



Ohio National
Financial Services®

The Actuarial Advantage at Ohio National

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Overview

- ◆ Ohio National: Headquarters in Cincinnati, Ohio



Past & Present

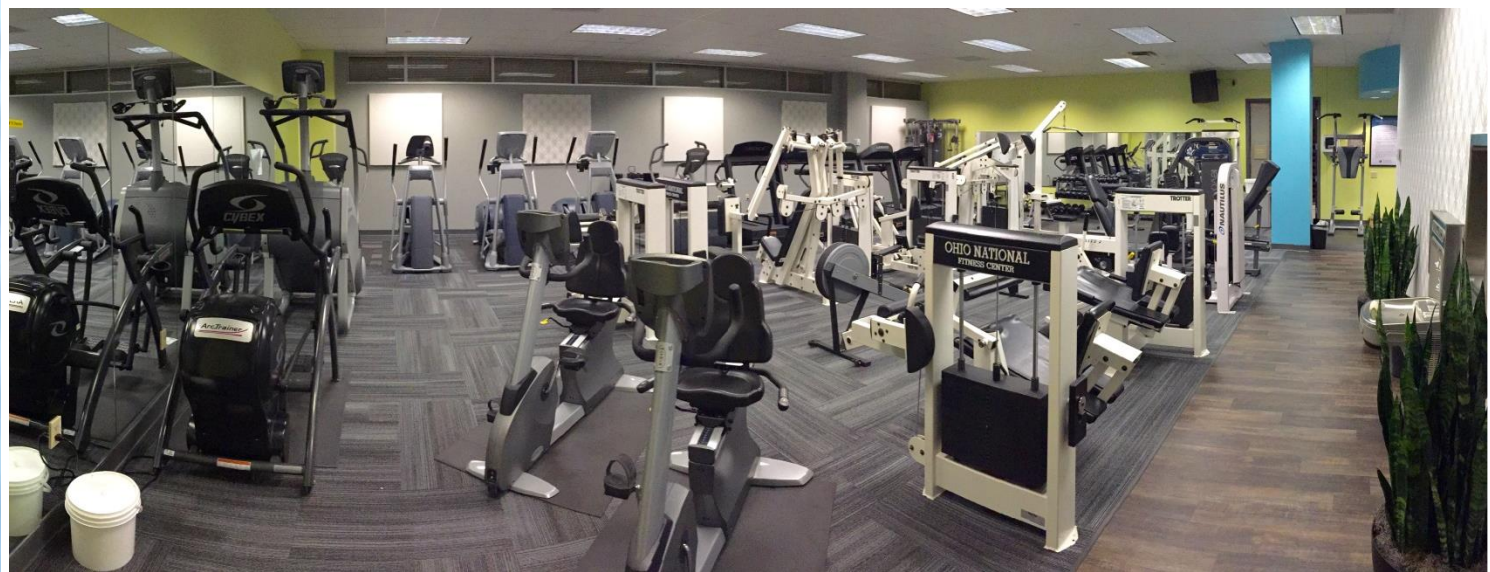
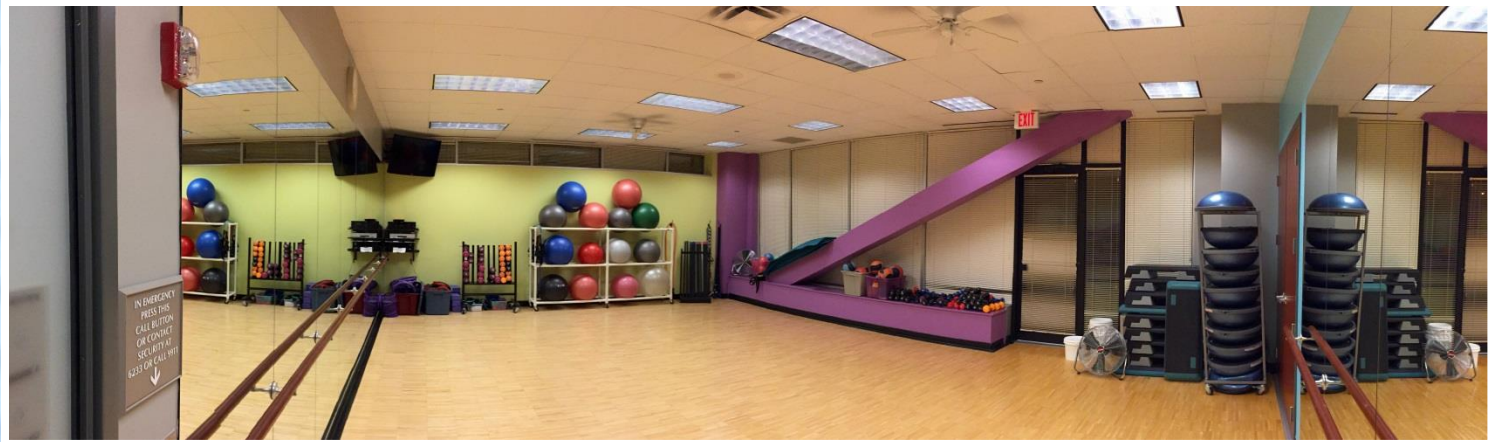
- ◆ Founded 1909 as a stock company
- ◆ Converted to mutual in '59, then to mutual insurance holding company in '98
- ◆ K2 – strategic growth plan (2013 – 2018+)
 - ◆ Increased hiring / infrastructure
 - ◆ Roughly 20 → 70 actuaries from 2010 to 2016
 - ◆ Grow sales in most products; Increased focus on Retirement Plans/Disability Income
 - ◆ New products, international business



Facilities: Dining



Facilities : Recreation



Actuarial Departments at ONFS

- ◆ Product Development
 - ◆ Annuity
 - ◆ Life Insurance
 - ◆ DI (Disability Income)
 - ◆ International
- ◆ Corporate Actuarial
 - ◆ Financial Reporting
 - ◆ Special Projects
- ◆ Enterprise Risk Management
- ◆ Capital Management
- ◆ Actuarial Programming

Enterprise Risk Management

- ◆ ERM is primarily a projection/forecasting function
- ◆ Uses complex models to project blocks of business under a variety of scenarios
- ◆ Customers are senior management, other actuarial departments, and regulators

Enterprise Risk Management – Intern

- ◆ Study impact of factor changes on required capital
- ◆ Data scrubbing on consolidated asset portfolio
- ◆ Set out rules for determine capital factors and implement with python
- ◆ Generated reports used in Investment Committee meeting and ACLI Survey

Life Product Development

◆ Main Responsibilities

- ◆ Provide support to customer service on complex issues that policyholders or agents might have.
 - ◆ Maintain current inforce block of business.
 - ◆ Develop and price new products for the field.
 - ◆ Evaluate reinsurance needs and maintain current reinsurance treaties.
- ◆ Work with a variety of different areas, not just actuaries including: marketing, legal, reinsurance, and information systems.

Product Development - Intern

- ◆ “Incurred But Not Reported” (IBNR) Study for our Disability Income line of business.
- ◆ Challenge was to calculate the optimal amount of reserves to hold.
 - ◆ We MUST hold enough to meet our promises
 - ◆ We’d like to hold only as much as we need
- ◆ Found we were being far too conservative.

Corporate Actuarial

◆ Valuation

- ◆ Main purpose is to calculate and report insurance-related figures for the company's financial statements that a typical accountant would not be qualified to provide
- ◆ Over half of the job is constructing documents to prove to both internal and external auditors that your calculations are accurate and comply with regulations

◆ Special Projects

- ◆ Experience studies; valuation software updates
- ◆ Created so long-term projects don't stall during Q-end

Corporate Actuarial - Intern

- ◆ Constructed an analytical “DAC Tool”.
- ◆ Deferred Acquisition Costs are an important result provided by our valuation actuaries.
- ◆ Explaining period-to-period changes in DAC was difficult historically, time-consuming.
- ◆ Used first principals from differential equations to streamline the process.



ONFS Actuarial Study Program

- ◆ Ohio National paid study time
 - ◆ 110-130 hours depending on length of exam
 - ◆ Study time for VEE's and modules as well
- ◆ ONFS will cover study materials, registration fees for VEE's, FAP Modules, and FSA Modules
- ◆ Exam fees 100% covered for 1st sitting
 - ◆ After 1st sitting fees will be reimbursed 100% upon passing
- ◆ Salary increases after passing of exams and assessments

ONFS Actuarial Rotation Program

- ◆ Eligible students can rotate into a new actuarial position every 2 years
- ◆ Students that are interested can interview with each department to get to know them better and rank them in order of preference
- ◆ Actuarial leadership assigns rotation destinations based on these rankings
- ◆ Rotation is **not** mandatory, but is encouraged

Questions

- ◆ Contact Information for Presenters
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- ◆ Additional Resources - Apply
 - ◆ <http://www.ohionational.com>
 - ◆ Career Opportunities
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