

Group and Health Advanced Exam

Spring/Fall 2016

Important Exam Information:

[Exam Registration](#)

Candidates may register online or with an application.

[Order Study Notes](#)

Study notes are part of the required syllabus and are not available electronically but may be purchased through the online store.

[Introductory Study Note](#)

The Introductory Study Note has a complete listing of all study notes as well as errata and other important information.

[Case Study](#)

A copy of the case study will be provided with the examinations. Candidates will not be allowed to bring their copy of the case study into the examination room.

[Past Exams](#)

Past Exams from 2000 - present are available on the SOA website.

[Updates](#)

Candidates should be sure to check the Updates page on the exam home page periodically for additional corrections or notices.

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Learning Objectives	
1. Evaluate the effectiveness of traditional and leading edge provider reimbursement methods from both a cost and quality view point	
Learning Outcomes	
<p>The candidate will be able to:</p> <ul style="list-style-type: none">a) Calculate provider payments under standard and leading edge reimbursement methodsb) Evaluate standard contracting methods from a cost-effective perspectivec) Describe the credentialing and contracting process for providersd) Understand accountable care organizations and medical patient home models and their impact on quality, utilization and costse) Evaluate the effectiveness of pharmacy benefit managers on controlling costs and providing quality caref) Describe quality measures and their impact on key stakeholders	
Syllabus Resources	
<ul style="list-style-type: none">• <i>Essentials of Managed Health Care</i>, Kongstvedt, 6th Edition, 2013<ul style="list-style-type: none">○ Ch. 4 The Provider Network○ Ch. 5 Provider Payment○ Ch. 9 Physician Practice Behavior and Managed Health Care○ Ch. 10 Data Analysis and Provider Profiling in Health Plans○ Ch. 11 Prescription Drug Benefits in Managed Care○ Ch. 12 Introduction to Managed Behavioral Health Care Organizations• GHA-101-13: A First Look at ACOs Risky Business: Quality Is Not Enough• GHA-102-13: Evaluating Bundled Payment Contracting• GHA-110-15: Commonwealth Fund Paper – The Final Rule for the Medicare Shared Savings Program• Measurement of Quality and Efficiency: Resources for Health Care Professionals	

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Learning Objectives	
2. Evaluate and apply techniques for claims utilization, disease management, and population health	
Learning Outcomes	
<p>The candidate will be able to:</p> <ul style="list-style-type: none"> a) Describe, compare and evaluate care management and population health programs and interventions b) Estimate savings, utilization rate changes and return on investment as it applies to program evaluation c) Describe operational issues in the development of a study including acceptable methods for dealing with the issues d) Perform a literature review about program evaluation e) Describe value chain analysis as it applies to the planning and management of disease management and other intervention analysis f) Apply the actuarially adjusted historical control methodology g) Calculate chronic and non-chronic trends in a manner that reflects patient risk h) Apply methodologies to reduce random fluctuation and maintain validity for disease management effectiveness studies 	
Syllabus Resources	
<ul style="list-style-type: none"> • Managing and Evaluating Healthcare Intervention Programs, Duncan, Second Edition, 2014 <ul style="list-style-type: none"> ○ Ch. 1 Introduction ○ Ch. 2 Clinical Background (background only) ○ Ch. 3 Care Management Programs and Interventions ○ Ch. 4 Actuarial Issues in Care Management Evaluations ○ Ch. 6 The Use of the Value Chain in Care Management Program Planning ○ Ch. 7 Clinical Quality and Its Measurement, Exclude Appendices ○ Ch. 8 Understanding the Economics of Care Management Programs ○ Ch. 9 Applying the Economic Model: the Example of Opportunity Analysis ○ Ch. 10 Measuring Care Management Savings Outcomes ○ Ch. 11 The Use of Propensity Scoring in Program Evaluation ○ Ch. 12 An Actuarial Method for Evaluating Care Management Outcomes, Exclude Appendix 12.2 and 12.3 ○ Ch. 13 Understanding Patient Risk and Its Impact on Chronic and Non-Chronic Member Trends ○ Ch. 14 Random Fluctuations and Validity in Measuring Disease Management Effectiveness for Small Populations, Exclude Appendix ○ Ch. 16 Testing Actuarial Methods for Evaluating Disease Management Savings Outcomes, Excluding Appendix 16.1 • GHA-112-16: Commonwealth Fund – the Road to Accountable Care • GHA-113-16: Population Health Alliance and HERO– Program Management and Evaluation Guide – Chapters 1 and 2 	

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Learning Objectives	
3. Understand and apply valuation principles for insurance contracts	
Learning Outcomes	
<p>The candidate will be able to:</p> <ul style="list-style-type: none"> a) Describe the types of claim reserves (e.g., due and unpaid, ICOS, IBNR, LAE, PVANYD) b) Explain the limitations and biases of the traditional valuation methods: c) Calculate appropriate claim reserves given data d) Reflect environmental factors in reserve calculations (trend, seasonality, claims processing changes, etc.) e) Evaluate data resources and appropriateness for calculating reserves f) Describe, calculate and evaluate non-claim reserves and explain when each is required g) Apply applicable standards of practice related to reserving 	
Syllabus Resources	
<ul style="list-style-type: none"> • <i>Group Insurance</i>, Bluhm, 6th Edition, 2012 <ul style="list-style-type: none"> ○ Ch. 23 Actuarial Certification of Reserves ○ Ch. 42 Short-Term Reserves ○ Ch. 43 Claim Reserves for Long-Term Benefits • GHA-103-16: Health Reserves (Lloyd) • GHA-111-16: <i>US GAAP for Life Insurers</i>, Herget, 2nd Edition <ul style="list-style-type: none"> ○ Ch. 10 Individual Health Insurance – Section 10.9 Claim Reserves • GHA-114-16: Canadian Standards of Practice, sections 2130 and 2300 (excluding 2320.35 to 2320.39, 2340, 2350.19 to 2350.30, 2350.40 to 2350.50 and 2360). • GHA-115-16: <i>Individual Health Insurance</i>, Bluhm, Leida, 2nd Edition 2015 <ul style="list-style-type: none"> ○ Ch. 6 Reserves and Liabilities • CIA Educational Note - Valuation of Group Life and Health Policy Liabilities, Sections 6-14 • AAA Premium Deficiency Reserves Discussion Reports • Health Section News, 10/2004, Read, Write, Think • ASOP 5, Incurred Health and Disability Claims • ASOP 28, Statements of Actuarial Opinion Regarding Health Insurance Liabilities and Assets • ASOP 42 Determining Health and Disability Liabilities Other Than Liabilities for Incurred Claims • Financial Reporting Implications Under the Affordable Care Act, Section IV 	

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4. Apply principles of pricing, risk assessment and funding to an underwriting situation	
Learning Outcomes	
The candidate will be able to:	
<ul style="list-style-type: none">a) Understand the risks and opportunities associated with a given coverage, eligibility requirement or funding mechanismb) Understand, evaluate and apply various risk adjustment mechanismsc) Recommend strategies for minimizing or properly pricing for risksd) Describe and apply approaches to claim credibility and poolinge) Apply applicable Actuarial Standards of Practice	
Syllabus Resources	
<ul style="list-style-type: none">• <i>Group Insurance</i>, Bluhm, 6th Edition, 2012<ul style="list-style-type: none">○ Ch. 26 Underwriting Large Groups○ Ch. 27 Underwriting Small Groups○ Ch. 28 Managing Selection in a Multiple-Choice Environment○ Ch. 30 Health Risk Adjustment○ Ch. 37 Experience Rating and Funding Methods• GHA-104-15: Actuarial Aspects of Employer Stop Loss• GHA-116-16: <i>Individual Health Insurance</i>, Bluhm, Leida, 2nd Edition 2015<ul style="list-style-type: none">• Ch. 4 Managing Antiselection• ASOP 45 The Use of Health Status Based Risk Adjustment Methodologies• ASOP 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans• Financial Reporting Implications Under the Affordable Care Act, Section I	