

Top Casualty Actuarial Stories of 2003

How They Ranked and Why

Rank	News Story	Actuarial Significance	# of Votes		
			Sum	#1 or #2	Total
1	Actuarial Credibility Put to the Test: S&P Criticizes Actuaries	Actuarial credibility challenged	404	18	32
2	Industry Reserve Adequacy: Influx of Reserve Increases for Insurers and Reinsurers	Must respond to allegations of reserve inadequacy or improve reserving methods	397	18	31
3	Companies Employ Tighter Governance Standards in light of Sarbanes-Oxley	D&O pricing becomes more important	321	5	29
4	Asbestos Exposures Still Plague Insurers—No Asbestos Agreement Reached Yet	Must model effect of proposed reforms, as well as continued impact on insurers	244	7	22
5	Debate with Consumers and Regulators: The Use of Credit Scoring As A Pricing Tool	Need to show correlation between credit scoring and claim costs	234	2	24
6	String of Reinsurers Shut-Down	Opportunity for advice of actuaries to be more highly valued	233	4	22
7	Actuarial Malpractice Litigation is on the Rise	Demonstrates the increasing accountability of actuaries for the results of their employers	224	2	21
8	Medical Malpractice Crisis: Availability and Affordability Problems	Assist in evaluating impact of tort reforms and be a valued source of information to the public	221	5	20
9	International Accounting Issues—FASB & IASB Converge—Fair Value Accounting	Need to adapt to proposed new reserve guidelines	170	1	19
10	Actuarial Mutual Recognition Debate—CAS Fellows approve	International opportunities open up for CAS members	167	0	18
11	End of the Hard Insurance Market Coming Soon?	Actuarial indications should continue to underlie pricing decisions	143	1	13
12	Mergers & Acquisitions Challenges in a Mature Insurance Market—St. Paul/Travelers	Actuaries have an important role in due diligence process	123	2	12
13	Rating Agency Downgrades Continue to Outpace Upgrades	Insurers need sound financial advice that actuaries can provide	119	0	13
14	Weak Investment Environment Continues	Continued emphasis on underwriting and pricing	100	1	10
15	Mold: The Next Asbestos?	Need to develop models to project mold claims	100	0	11