

**Group and Health Design and Pricing**  
**Ur t lpi '2012**

**Important Exam Information:**

<a href="#">Exam Date and Time</a>	A read-through time will be given prior to the start of the exam—15 minutes in the morning session and 15 minutes in the afternoon session.
<a href="#">Exam Registration</a>	Candidates may register online or with an application.
<a href="#">Order Study Notes</a>	Study notes are part of the required syllabus and are not available electronically but may be purchased through the online store.
<a href="#">Introductory Study Note</a>	The Introductory Study Note has a complete listing of all study notes as well as errata and other important information.
<a href="#">Case Study</a>	This case study will also be provided with the examination. Candidates will not be allowed to bring their copy of the case study into the examination room.
<a href="#">Past Exams</a>	Past Exams from 2000-present are available on SOA web site.
<a href="#">Updates</a>	Candidates should be sure to check the Updates page on the exam home page periodically for additional corrections or notices.

**Group and Health Design and Pricing  
Ur t l p i '2012**

<b>Exam</b>	<b>Group/Health Design &amp; Pricing</b>
<b>Learning Objectives</b>	
<p>1. Understand and evaluate the effectiveness of the various types of Single Employer group coverage typically offered under:</p> <ul style="list-style-type: none"> <li>- Group health plan, including Consumer driven plans, etc.</li> <li>- Prescription Drug</li> <li>- Group dental plan</li> <li>- STD or LTD plan (incl. mention of coverage within other plans)</li> <li>- Group life plan</li> <li>- Other miscellaneous benefits</li> <li>- Multi-employer groups (Taft-Hartley, etc)</li> </ul>	
<b>Learning Outcomes</b>	
<p>The candidate will be able to:</p> <ul style="list-style-type: none"> <li>a) Describe the various coverages, including typical benefit provisions, eligibility requirements, cost-sharing provisions, limits and funding mechanisms</li> <li>b) Identify the potential gaps in needed or desired coverages</li> <li>c) Identify which participants would find each coverage a valued benefit and why</li> <li>d) Assess the advantages and disadvantages to an sponsor of offering a given coverage/benefit</li> <li>e) Evaluate potential financial, legal and moral risks associated with each coverage</li> <li>f) Recommend policy provisions to minimize the risks identified above</li> <li>g) Assess the advantages and disadvantages to an participant of offering a given coverage/benefit</li> <li>h) Evaluates several coverage scenarios as alternatives to a given scenario</li> </ul>	
<b>Syllabus Resources</b>	
<ul style="list-style-type: none"> <li>• <i>Canadian Handbook of Flexible Benefits</i>, Third Edition, McKay, 2007 <ul style="list-style-type: none"> <li>o Ch. 6, Death and Disability</li> </ul> </li> <li>• <i>Group Insurance</i>, Bluhm, Fifth Edition, 2007 <ul style="list-style-type: none"> <li>o Ch. 8, Dental Benefits</li> <li>o Ch. 11, Miscellaneous Benefits</li> </ul> </li> <li>• <i>The Handbook of Employee Benefits</i>, Rosenbloom, Seventh Edition, 2011 <ul style="list-style-type: none"> <li>o Ch. 10, Pharmacy Benefits</li> <li>o Ch. 8, Understanding Managed Behavioral Health Care Benefits</li> </ul> </li> </ul> <p><b>Candidates may also use the 2005 Sixth Edition. The following references apply:</b></p> <ul style="list-style-type: none"> <li>o Ch. 6, Understanding Managed Care Health Plans: The Managed Care Spectrum</li> <li>o Ch. 11, Alternative Prescription Drug Plans and Their Impact on Employers</li> <li>o Ch. 12, Understanding Managed Behavioral Health Care Benefits</li> </ul> <ul style="list-style-type: none"> <li>• <i>Managing and Evaluating Healthcare Interventional Programs</i>. Duncan, 2008 <ul style="list-style-type: none"> <li>o Ch. 13, Introduction to Wellness and Integrated Programs</li> </ul> </li> <li>• GH-D100-07 Specialty Accident and Health Products</li> <li>• GH-D101-07 Group Disability Insurance (sections 1, 8, 10, 11)</li> <li>• GH-D102-07 Group Life Insurance Introduction, Sections 1–3</li> <li>• GH-D103-07 Pricing Long Term Care, pp. 1-9</li> <li>• GH-D106-07 <i>EBRI Fundamentals of Employee Benefit Programs</i> <ul style="list-style-type: none"> <li>o Ch. 14, Multi-Employer Plans</li> </ul> </li> <li>• GH-D127-10 <i>The Handbook of Employee Benefits</i>, Sixth Edition <ul style="list-style-type: none"> <li>o Ch. 6, Understanding Managed Care Health Plans: The Managed Care Spectrum</li> </ul> </li> <li>• Value-Based Insurance Design, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/vbid_june09.pdf">http://www.actuary.org/pdf/health/vbid_june09.pdf</a></li> <li>• Effective Contracting with Pharmacy Benefit Managers, HealthWatch, February 2010 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2010/february/hsn-2010-iss63.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2010/february/hsn-2010-iss63.pdf</a></li> </ul>	

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<b>Learning Objectives</b>	
2. Understand and evaluate the effectiveness of the various types of Individual and multi-life coverage typically offered under: <ul style="list-style-type: none"><li>- Individual health plan</li><li>- LTC (including group and individual)</li><li>- Individual DI plan</li><li>- Medicare Supplement</li></ul>	
<b>Learning Outcomes</b>	
The candidate will be able to: <ul style="list-style-type: none"><li>a) Describe the various coverages, including typical qualifications for benefits, coverage eligibility, cost-sharing provisions, limits, and funding mechanisms</li><li>b) Identify the potential gaps in needed or desired coverages</li><li>c) Identifies which insureds would find each coverage a valued benefit and why</li><li>d) Evaluate potential financial, legal and moral risks associated with each coverage</li><li>e) Recommend policy provisions to minimize the risks identified above</li><li>f) Evaluates several coverage scenarios as alternatives to a given scenario</li></ul>	
<b>Syllabus Resources</b>	
<ul style="list-style-type: none"><li>• <i>Individual Health Insurance</i>, Bluhm, 2007 - (including any CD ROM references)<ul style="list-style-type: none"><li>o Ch. 2, The Products</li></ul></li><li>• GH-D105-07 Direct Marketing</li><li>• GH-D104-07 Pricing Medicare Supplement Benefits, Sections I &amp; II</li><li>• Critical Issues in Health Reform: Market Reform Principles <a href="http://www.actuary.org/pdf/health/market_reform_may09.pdf">http://www.actuary.org/pdf/health/market_reform_may09.pdf</a></li><li>• Health Reform in the 21<sup>st</sup> Century, proposals to Reform the Health System, AAA <a href="http://www.actuary.org/pdf/health/health_systems_june09.pdf">http://www.actuary.org/pdf/health/health_systems_june09.pdf</a></li></ul>	

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<b>Learning Objectives</b>	
<p>3. Evaluates employer strategies for designing and funding benefit plans for:</p> <ul style="list-style-type: none"> <li>i) Active employees</li> <li>ii) Dependents</li> <li>iii) Pre-65 retirees</li> <li>iv) Post-65 retirees</li> <li>v) Disabled (short and long-term)</li> </ul>	
<b>Learning Outcomes</b>	
<p>The candidate will be able to:</p> <ul style="list-style-type: none"> <li>a) Describe typical strategies used by employers to fund and design benefit plans, including contribution strategies</li> <li>b) Evaluate potential financial, legal, moral risks associated with each strategy</li> <li>c) Recommend benefit, eligibility, or funding provisions to minimize each of the risks identified above</li> <li>d) Evaluate integration strategies with government programs (e.g., Parts A,B, and D of Medicare)</li> <li>e) Describe opportunities to encourage employees to be more health and cost conscious and to return to work early</li> </ul>	
<b>Syllabus Resources</b>	
<ul style="list-style-type: none"> <li>• <i>Canadian Handbook of Flexible Benefits</i>, McKay, Third Edition , 2007 <ul style="list-style-type: none"> <li>o Ch. 2, Elements of Flex Plans</li> <li>o Ch. 3, Starting and Maintaining a Flexible Program</li> <li>o Ch. 7, Flexible Expense Accounts – Health Spending, Personal and Perquisite</li> <li>o Ch. 23, Case Studies</li> </ul> </li> <li>• <i>Fundamentals of Retiree Group Benefits</i>, Yamamoto, 2006 <ul style="list-style-type: none"> <li>o Ch. 1, Introduction</li> <li>o Ch. 2, Erosion of Retiree Health Benefits</li> <li>o Ch. 4, Retiree Benefit Design</li> <li>o Ch. 5, Funding</li> </ul> </li> <li>• <i>The Handbook of Employee Benefits</i>, Rosenbloom, Seventh Edition, 2011 <ul style="list-style-type: none"> <li>o Ch. 1, The Environment of Employee Benefit Plans</li> <li>o Ch. 2, Functional Approach to Designing &amp; Evaluating Employee Benefits</li> <li>o Ch.3, Risk Concepts and Employee Benefit Planning</li> <li>o Ch.4, Health Plan Evolution</li> </ul> </li> </ul> <p><b>Candidates may also use the 2005 Sixth Edition. The following references apply:</b></p> <ul style="list-style-type: none"> <li>o Ch. 1, The Environment of Employee Benefit Plans</li> <li>o Ch. 2, Functional Approach to Designing &amp; Evaluating Employee Benefits</li> <li>o Ch.3, Risk Concepts and Employee Benefit Planning</li> <li>o Ch.7, Understanding Managed Care Health Plans: Understanding Costs and Evaluating Plans</li> </ul>	

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<b>Learning Objectives</b>	
4. Evaluate the various types of coverages typically offered under a government health plan (e.g., Medicare, Medicaid, Canadian health plan, Social Security Disability Income, states' Temporary Disability Income programs, Workers Compensation, etc.)	
<b>Learning Outcomes</b>	
The candidate will be able to: <ul style="list-style-type: none"> <li>a) Describe the various coverages, including typical qualifications for benefits, coverage eligibility, cost-sharing provisions, limits, taxation and funding mechanisms</li> <li>b) Identify the potential gaps in needed or desired coverages</li> <li>c) Assess the social good and risks associated with each coverage</li> </ul>	
<b>Syllabus Resources</b>	
<ul style="list-style-type: none"> <li>• <i>Canadian Handbook of Flexible Benefits</i>, McKay, Third Edition, 2007 <ul style="list-style-type: none"> <li>○ Ch. 4, Plan Structure and Eligibility</li> <li>○ Ch. 5, Health Care (section 5.12, Provincial Health Insurance Plans only)</li> </ul> </li> <li>• <i>Fundamentals of Retiree Group Benefits</i>, Yamamoto, 2006 <ul style="list-style-type: none"> <li>○ Ch. 3, Medicare</li> </ul> </li> <li>• <i>Group Insurance</i>, Bluhm, Fifth Edition, 2007 <ul style="list-style-type: none"> <li>○ Ch. 7, Health Benefits in Canada</li> <li>○ Ch. 12, Government Old-Age, Survivors, and Disability Plans in the U.S.</li> <li>○ Ch. 13, Government Health Care Plans in the U.S. (Medicaid Section only pp. 237-243)</li> </ul> </li> <li>• <i>The Handbook of Employee Benefits</i>, Rosenbloom, Seventh Edition, 2011 <ul style="list-style-type: none"> <li>○ Ch. 20, Social Security and Medicare Focus on Disability, Survivorship, and Medicare Provisions, pp. 517-524</li> </ul> </li> </ul> <p><b>Candidates may also use the 2005 Sixth Edition. The following reference applies:</b></p> <ul style="list-style-type: none"> <li>○ Ch. 22, Social Security and Medicare ( pp. 529-549 only)</li> </ul> <ul style="list-style-type: none"> <li>• Update on Massachusetts Health Care Financing review, Health Watch, January 2008  <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2008/january/hsn-2008-iss57.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2008/january/hsn-2008-iss57.pdf</a> </li> </ul>	

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Exam	Group/Health Design & Pricing
Learning Objectives	
5. Apply U.S. and Canadian nation-specific regulation to product design and pricing	
Learning Outcomes	
<p>The candidate will be able to:</p> <ol style="list-style-type: none"> <li>a) Determine if given policy provision is compliant with the regulation</li> <li>b) Describe key provisions of major legislation</li> <li>c) Evaluate the potential financial and moral risk associated with the legislation</li> <li>d) Determine the potential impact on the cost of complying with the regulation</li> </ol>	
Syllabus Resources	
<ul style="list-style-type: none"> <li>• <i>Group Insurance, Bluhm, Fifth Edition, 2007</i> <ul style="list-style-type: none"> <li>○ Ch. 21, Small Group Rate Filings and Certifications</li> </ul> </li> <li>• <i>Individual Health Insurance, Bluhm, 2007</i> (including any CD ROM references) <ul style="list-style-type: none"> <li>○ Ch. 1, Introduction</li> <li>○ Ch. 3, Policy Forms</li> <li>○ Ch. 9, Regulation</li> </ul> </li> <li>• GH-D101-07 Group Disability Insurance (section 5 only)</li> <li>• GH-D104-07 Pricing Medicare Supplement Benefits, Section III</li> <li>• GH-D118-11 National Healthcare Reform: Strategic Considerations for Large Employers</li> <li>• GH-D119-11 What Kind of Risk Adjustment Systems Are Necessary for Health Insurance Exchanges?, Milliman</li> <li>• GH-D120-11 Operation of a Health Exchange Within the PPACA: What Needs to be in Place, How Does it operate, and How Might States Approach Governance?, Milliman</li> <li>• GH-D121-11 Health Insurers Need to Quickly Assess Operational Costs for Medical Services Under Health Care Reform, Milliman</li> <li>• GH-D122-11 Should Your State Establish a Health Insurance Exchange?, Milliman</li> <li>• GH-D123-11 Health Insurance Exchanges: Implementation and Data Considerations for States and Existing Models for Comparison, Robert Woods Johnson Foundation</li> <li>• GH-D124-11 What Do We Really Know About Consumer-Driven Health Plans? EBRI Issue Brief 345</li> <li>• GH-D125-11: Kaiser Summary of New Health Reform Law</li> <li>• Actuarial Equivalence, the American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/equivalence_may09.pdf">http://www.actuary.org/pdf/health/equivalence_may09.pdf</a></li> <li>• Administrative Expenses, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/admin_expenses_sept09.pdf">http://www.actuary.org/pdf/health/admin_expenses_sept09.pdf</a></li> <li>• Gender Considerations in a Voluntary Individual Insurance Market, American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/gender_may09.pdf">http://www.actuary.org/pdf/health/gender_may09.pdf</a></li> <li>• Health Cooperatives, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/coops_oct09.pdf">http://www.actuary.org/pdf/health/coops_oct09.pdf</a></li> <li>• Individual Mandate, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/individual_mandate_may09.pdf">http://www.actuary.org/pdf/health/individual_mandate_may09.pdf</a></li> <li>• Market Reform, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/market_reform_may09.pdf">http://www.actuary.org/pdf/health/market_reform_may09.pdf</a></li> <li>• Merging the Small Group and Individual Markets, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/merging_markets_sept09.pdf">http://www.actuary.org/pdf/health/merging_markets_sept09.pdf</a></li> <li>• Minimum Loss Ratios, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/loss_july09.pdf">http://www.actuary.org/pdf/health/loss_july09.pdf</a></li> <li>• Premium Setting in the Individual Market, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/premiums_mar10.pdf">http://www.actuary.org/pdf/health/premiums_mar10.pdf</a></li> <li>• Risk Pooling, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/pool_july09.pdf">http://www.actuary.org/pdf/health/pool_july09.pdf</a></li> <li>• State Level Impacts, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/state_level_nov09.pdf">http://www.actuary.org/pdf/health/state_level_nov09.pdf</a></li> <li>• Transitioning to New Market Rules, The American Academy of Actuaries <a href="http://www.actuary.org/pdf/health/transition_aug09.pdf">http://www.actuary.org/pdf/health/transition_aug09.pdf</a></li> <li>• The Age Wave, The Ocean State and Long-Term Care, Long-Term Care News, December 2009 <a href="http://www.soa.org/library/newsletters/long-term-care/2009/december/ltc-2009-iss24.pdf">http://www.soa.org/library/newsletters/long-term-care/2009/december/ltc-2009-iss24.pdf</a></li> </ul>	

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Exam	<b>Group/Health Design &amp; Pricing</b>
Learning Objectives	
6. Apply U.S. and Canadian taxation rules to employer and individual health plan	
Learning Outcomes	
The candidate will be able to: <ul style="list-style-type: none"> <li>a) Recommend strategy for legally minimizing taxes for both employer and employee</li> <li>b) Describe key provisions of major regulation</li> <li>c) Assess pricing impact of taxation on employer, employee or policy holder</li> </ul>	
Syllabus Resources	
<ul style="list-style-type: none"> <li>• <i>Canadian Handbook of Flexible Benefits</i>, McKay, Third Edition, 2007 <ul style="list-style-type: none"> <li>○ Ch. 12, Taxation of Flexible Benefits</li> <li>○ Ch. 13, Discrimination Issues</li> </ul> </li> <li>• <i>The Handbook of Employee Benefits</i>, Rosenbloom, Seventh Edition, 2011 <ul style="list-style-type: none"> <li>○ Ch. 25, Cafeteria Plan Design and Administration</li> </ul> <p><b>Candidates may also use the 2005 Sixth Edition. The following reference applies:</b></p> <ul style="list-style-type: none"> <li>○ Ch. 37, Cafeteria Plan Design and Administration</li> </ul> </li> <li>• GH-D102-07 Group Life Insurance Section 4</li> <li>• GH-D103-07 Pricing Long-Term Care, page 5</li> </ul>	

Exam	<b>Group/Health Design &amp; Pricing</b>
Learning Objectives	
7. Understand predictive modeling techniques	
Learning Outcomes	
The candidate will be able to: <ul style="list-style-type: none"> <li>a) Describe how predictive modeling techniques are used in underwriting, pricing and claims management</li> <li>b) Describe typical predictive modeling techniques</li> <li>c) Evaluate the advantages and disadvantages of each technique</li> </ul>	
Syllabus Resources	
<ul style="list-style-type: none"> <li>• Predictive Modeling: Considerations for Care Management Applications, <i>Health Section News</i>, 4/2004 <a href="http://www.soa.org/library/newsletters/health-section-news/2004/april/HSN0404.pdf">http://www.soa.org/library/newsletters/health-section-news/2004/april/HSN0404.pdf</a></li> <li>• Assessing Predictive Modeling Tools for Pricing and Underwriting, <i>Health Watch</i>, Jan, 2006 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2006/january/hsn0601.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2006/january/hsn0601.pdf</a></li> <li>• Predictive Modeling Applications, <i>RSA 31</i>, #2, session 3PD <a href="http://www.soa.org/library/proceedings/record-of-the-society-of-actuaries/2000-09/2005/june/rsa05v31n23pd.pdf">http://www.soa.org/library/proceedings/record-of-the-society-of-actuaries/2000-09/2005/june/rsa05v31n23pd.pdf</a></li> <li>• GH-D110-07 An Introduction to Predictive Modeling for Disease Risk Stratification</li> <li>• GH-D111-07 Predictive Modeling and Finding and Intervening with the High-Cost Healthcare Consumer, Haelan Group Whitepaper</li> <li>• GH-D126-11: <i>Introduction to Credibility Theory</i>, Herzog, 2010, Ch. 11</li> </ul>	

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<b>Exam</b>	<b>Group/Health Design &amp; Pricing</b>
<b>Learning Objectives</b>	
8. Evaluate the process and be able to develop a medical manual rate for government programs, ASO and insured business	
<b>Learning Outcomes</b>	
<p>The candidate will be able to:</p> <ol style="list-style-type: none"> <li>a) Identify and evaluate sources of data needed for pricing and underwriting including the quality, appropriateness, and limitations of each data source</li> <li>b) Identify and evaluate the rating parameters needed to evaluate and manage a book-of-business</li> <li>c) Develop experience analysis (claims cost and expenses) <ol style="list-style-type: none"> <li>i) Construct the appropriate models</li> <li>ii) Develop the appropriate assumption, including trend, anti-selection, etc.</li> </ol> </li> <li>d) Recommend appropriate actions following the study including <ol style="list-style-type: none"> <li>i) Areas for further study</li> <li>ii) Changes in coverage, eligibility requirements or funding strategy</li> </ol> </li> <li>e) Evaluate the impact of changing economic conditions on pricing</li> <li>f) Evaluate provider compensation model, including capitation, and its impact on projected claim costs.</li> <li>g) Integrate utilization management data into pricing</li> <li>h) Modify manual rates to reflect specific plan values including benefits for which little or no data is available</li> <li>i) Construct a rating model to be used for rating individual customers or plan designs</li> </ol>	
<b>Syllabus Resources</b>	
<ul style="list-style-type: none"> <li>• <i>Group Insurance</i>, Bluhm, Fifth Edition, 2007 <ul style="list-style-type: none"> <li>o Ch. 29, Estimating Claim Costs for Life Benefits</li> <li>o Ch. 30, Estimating Medical Claim Costs</li> <li>o Ch. 31, Estimating Claim Costs for Disability Benefits</li> <li>o Ch. 32, Estimating Dental Claim Costs</li> <li>o Ch. 34, Calculating Gross Premiums</li> <li>o Ch. 36, Medical Claim Cost Trend Analysis</li> <li>o Ch. 38, Applied Statistics</li> <li>o Ch. 39, Data Sources and Structures</li> <li>o Ch.46, Management of Provider Networks</li> </ul> </li> <li>• <i>Individual Health Insurance</i>, Bluhm, 2007 (including any CD ROM references) <ul style="list-style-type: none"> <li>o Ch. 5, Setting Premium Rates</li> <li>o Ch. 8, Forecasting and Modeling</li> </ul> </li> <li>• <i>Managing and Evaluating Healthcare Intervention Programs</i>, Duncan, 2008 <ul style="list-style-type: none"> <li>o Ch. 9, Understanding Patient Risk and Its Impact on Chronic and Non-Chronic Member Trends</li> <li>o Ch. 11, Comparative Analysis of Chronic and non-Chronic Insured Commercial Member Cost Trends</li> <li>o Ch. 15, The Relationship Between Risk Factors and Health Care Claims Costs in Program Design and Evaluation</li> </ul> </li> </ul>	
<ul style="list-style-type: none"> <li>• GH-D101-07 Group Disability Insurance (sections 2, 4 and 7 only)</li> <li>• GH-D102-07 Group Life Insurance, Section 6</li> <li>• GH-D103-07 Pricing Long-Term Care, pp.9-34</li> <li>• GH-D104-07 Pricing Medicare Supplement Benefits, Sections IV &amp; V</li> <li>• GH-D107-07 Actuarial Aspects of Taft-Hartley Welfare Plans, Reserves, Claim Forecasts, and Setting Contribution Levels</li> <li>• GH-D112-07 Monitoring and Projecting Pricing Trends in a Managed Care Environment</li> <li>• GH-D113-07 Group Long Term Disability – Improving Actuarial Analysis through Understanding the Benefits Process</li> <li>• GH-D114-07 Actuarial Issues in Fee-For-Service/Prepaid Medical Group, Sutton &amp; Sorbo</li> <li>• Timing’s Everything: The Impact of Benefit Rush, Health Watch, May 2008 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2008/may/hsn-2008-iss58.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2008/may/hsn-2008-iss58.pdf</a></li> <li>• Design and Pricing of Tiered Network Health Plans, HealthWatch, May 2009 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2009/may/hsn-2009-iss61.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2009/may/hsn-2009-iss61.pdf</a></li> <li>• New Member Impact on Medicaid Managed Care Costs, HealthWatch, February 2010 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2010/february/hsn-2010-iss63.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2010/february/hsn-2010-iss63.pdf</a></li> <li>• Emerging Data on Consumer Driven Healthcare AAA Task Force Report on CDH (May 2009) <a href="http://www.actuary.org/pdf/health/cdhp_may09.pdf">http://www.actuary.org/pdf/health/cdhp_may09.pdf</a></li> </ul>	



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- 2008 Annual Meeting, Session 129, Are Your Health Trends Fact or Fiction?  
<http://www.soa.org/professional-development/archive/detail.aspx>
- 2009 Health Meeting, Session 57, The Actuary and Provider Contracting: Mastering the Process  
<http://www.soa.org/professional-development/archive/detail.aspx>
- 2009 Health Meeting, Session 37, Disability Experience in the US and Canada  
<http://www.soa.org/files/pdf/2009-toronto-health-garand-37.pdf>
- 2009 Health Meeting, Session 64, LTC and Disability Insurance: Learning from the Past  
<http://www.soa.org/files/pdf/2009-toronto-health-helwig-64.pdf>
- A Suggestion to Do a Post Mortem Analysis of the Work Done by LTC Pricing Actuaries Over the Last Quarter Century, Long Term Care News, December 2009  
<http://www.soa.org/library/newsletters/long-term-care/2009/december/ltc-2009-iss24.pdf>

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Ur t l p i '2012**

Exam	Group/Health Design & Pricing
Learning Objectives	
9. Applies principles of pricing, benefit design and funding to an underwriting situation	
Learning Outcomes	
The candidate will be able to:	
<ul style="list-style-type: none"> <li>a) Understand the risks and opportunities associated with a given coverage, eligibility requirement or funding mechanism</li> <li>b) Evaluates the criteria for classifying risks</li> <li>c) Recommends strategies for minimizing or properly pricing for risks</li> <li>d) Describe basic approaches to credibility theory</li> <li>e) Apply the credibility theory to a given underwriting situation</li> </ul>	
Syllabus Resources	
<ul style="list-style-type: none"> <li>• Canadian Handbook of Flexible Benefits, McKay, Third Edition, 2007 <ul style="list-style-type: none"> <li>○ Ch. 14, Pricing</li> <li>○ Ch. 16, Adverse Selection</li> </ul> </li> <li>• <i>Group Insurance</i>, Bluhm, Fifth Edition, 2007 <ul style="list-style-type: none"> <li>○ Ch. 24, Underwriting Large Groups</li> <li>○ Ch. 25, Underwriting Small Groups</li> <li>○ Ch. 35, Experience Rating and Funding Methods</li> <li>○ Ch. 42, Underwriting Gain and Loss Cycles</li> <li>○ Ch. 44, Product Development</li> </ul> </li> <li>• <i>Individual Health Insurance</i>, Bluhm, 2007 (including any CD ROM references) <ul style="list-style-type: none"> <li>○ Ch. 4, Managing Anti-Selection</li> <li>○ Ch. 11, Managing the Business, pp. 311-319 and 322-334</li> </ul> </li> <li>• GH-D101-07 Group Disability Insurance (section 6 only)</li> <li>• GH-D102-07 Group Life Insurance Sections 5 &amp; 7</li> <li>• GH-D104-07 Pricing Medicare Supplement Benefits, Section VI</li> <li>• GH-D109-07 Medical Underwriting: Approaches and Regulatory Restrictions (Shreve-Milliman Research Report)</li> <li>• GH-D117-07– Variation by Duration in Small Group Medical Insurance Claims</li> <li>• GH-D126-11: <i>Introduction to Credibility Theory</i>, Herzog, 2010, Chapters 1, 2 and 12</li> <li>• Modeling Anti-Selective Lapse and Optimal Pricing in Individual and Small Group Health Insurance, HealthWatch, February 2010 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2010/february/hsn-2010-iss63.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2010/february/hsn-2010-iss63.pdf</a></li> <li>• Generic Dispensing Rates: Silver Bullet No More?, HealthWatch, May 2010 <a href="http://www.soa.org/library/newsletters/health-watch-newsletter/2010/may/hsn-2010-iss64.pdf">http://www.soa.org/library/newsletters/health-watch-newsletter/2010/may/hsn-2010-iss64.pdf</a></li> <li>• ASOP 25, Credibility Procedures Applicable to Accident and Health, Group Term Life and Property/Casualty Coverages <a href="http://www.actuarialstandardsboard.org/pdf/asops/asop025_051.pdf">http://www.actuarialstandardsboard.org/pdf/asops/asop025_051.pdf</a></li> </ul>	