

Expert Witness work in Legal Disputes

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Types of Legal Disputes

Legal cases can arise in all areas of actuarial science

Consumer to Business

- Underwriting/claims practices
- Benefit reductions
- Rights during insolvencies
- Sales practices
- Discriminatory claims

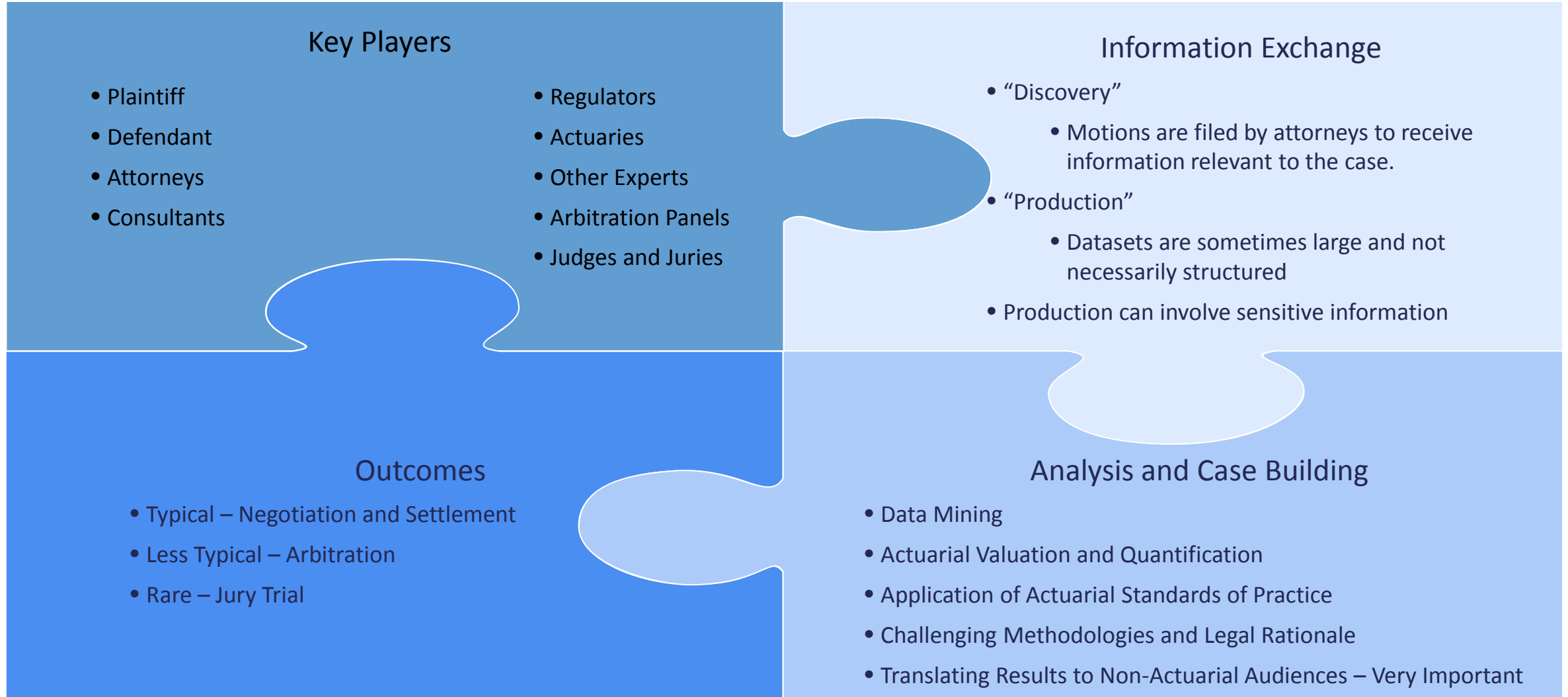
Business to Business

- Blocks of business transactions
- Reinsurance agreements
- Producer issues
- Subrogation processes
- Malpractice claims

Business to Regulators

- Government transfer payments
- Tax disputes
- Rate/contribution settings
- Monopoly-based disputes
- Compliance reviews

Anatomy of an Expert Witness Assignment



Professionalism in Expert Witness Assignments

Expert witness work is one of the most sensitive areas of actuarial practice

PROFESSIONALISM

Code of Conduct

- Qualification Standards
 - Years of Experience
 - Continuing Education
- Code of Professional Conduct
 - Precept 7: Conflicts of Interest
 - Precept 10: Courtesy and Cooperation

Confidential Information

- Personal Information
 - Personally Identifiable Information
 - Personal Health Information (HIPPA)
- Competitive/Propriety Information
 - Pricing Algorithms
 - Contract Terms
- Information Related to the Case
 - Insider Trading

Actuarial Standards of Practice

- ASOP #17 Covers Expert Testimony
 - Principal Identification
 - Conflicts with Laws
 - Prescribed/Alternative Methods
- Applicable ASOPS must also be followed
 - ASOP #41 – Actuarial Communication
 - ASOP #23 – Data Quality
 - Topic Specific

Lessons Learned

Some key messages for those involved in legal disputes

Critical Thinking

- Capture/translate/summarize imperfect information
- Extrapolate where there are gaps in data
- Build a case
- Understand the full context of the case

Teamwork and Communication

- Legal disputes can involve teams from legal, finance, actuarial, other experts, consultants
- Providing inputs as needed
- Explaining the circumstances and decision rationale at the time
- Translate complex actuarial subject matter into layman's terms

Qualification and Objectivity

- Know your subject
- Know your case
- Know your limits
- Balance “providing an opinion” with being objective

“Taking the Stand...the Actuary as Expert Witness,” Darryl G. Wagner, The Actuary April 2006

<https://www.soa.org/library/newsletters/the-actuary-magazine/2006/april/act-serving-expert.aspx>