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**THE STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

21 SOUTH FRUIT STREET SUITE 14  
CONCORD, NEW HAMPSHIRE 03301

Roger A. Sevigny  
Commissioner

Alexander K. Feldvebel  
Deputy Commissioner

August 19, 2014

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Executive Council  
State House  
Concord, NH 03301

**REQUESTED ACTION**

The Insurance Department respectfully requests, pursuant to RSA 94:6, that the Governor and Executive Council authorize the Department to hire Sally MacFadden into the position of the Department's Property and Casualty Actuary (an unclassified position at labor grade HH) at Step 4 (\$97,361.61), effective September 19, 2014. Ms. MacFadden currently holds the position of Assistant Actuary at the Insurance Department (an unclassified position at labor grade FF) at the highest step (\$87,091.71).

The source of funds is 100% agency income.

**EXPLANATION**

RSA 94:6 states that

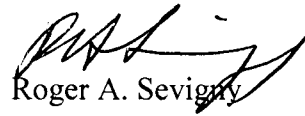
In case of a new appointment to fill any vacancy the entrance salary shall be at the minimum of the established range unless, upon recommendation of the appointing authority, the governor and council shall establish, after due and proper investigation as to qualifications, a different entrance salary within the established range.

Sally MacFadden has 26 years of experience as a Casualty Actuary. She is an associate member of the Casualty Actuarial Society (ACAS). The firm of DW Simpson conducts an annual survey of compensation for actuaries. This survey is considered the leading authority on actuarial compensation. According to DW Simpson's 2013 Salary Survey, for a casualty actuary with the designation of ACAS and 26 years of experience, the 10<sup>th</sup> percentile for total annual compensation (base salary plus paid bonus) is \$145,000, and

the 90<sup>th</sup> percentile is \$317,000. At her last position prior to coming to the state, Ms. MacFadden's salary was \$154,500 plus bonus.

Ms. MacFadden is an experienced and highly qualified actuary who has a demonstrated commitment to the Insurance Department and its mission. Her resume is attached. For all the above reasons, it is appropriate and prudent to set her entrance salary at Step 4 in the range for this key position at the Insurance Department.

Respectfully submitted,

  
Roger A. Sevigny

enclosure

**Sally Ann MacFadden, ACAS, MAAA**  
22 Lindahl Rd  
Bedford, NH 03110  
(603) 488-5893 (Home), (603)271-7973 ext 228 (Work)  
sallymacfadden@ins.nh.gov

## **Professional Experience**

**New Hampshire Insurance Department**  
Concord, NH  
**Assistant P&C Actuary**

***April 2012 – Present***

Review insurer rate and rule filings, in accordance with NH statutes, administrative rules and procedures. Collect and analyze insurance industry statistics, and report as required by statute or requested by the Commissioner. Evaluate the financial condition of individual insurers. Assist in the development of state revenue and expense forecasts. Participate in various NH and NAIC initiatives and committee work. Represent the Department in matters requiring actuarial expertise at public meetings.

**Riverstone Resources**  
Manchester, NH  
**Senior Actuary**

***February 2010 – January 2012***

Responsible for reserving a book of run-off business with over \$1b in net reserves with heavy workers compensation exposure. Create a risk and reserving claims model for WC and research appropriate assumptions, with direct report outs to senior management. Build a simulation model to establish reserve ranges. Work with IT to improve data integrity. Annual Statement duties for 3 companies. Perform Due Diligence for potential acquisitions.

**Zurich Direct Underwriters**  
Overland Park, Kansas  
**Actuarial Manager**

***August 2005 – January 2010***

Manage a team of 6. Organize and direct actuarial activities required to analyze and achieve price level objectives. Responsible for development of rate indications, rate proposals, and filing support. Work closely with Senior Management to present results and recommend actions consistent with the business strategy of the organization. Direct the development of new products and implementation of process improvements. Act with integrity and ensure compliance in all matters.

**Associate Actuary**

Pricing and reserving for \$76 million Large Account business. Perform quarterly reserve analysis and communicate results. Supervise actuarial students. Eliminate inefficient procedures and improve quarter end process. Integration of existing reserve process into Zurich corporate templates and reserving software (ResQ). Analyze profitability. Rewrite Zurich Large Account Pricing system to accommodate company requirements. Prepare financial forecasts for budgeting and planning.

**GE Insurance Solutions**  
Overland Park, Kansas  
**Associate Actuary**

***October 2000 - July 2005***

Provide actuarial support and direction for \$63 million direct excess Workers Compensation book of business. Research and analyze excess WC product lines and trends, and recommend action where necessary. Perform statistical analysis and interpretation of management information, suggest corrective action and identify potential growth opportunities. Develop processes to continuously improve efficiency of the actuarial process and the quality of the actuarial product. Forecasting and planning. Drive price adequacy. Drive data quality. Provide individual risk pricing support. Provide training and assistance to underwriters in actuarial techniques and models. Involved in various quality projects, data quality and access projects.

**Aon Risk Services**  
**Boston, Massachusetts & Los Angeles, California**  
**Consultant, Assistant Vice President**

***August 1993 - October 2000***

Provide Actuarial and Financial support to businesses that retain workers compensation and commercial liability insurance risk, including loss forecasting, reserve analysis, retention and variability analysis. Assist in evaluating and recommending risk financing alternatives. Assist in the development of proposals and presentations to clients. Develop allocation and accrual programs. Perform discounted cash flow analyses. Develop rate level indications and rates. Research and analysis of unique product liability exposures.

**Transamerica Insurance Company**  
**Woodland Hills, California**  
**Senior Actuarial Assistant**

***February 1992 - May 1993***

Responsible for workers compensation ratemaking and filings, calls for experience, monitoring of NCCI activity, mainframe report development, and work on special projects as they developed.

**Hanover Insurance Company**  
**Worcester, Massachusetts**  
**Senior Actuarial Assistant**

***October 1986 – August 1991***

Responsible for functions related to workers compensation pricing, including state rate filings, monitoring of NCCI activity, creation and implementation of ratemaking models. Prepared calls for experience and assisted in preparation of annual statement exhibits. Developed mainframe specifications and system design for workers compensation data requirements. Rotation program offered opportunities to gain ratemaking experience in multiple lines of business. Responsible for workers compensation training.

**Education**

Worcester State College  
Worcester, Massachusetts  
BS Mathematics

ACAS Designation 2001  
ARE Designation 2004

Fully proficient in Microsoft applications (Excel, Access, Powerpoint and Word)