This abstract summarises the DAV professional standard of practice „Aktuarielle Hinweise zur Nach- und Neukalkulation von Unisex-Tarifen in der Privaten Krankenversicherung“ which underwent the DAV Due Process for the Adoption of Professional Standards of Practice and was approved by the DAV Executive Board on 28 November 2016. The complete publication (in German language) is available here.

**Actuarial advices on the calculation of unisex tariffs in private health insurance**

Due to a judgement by the European Court of Justice (ECJ) on 1 March 2011, gender must not be a relevant factor for the premiums of new insurance contracts signed after 21 December 2012 ("unisex calculation"). Following the decision of the ECJ the professional standard of practice "Actuarial advices on the calculation of unisex tariffs in private health insurance" was adopted by express procedure in order to provide actuaries with immediate assistance for the introduction of unisex tariffs. The exact transposition into national laws was unknown at the time.

The working group set up by the DAV Health Insurance Committee has since revised the existing professional standard of practice to eliminate the uncertainty surrounding legislative implementation on the one hand, and to feed in the accumulated experience since the introduction of unisex tariffs. The focus is not so much on the initial pricing, but to an increased extent also on requirements in the context of premium adjustments.

This advisory note gives the health insurance actuary guidance for the calculation of gender-independent premiums in German private health insurance both for new tariffs and in the event of a premium adjustment. Recommendations are given as to how this can or should be done in principle. For this purpose, methods are presented on how sex-dependent statistics can be used to calculate risk-appropriate unisex premiums by means of suitable mixtures of the gender-dependent calculation bases.

More binding general requirements, such as the specification of a specific (only) valid calculation method or the requirement to use certain numerical values, cannot be made. On the one hand, this would restrict the scope of the actuaries too much and would also be critical in terms of antitrust law. On the other hand, the assumptions to be made for the calculation depend on a large number of possible case constellations and company-specific circumstances. For each recalculation, the relevant statutory specifications - in particular the requirements of the "Krankenversicherungsaufsichtsverordnung (KVAV)" - must be taken into account.

The German Association of Actuaries (Deutsche Aktuarvereinigung or DAV) is the professional body representing actuaries and Appointed Actuaries in Germany. It creates the underlying conditions enabling its members to practice their profession properly and in a technically sound manner as well as engaging in constant dialogue with all relevant national and international institutions.

Professional standards of practice are DAV publications that – together with the rules of professional conduct – set out the fundamental principles for the correct practice of actuarial activities. Professional standards of practice are characterised by their

- treatment of specialist actuarial issues,
- fundamental significance and practical relevance for actuaries,
- professional legitimisation through a implementation process that allows all actuaries to be involved in such implementation,
- correct application, with members being professionally safeguarded by a disciplinary process.
The professional standard of practice „Aktuarielle Hinweise zur Nach- und Neukalkulation von Unisex-Tarifen in der Privaten Krankenversicherung“ is an advisory note. Advisory notes are professional standards,

- that are to be taken into account in actuarial considerations, the application of which can be freely decided upon in individual cases, however, within the framework of the code of conduct, and
- which only consist of basic knowledge
- on specific individual questions.