

Draft: 7/12/05

The NAIC Life and Health Actuarial Task Force adopted this resolution on its July 12, 2005, conference call.

#### RESOLUTION

*The Life and Health Actuarial Task Force Recognizes* that the Society of Actuaries' Individual Life Studies need to be made more relevant by incorporating current industry underwriting practice, particularly as it relates to preferred/standard risk classification. The Mortality Study Working Group of the Society of Actuaries has stated that "This is an urgent and compelling need that the Society of Actuaries should strive to meet as soon as possible - even if only imperfectly due to various data constraints."

*Notes* that the Society of Actuaries' Individual Life Mortality Study has increased the number of contributors to twenty companies and has brought the study back to a schedule of annual publication of results.

*Reaffirms* the major recommendation of the Society of Actuaries' Mortality Study Working Group:

"Data collection should be streamlined as follows:

- (i) There should be only one data request per company, which should be used for all SOA individual life insurance mortality studies;
- (ii) Data requested should be consistent from year to year, so that additional or ad hoc programming should not be necessary for a company to submit data – this will make regular annual participation by companies a reality;
- (iii) The SOA should show flexibility in accepting data in any reasonable form and find creative ways to make it easier for companies to contribute."

*Proposes* to support the Society of Actuaries in incorporating current industry underwriting practice, particularly as it relates to preferred/standard risk classification. Furthermore, we encourage the Society of Actuaries to work with companies contributing data and to be flexible in accepting data in any reasonable form.

*Emphasizes* that this support for data collection in no way lessens the Task Force's commitment to the development of a principles-based approach for reserves.

*And Thus Resolves* to encourage companies writing individual life insurance policies to contribute to the data collection of the Society of Actuaries occurring in 2005 and beyond.

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