



INTERNATIONAL ACTUARIAL ASSOCIATION

Mortality Working Group

March 28-29, 2014

Omni Hotel, Washington, DC USA

Minutes

Present:

Paul Lewis - Chairperson
Al Klein – Co Vice chairperson
Brian Ridsdale – Co Vice chairperson
Erik Alm
Séverine Arnold
Bridget Browne
Michael Eves
Ricardo Frischtak
Dieter Gaubatz
Bill Horbatt
Mika Mäkinen
Hans Michael Overgaard
Ermanno Pitacco
Lars Pralle
Adam Reese
Martin Stevenson
Marc Tardif
Henk van Broekhoven
Hiroshi Yamazaki

Guest speakers:

Louis Adam
Jay Olshansky

Absent:

Chresten Dengsøe
Aline Lamoureux
Darko Medved
Ksenia Novikova
Dov Raphael
Luis Maria Sáez de Jáuregui Sanz

Observers:

Jean-Claude Menard
Thierry Poincelin
Francis Gota
Alan Joynes
Jari Nittuirinpera
Sam Gutterman

Paul John Sweeting
 Benoit Laurent Yerna
 Peter Ying
 Zhaolan Zhan

Gunn Albertsen
 Assia Billig
 Dermont Grenham

In attendance:

Christian Levac (discussion on website and communications, Item 6).

The Chairman welcomed all members and observers present. The meeting included two sessions with a combined length of 7.5 hours over the two days.

1. Minutes of the previous meeting

One correction was made to the [minutes of the prior meeting in Singapore](#).

- Item 9. Incoming events (SOA's Living to 100 symposium). Séverine Arnold is presenting a paper, not Ermanno Pitacco.

2. New members / retiring members

The following changes in membership were advised:

- Hans Michael Overgaard joined the committee.

3. Country reports

Canada	Marc Tardif
Finland	Mika Mäkinen
Italy	Ermanno Pitacco
Poland	For reading
USA	Dieter Gaubatz

An item of note is the large population decrease seen in Italy in 2011. This is likely due to inaccurate estimates between full censuses.

The reports are included in the meeting package. Mika will be sending a copy of his to be included in the full package.

The Group expressed its appreciation at the work done by the authors of the reports. Although he was not able to attend, appreciation was also expressed for Peter Ying for his role in coordinating them.

At the next meeting, reports will be sought in respect of Brazil, Japan, Netherlands, Germany and USA. Peter Ying will again be involved in coordinating the production of these reports.

Paul Lewis will resend the country report template to all members (attached here):

http://www.actuaries.org/CTTEES_TFM/Documents/Country_Report_Template.doc

As a holdover from the prior meeting, a summary document of the main aspects of the country reports still needs to be developed.

4. Feedback on international research

A copy of the last meeting's report was provided to, and published by, a broad range of actuarial associations around the world. The extent of the distribution still needs to be expanded. It was suggested that it may be necessary to translate the document into additional languages and be provided in additional file formats.

Brian Ridsdale provided a presentation on recent developments in the UK, including two recently published CMI Working Papers, new historical and projected data from the period and cohort life tables and a topic guide to population projections from the ONS and research using new sources of mortality and morbidity data.

A brief discussion occurred on the statuses of future population censuses in the UK. It was noted that the next census in UK will be completed online. This was already an option in the last Australian census.

5. Measuring our success and failures. Relationships with supranationals.

The IAA is requiring a more formal objectives and update process for each of the sections and working groups. The MWG is in good shape since its objectives were recently reviewed and revised. Although the overall process needs more clarity, the MWG report will be submitted to the Executive Council after the September London meetings. It is an interesting development that the IAA is setting up a Scientific Committee and the MWG is looking forward to having a dedicated stakeholder within the IAA with which to engage.

6. Publicizing the activities of MWG

6.1 The website

Brian Ridsdale provided an [update on the activities \(presentation\)](#) of the MWG's website. Although our communications had resulted in an increase in the interest on the website, it is believed that more can be done to advertise it. This will be given further thought. Brian thanked Christian and his team for their work on communication of the work of the Group.

The Group agreed that its papers and discussions are of interest to non-members, and should be accessible without log-in. It was understood that this is different to IAA committees, where confidential matters are discussed. The secretariat will be asked to implement this.

All of the various special topics now have assigned owners. Brian has circulated an email combining all the proposed amendments, and he thanked the many "page owners" who had provided these. *Owners who had not yet responded should confirm with Brian Ridsdale the update status of their specific pages.*

Additional thought needs to be given to the description of the "Mortality Improvement" topic. It has two components: actual improvement trends and the various types of analysis methods used around the world. Each is a topic by itself. Having a range of methods, implying that actuaries don't

agree, could create credibility issues. At the very least, The MWG should provide a good inventory of the various methods being used. Further thought will be given to developing a more definitive structure.

Present efforts have been concentrated on “pushing” information to our members and a suggestion was made by Michael Eves that we should look into the “Pull” availability of our work: Michael pointed out that people wanting access to the information and papers will usually now do so through a search engine, rather than by clicking down through a website. We would like anyone searching on key words such as mortality and longevity plus their particular areas of interest to find our materials high on their search ranking. Brian will ask Christian how this can best be achieved.

6.2 Half-yearly report

A good number of our members had distributed the half yearly report to their own associations, and the analysis of click-throughs demonstrated that people had read it.

Some members had experienced difficulties in getting agreement from their associations to distribute the report. The group decided that it will experiment with issuing the half yearly report in a variety of languages, probably English (Dieter Gaubatz), French (Nicole Seguin), Spanish (Nicole Seguin), Italian (Ermanno Pitacco), Portuguese (Ricardo Frischtak) and German (Lars Pralle). This will rely mainly on volunteer translators.

Brian will aim to monitor how much these reports are accessed, and report back at the next meeting.

7. “Living to 100” seminar feedback

Dieter Gaubatz, Séverine Arnold and Al Klein provided feedback on the sessions of the “Living to 100” seminar” which occurred in Orlando, Florida in January, 2014. A [high level summary](#) describing the various sessions was also included in the documents for this meeting. The feedback was that there have been a number of interesting developments since the 2011 “Living to 100” seminar.

8. Healthy life expectancy

Bridget Browne provided an update on her work in comparing “Healthy” life expectancy to overall life expectancy. She continues to see that “healthy” life expectancy is not increasing at same rate as overall LE. This results in an expansion of morbidity.

9. Report from the Underwriting Committee

Al Klein provided a [progress report](#) on the work of this committee. The purpose of the work is to gather underwriting terminology and processes around the world. Al will be [presenting the results to-date at the ICA 2014 meeting](#). He emphasized that information from additional countries would

still be welcome. This is an ongoing effort.

10. "The Longevity Dividend Initiative" presentation

Jay Olshansky discussed his very insightful mortality/longevity work over many years. He concludes that human life span is limited with little potential to increase. This is largely due to the body's physical limitations, and not greatly influenced by genetics. He did indicate that he believed that, in spite of this, future improvements in life expectancy can still occur. He also introduced the concept of the "longevity dividend", whereby if aging could be postponed for just a few years, people would likely live healthier for longer. He is in the process of helping to raise funds for this project. This presentation was not the same as the one that he was to provide at the ICA 2014.

11. "Pension Mortality in Canada" presentation

Louis Adams presented interesting results from his work on the Canadian "CPP" and Quebec "QPP" experience. This was a preview of his presentation at the ICA.

The MWG group agreed that having external speakers worked very well and that this format would be continued in the next meeting in London. The Group expressed their appreciation of the two external presentations.

12. Upcoming events involving MWG members

- ICA 2014 conference in Washington D.C. (March 30, 2014)
Several members of the MWG are presenting at the conference. Each provided a brief summary of their presentation
 - i. ["Mortality comparisons by country and behavioral drift" - Henk van Broekhoven](#)
 - ii. ["Cause of death impacts on life expectancy" - Severine Arnold](#)
 - iii. ["Underwriting Around the World" - Al Klein](#)
 - iv. ["Longevity: Risk sharing solutions – future steps"- Ermanno Pitacco](#)
- [Mortality and Longevity symposium in U.K. \(September, 2014\)](#)
Several individuals from the MWG will be providing presentations at this symposium
- [PBSS and Life Sections in Norway \(June, 2015\)](#)
- IAA Committee meetings in Zurich (2015)
Any presentations and interactions with the local actuarial community would need to be sponsored by specific insurers/reinsurers. This will be looked into further.
- IAA Committee meetings in Vancouver (2015)
Because the actuarial community is wide-spread throughout Canada, and more concentrated in the East, it is not likely that there will be any formal interaction with the local actuarial community.

13. International Experience Study

Bill Horbatt provided an update on the progress of the Croatian experience study. The group also had a discussion on the most appropriate organization sponsor for the IES studies going forward. As a first step towards a recommendation, Paul Lewis will have discussions with Dale Hall of the Society of Actuaries on this issue.

14. USA individual insurance experience study process changes

Dieter Gaubatz presented on the current [experience study process in the USA](#). Historically, individual life experience studies in the USA were based on voluntary contributions from domestic insurers to the Society of Actuaries (SOA). Going forward, due to the introduction of Principles Based Reserving, U.S. insurance regulators are beginning to mandate experience studies. The SOA is adjusting its process to take advantage of the required data submissions.

15. Topics for the next meeting

The next meeting will be held in London, England 12th and 13th September 2014.

The group decided that the top priority was the same topic as from the last meeting, differences in insured vs. population mortality. Bill Horbatt agreed to chair the group of Erik Alm, Ricardo Frischtak, Paul Lewis, Mika Mäkinen, Ermanno Pitacco, Martin Stevenson and Henk van Broekhoven. It was also agreed that the group would have something to present at the London meeting.

The committee is also interested in the mortality on Structured Settlements, but a specific assignment on this topic was not made.

Appendix – list of papers / reports

1. Country reports
 - [Italy](#)
 - [Poland](#)
 - [USA](#)
2. Feedback on international research
3. UK Mortality Update
4. [MWG Underwriting Around the World report](#)
5. [IAA Mortality Working Group Communications Strategy](#)
6. [‘Living to 100’ Symposium – summary report](#)
7. [Issues Advisory Group](#)

Appendix – list of presentations

1. [Recent Australian insured lives mortality – a review of the Actuaries Institute/FSC 2004-2008 Lump Sum Investigation – Bridget Browne](#)
2. [Relative compression or expansion of morbidity: Further evidence from the Global Burden of Disease Study 2010 – Bridget Browne](#)
3. International Experience Studies - Croatia Experience Study 2008 – 2012 – Bill Horbatt
4. [Understanding Mortality Developments. History and future and an international view - Henk van Broekhoven](#)
5. [Underwriting around the world – Al Klein](#)
6. At the Crossroads of Science and Finance – Jay Olshansky
7. [Pensioner Mortality in Canada – Louis Adam](#)
8. [USA Experience Study process individual life insurance – Dieter Gaubatz](#)
9. [IAA Mortality Working Group - Publicising our Activities - Brian Ridsdale](#)
10. [International Mortality and Longevity Symposium Sept 2014](#)