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
  - 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
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.
“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.
Construct 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

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Additional Resources - Apply
- http://www.ohionational.com
  - Career Opportunities
  - “Learn More” under Employment Opportunities
  - View Current Job Openings