



# 20 HEALTH 21 MEETING

June 14–16, 2021



**THE GREAT DEBATE:**  
Individual & Small Group Markets  
June 14, 2021

**Moderator:**

Jackie Lee, FSA, MAAA

**Presenters:**

Greg Fann, FSA, MAAA

Doug Norris, FSA, MAAA, Ph.D.

# SOA Antitrust Compliance Guidelines

Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants. The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

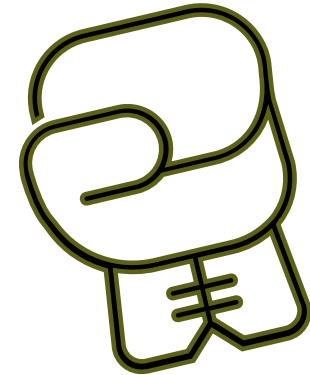
Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone's responsibility; however, please seek legal counsel if you have any questions or concerns.

# Presentation Disclaimer

*Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.*

# What's this debate going to look like??

- 4 Topics
  - You will pick
  - Determine who is arguing each side
  - 4 minutes of discussion from each
  - 1 minute of rebuttal
  - You determine who wins the debate
  - Discussion



# Poll: Pick the First Topic

- You are an actuary working as a regulator for the Maryland Insurance Administration. Should Maryland allow underwritten health plans (AHP, STM)?
  - MD should allow the products.
  - MD should not allow the products.
- You are the Chief Actuary at HHS. Should the Medicare eligibility age be reduced to age 60?
  - Yes, reduce the eligibility to 60.
  - No, do not reduce the eligibility to 60.

# Time Remaining



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# Time Remaining



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TIME IS UP!

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3 minutes

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minutes

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minute



# Time Remaining



seconds

TIME IS UP!

# Rebuttals

# Poll: Who won?

- Greg
- Doug

# Poll: Pick the Next Topic

- You are the pricing actuary of an insurance company. Should you issue a refund for better than expected experience in 2020 due to COVID and reduce utilization?
  - Yes, issue refund.
  - No, do not issue refund
- You are the pricing actuary for an insurance company. You've noticed that your gold metal plan loss ratio is higher than expected, and risk adjustment is not properly offsetting the claims. Do you use induced utilization factors to fix the problem?
  - Yes, change IU factors.
  - No, do not change IU factors.

# Time Remaining



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# Time Remaining



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TIME IS UP!

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TIME IS UP!

# Rebuttals

# Poll: Who won?

- Greg
- Doug

# Poll: Pick the Next Topic

- Round 1 Unselected
  - MD regulator to allow AHP, STM
  - Reduce Medicare eligibility age to 60
- Round 2 Unselected
  - Issue refund for COVID
  - Change IU factors

# Time Remaining



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TIME IS UP!

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seconds

TIME IS UP!



# Rebuttals

# Poll: Who won?

- Greg
- Doug

THANK YOU!

A hand holding a white star with a checkmark inside, set against a background of a city skyline at night and a network of glowing nodes.

Complete the  
Session Evaluation  
and Claim Your  
CPD Credits Below