ASSA COVID-19 Task Team
Terms of Reference

Scope:

The scope of the Task Team is matters relating to COVID-19 as it relates to actuarial work performed by members of ASSA.

The Task Team is established to create a forum for ASSA members to learn, model, educate, inform, research, debate and influence COVID-19 developments in a positive and constructive way which support and enhance our profession's commitment to societal and public interest. The Task Team will

1. conduct retrospective and prospective analysis of the COVID-19 pandemic (e.g. mortality, morbidity, impact of interventions, etc.) to identify patterns, learn lessons and to model future risk factors. This will benefit insurance companies and contribute to public policy discussions;

2. identify market conduct issues that may negatively affect policyholders or bring the profession into disrepute, and develop recommendations to manage identified market conduct issues; and

3. collaborate with other experts and external stakeholders to develop a body of knowledge for dealing with future pandemics and prepare public policy recommendations.

The Task Team shall be created for 12 months, from 1 April 2022, after which a decision will be made by the Task Team and ASSA to either extend the period, expand the Task Team to a full on Pandemic Task Team or Committee, or be dissolved.

Membership:

The Task Team shall comprise at least the following:

- Interested members from each major area of actuarial practice in South Africa:
    - Healthcare (at least one member)
    - Life insurance (at least one member)
    - Retirement savings
    - Short term insurance
    - Investments
    - Banking
    - Enterprise risk management
    - Micro insurance
    - Damages
- An ASSA Secretariat representative

- The ASSA Public interest Actuary

The Task Team shall appoint a Chairman from one of its members. Other task team members shall be appointed at the discretion of the Task Team.

The Chairman shall serve as a link with ASSA.

The Chairman may appoint a Secretary, not necessarily from within the task team.

There is scope for other suitably experienced ASSA members, modelling specialists, clinicians, epidemiologists and statisticians with the capacity to add value to be invited to join the Task Team.

If task team members are unable to attend a meeting, they may appoint an alternate to attend in their place. The alternate should be suitably experienced and qualified and able to contribute to the discussions. A task team member (or their 'alternates') must attend at least two meetings in each calendar year failing which they shall no longer serve on the task team. The intention is that all members of the task team contribute to the delivery of the outputs of the Task Team.

The membership will be reviewed regularly by the Task Team. This will include a decision on the maximum size of the Task Team. The Actuarial Society Secretariat shall be informed of any changes to the Task Team membership.

Objectives:

- To help actuaries in thinking and responding to COVID-19.

- To create a forum for ASSA members to learn, model, educate, inform, research, debate and influence COVID-19 and other pandemic developments in a positive and constructive way.

- To promote the formal publication of research and analysis relating to COVID-19 (to further scientific knowledge).

- To promote professional and ethical conduct by ASSA members as it relates to COVID-19.

- To support and enhance our profession's commitment to societal and public interest.

- To actively support the development and thought leadership of actuarial practice in the context of COVID-19 through, where applicable, the development of Standards of Actuarial Practice ("SAP") and Actuarial Practice Notes ("APN"), and the provision of CPD events.

- To contribute to the strategic direction of the Actuarial Society from the perspective of COVID-19 and, in so doing, to support the Actuarial Society brand promise of "thought leadership".

- To support the Council for Medical Schemes, National Department of Health, Financial Sector Conduct Authority, National Treasury and other relevant bodies in order to influence legislation affecting the actuarial profession, by providing actuarial input in the development of legislation.

Key Responsibilities:

- To monitor developments in relation to COVID-19 from the perspective of the actuarial profession, including attendance at appropriate regulatory and industry meetings and forums.

- To develop, review and adapt, when appropriate, any SAPs and APNs, for approval by the Professional Matters Board and then by Council.

- To interact as appropriate with any Practice Area Committee in matters relating to COVID-19.

- To identify CPD needs and opportunities for ASSA members, and to develop and present CPD programmes and other opportunities in relation to COVID-19. These programmes and opportunities should be relevant under the verifiable CPD framework (with recognition that COVID-19 is not a separate CPD category, but part of professionalism CPD). They should also be relevant to the outcomes-based CPD framework, which requires ASSA members to work through cycles of Professional Development on a regular basis.

- To identify risks to the profession, to propose strategies to manage those risks and to bring such matters to the attention of ASSA in a timely manner in relation to COVID-19.

- To prepare public policy submissions on issues affecting COVID-19 and to contribute to the development of an Actuarial Society response on matters of broader public interest as requested by Council. The Task Team may be requested by Council to participate in or form a Task Force to prepare an Actuarial Society response on such broader matters.

- To advise Council and the Professional Matters Board, in general, on matters relating to COVID-19.

- To support and make recommendations to the Prudential Authority, Financial Sector Conduct Authority, National Treasury, the Council for Medical Schemes, the National Department of Health and other relevant bodies in matters relating to COVID-19 in South Africa.

- To communicate on a regular basis with ASSA members on issues and developments affecting COVID-19, both local and international. The Task Team may be requested to submit content to the Actuarial Society Secretariat for the web page relating to its activities, including reports on its activities and articles and links of interest to the actuarial profession. The Actuarial Society Secretariat shall be responsible for maintaining the web page.

- To develop and maintain appropriate links with other overseas actuarial bodies, including the relevant IAA Section, and other relevant professional and industry bodies. This will be achieved through the relevant ASSA representatives on such bodies.

- The Task Team shall adhere to the Actuarial Society's protocols in any dealings outside of the Society including any interactions with the media.

Reporting:

The Task Team shall meet at least once every two months. During waves of a pandemic, the Task Team may meet more frequently. An official Task Team meeting requires a quorum of more than 50% of the members (or their 'alternates') to be present (either physically or virtually).

The Task Team shall maintain minutes of its meetings and these minutes are to be made available to Council if required. The Secretary will maintain a schedule on an annual basis showing the meeting dates and the number of times each member has attended.

The Task Team may make input for the periodical Practice Area Committee newsletters and report to ASSA as necessary.

The Task Team shall also present an annual report to ASSA, if required, covering at least the following:

- A summary of activities over the past year.
- A scan of key issues and risks in relation to COVID-19.
- Task Team work plan for the following year.
- Key challenges faced by the Task Team and support required from ASSA (including any resource requirements).

Work Streams:

The Task Team may, in its discretion, form and disband work streams to address specific matters of relevance to its scope and objectives from time to time. Any such work stream will have a documented mandate, and where applicable a date by which the work stream will be dissolved. The mandate will be lodged with the Secretary.

The Task Team should consider setting up work streams focusing on:

1. Stream 1: Retrospective and prospective analysis (mortality, morbidity and possible future waves)
2. Stream 2: Public interest & market conduct issues (lessons learnt, public policy research questions, market conduct research questions).

Work stream composition may be as follows:

Stream 1 (LAC, Health, Analytics)

Stream 2 (Public Interest Actuary, Market conduct, SHB, LAC, Health)

Research topics to be agreed to by the Task Team. Annexure A contains a list of possible research areas.

Links with other ASSA committees:

The Task Team shall maintain links with other relevant ASSA committees.

ANNEXURE A

List of Task Team possible research areas

Below is a summary of research topics that the Task Team may consider focusing on. This is not meant to be an exhaustive list, but a guide for the Task Team to consider, to prioritize and allocate appropriate resources.

MORTALITY

- Impact on mortality of second order effects of delayed or missed treatments for other conditions during COVID-19.
- Medium term impact of COVID-19 in the next year or two. Will mortality remain elevated? How much?
- How to analyse and/or use mortality experience during the last two years?
- Lasting effect vs point impact – ongoing long-term mortality impact?
- What are the implications for future pandemics?
- Uneven severity across the world.
- Will this pattern repeat in future?
- Implications for SAM pandemic allowances. Current allowances seem too little based on this pandemic.
- What additional mortality statistics can the CSI Task Team track?
- International and South African mortality experience – excess mortality and demographic analysis, in addition to what is currently done.
- Impact of vaccination and other interventions such as early treatments and non-pharmaceutical interventions.
- Adverse events of certain treatments.

MORBIDITY

- What is the impact of Long COVID and Disability due to COVID?
- What is the ongoing morbidity impact?
- Infections and hospitalisations – international and SA experience.

MODELLING

- Is further modelling of the COVID-19 pandemic required as COVID-19 now classified widely as an endemic?
- Will 3 – 6 months high-level projections be useful?
- Modelling future pandemics – building on learnings from COVID-19 and AIDS models?

MARKET CONDUCT ISSUES

- Differential charging structures for vaccinated vs unvaccinated.
- Review of rates – substantial increases, recoup past losses through large increases etc.
- Future of Business interruption pandemic cover going forward and court cases.
- Liaise with industry bodies on policy protection rules before it gets legislated.

GENERAL ITEMS/REMARKS

- Lessons learnt from the pandemic to assist us in dealing with future pandemic. What did we do well, what could we have done better?
- Look back at actions taken, see where we failed and how we can use that to improve future work.
- How to build up a body of knowledge to future-proof for next pandemic.
- First focus on research questions that need to be answered, before trying to fit data available to potential research outcomes.
- How to get information from government and other stakeholders which is difficult to get e.g. vaccination status from the Department of Health.
- Collaboration with other experts is important. Reaching out to relevant experts.
- Investigate alternative models of risk sharing – some risk are becoming uninsurable – potential return to mutual type models?
- Determine who the audience of research work is e.g. ASSA members, Government, etc.
- Different work streams can potentially be set up to focus on different areas.
- Determine the role of the PACs in COVID-19 work and what is expected from each PAC.