims for malicious prosecution, and the policy period implicated by those claims can vary based on policy language and jurisdiction-specific interpretation of policy language. Often times, municipalities remain in control of their defense and first-dollar indemnity because of significant self-insured retentions, curtailing insurer involvement in claim evaluation and resolution decisions. This presentation will explore these, and other coverage issues related to liability insurance coverage for municipalities and the potential impact on a municipality's potential exposure.

12:15 to 1:00 – Lunch Break

1:00 to 1:55 – Pet Insurance

Brian Chiarella, FCAS, MAAA, Ernst & Young LLP
Morgan Butz, ACAS, Ernst & Young LLP

The pet insurance market in the United States has been growing fast for years and this market growth was accelerated in 2020 by the "pandemic puppy boom". But, the profitability of pet insurance carriers has been underwhelming recently due to high levels of veterinary services inflation, escalating loss cost trends and expanding care demands of pet owners. However, new capital has been rapidly entering the pet insurance market on the thesis that (1) the market can reach penetration levels seen in the more mature markets of Western Europe, and (2) with broader socialization of costs, profitability will not be so elusive for pet insurers. With only 1.5% of U.S. household pets insured, can insurers afford to cover dog visits to the acupuncturist, the therapist and the reiki healer? We will answer this question and many more in this paws-itively engaging session on one of the fastest growing insurance markets today.

2:00 to 3:00 – Using Rating Factors to Learn Loss Distribution Parameters

Chuck Lindberg, FCAS, Boost

Actuaries often rely on existing rating factors and competitor filings to set rates in the future. When it comes to increased limit factors and deductibles factors, it can be challenging to understand how the factors were initially derived. The actuary may want to expand the existing rating program to offer more limit/deductible options with the information available. Further, the actuary may want to better comprehend what assumptions are implicitly made when using a set of rating factors.

In this presentation, Chuck offers a technique that learns loss distribution parameters given a set of rating factors. He demonstrates the technique with R; this code will be made publicly available. The presentation includes a short review of loss elimination, the learning technique, and application examples.

3:00 to 3:15 - Break

3:15 to 4:15 – Professionalism

Calvin Rappard and Zach Suter

Join us for a discussion of various case studies based on situations that actuaries could encounter while performing actuarial work.