



Actuarial Board for Counseling and Discipline



Actuaries' Club of Boston and Actuaries' Club of Hartford and Springfield Joint Meeting

General Session #1 11:45 AM

November 12, 2009

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



Actuarial Board for Counseling and Discipline



- Role of ABCD is to
 - **Investigate** alleged violations of the Code by members and **recommend** discipline
 - **Counsel** (provide guidance)
 - **Mediate** disputes

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Membership

Appointed by CUSP (Presidents and Presidents-elect of U.S. organizations)



Member	Area of Practice
Curtis Huntington, Chair	Life
Julia Philips, Vice Chair	Health
Carol Sears, Vice Chair	Pension
Kurt Piper	Pension
Linda Bell	Casualty
Paul Fleischacker	Health
Robert Rietz	Pension
Dick Robertson	Life
Michael Toothman	Casualty

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Process



- Follows Article X of AAA bylaws and ABCD Rules of Procedure
- All ABCD guidance, mediation and inquiries are confidential, unless revealed by the Subject Actuary

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- **Step 1: Initiation of Inquiry**
 - Complaint received
 - Reviewed by staff for completeness
 - Additional information sought as needed
 - Sent to subject actuary for response
 - Information based
 - Chairs review public document and decide to proceed
 - Sent to subject actuary for response

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- **Step 2: Chairs' review**
 - Inquiry documents sent to chairs
 - Chairs evaluate for possible material violation
 - Chairs decide whether to
 - Seek additional information
 - Dismiss complaint
 - Offer mediation
 - Commence investigation

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- **Step 3: Notification of Chairs' Decision**
 - Notify subject actuary and complainant, if any
 - Notify ABCD at next meeting

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- **Step 4: Investigation**
 - Appoint investigator, who
 - obtains and reviews documents,
 - interviews individuals involved,
 - prepares report of results, i.e. facts as investigator understands them
 - Report sent to subject actuary for response

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- Step 5: ABCD consideration
 - All documents sent to ABCD members
 - Case discussed at ABCD meeting
 - ABCD decides whether to
 - Seek additional information
 - Dismiss (with/without guidance)
 - Counsel the actuary
 - Conduct a hearing

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- Step 6: Hearing (If needed)
 - Conduct fact finding hearing attended by
 - Investigator
 - Subject actuary
 - Hearing is recorded by a court reporter
 - Investigator presents results
 - ABCD and SA question investigator
 - SA presents case
 - ABCD questions SA

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- **Step 7: Deliberations**
 - Meet to discuss hearing and documents
 - Decide whether to
 - Dismiss
 - Counsel
 - Recommend discipline
 - Obtain more information, reopen hearing

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- **Step 8: Notification**
 - Notify subject actuary, complainant and investigator of decision
 - If discipline is recommended, transmit to appropriate organization(s)
 - Statement of ABCD findings
 - All documents used by ABCD
 - Transcript of hearing

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



ABCD Inquiry Process



- Step 9: Member Organization
 - If discipline is recommended
 - Conducts “show cause” hearing according to its rules
 - May decide to
 - Impose discipline recommended
 - Impose greater level of discipline
 - Impose lower level or none

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



Challenges/Weaknesses



- **Lack of understanding within the profession of the counseling and discipline process and the role of the ABCD (exacerbated by confidentiality issues)**
- **Reliance on practitioners to self-police in many cases**
- **Timing of the process**

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009



Discussion Time



- Case Studies
 - See “Up to Code” columns

Copyright © 2009 by the Actuarial Board for Counseling and Discipline
A Presentation by Julia Philips, November 12, 2009