

Session 107: Mortality Improvement Series Part 2: What is the Latest Research?

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Session 107 *Mortality Improvement Series Part 2: What is the latest research?* October 2019 SOA Annual Meeting – Toronto

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Agenda

- 1. Polling of Audience
- 2. Headlines in the News
- **3.** Digging Deeper Into the Data
- 4. Your Product & Target Market
- **5.** Predicting the Future
- 6. Questions?





Polling of Audience

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Polling Question #1

- 1) For what insurance products are you most interested in mortality improvement trends?
 - A. Individual Life
 - B. Group Life
 - C. Annuity/Longevity
 - D. Disability
 - E. Long-Term-Care
 - F. Other



Live Content Slide

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Poll: For what insurance products are you most interested in mortality improvement trends?



Polling Question #2

2) What interest do you hear from actuaries today regarding mortality improvement trends as compared to how much you heard in the past?

- A. More interest in mortality improvement trends currently
- B. More interest in mortality improvement trends previously
- C. Same level of interest





Live Content Slide

When playing as a slideshow, this slide will display live content

Poll: What interest do you hear from actuaries today regarding mortality improvement trends as compared to how much you heard in the past?



Polling Question #3

3) Have you heard any questions or comments over the past year either within your company or on the news regarding changes in mortality trends in the United States?

A. Yes B. No





Live Content Slide

When playing as a slideshow, this slide will display live content

Poll: Have you heard any questions or comments over the past year either within your company or on the news regarding changes in mortality trends in the United States?



Headlines in the News



Headlines in the News





Digging Deeper Into the Data



Overall Population Trend from SOA Study

https://www.soa.org/resources/research-reports/2018/population-mortality-observations/



US Population Mortality Observations - Updated with 2017 Experience

January 2019

This report covers the latest emerging trends in U.S. population mortality. The SOA relied upon data furnished by the Centers for Disease Control and Prevention (CDC). Observations are based on the CDC's recent release of 2017 mortality experience, along with prior mortality experience data from 1999 through 2016.

Materials

- US Population Mortality Observations Updated with 2017 Experience
- US Population Mortality Observations Appendices 🗟 (Updated 1/09/2019)

Podcast

Research Insights - US Population Mortality Observations - Updated with 2017 Experience





Overall Population Trend from SOA Study



	Annual Improvement		
	1999-	2012-	2016-
All Ages	2017	2017	2017
Both	1.0%	0.0%	-0.4%
Female	0.9%	0.1%	-0.4%
Male	1.1%	0.0%	-0.4%
Age Group*			
< 1	1.4%	1.1%	2.8%
1 - 4	1.9%	1.6%	4.3%
5 - 14	1.7%	-1.4%	-1.2%
15 - 24	0.4%	-2.2%	1.1%
25 - 34	-1.5%	-4.7%	-3.0%
35 - 44	0.1%	-2.7%	-1.6%
45 - 54	0.2%	0.2%	1.0%
55 - 64	0.7%	-0.7%	-0.2%
65 - 74	1.7%	0.1%	-0.1%
75 - 84	1.4%	0.9%	0.0%
85+	0.8%	0.2%	-1.4%
*includes bot	th genders		



Heart Disease Population Trend from SOA Study



	Annual Improvement		
	1999-	2012-	2016-
All Ages	2017	2017	2017
Both	2.6%	0.6%	0.2%
Female	2.8%	0.8%	0.5%
Male	2.5%	0.5%	0.0%
Age Group*			
< 1	3.2%	1.9%	-4. <mark>2</mark> %
1 - 4	2.2%	3.7%	-7.3%
5 - 14	2.4%	-0.5%	<mark>4.9%</mark>
15 - 24	1.5%	0.6%	3.2%
25 - 34	-0.3%	-1.2%	-5.3%
35 - 44	0.9%	0.3%	1.7%
45 - 54	1.2%	0.7%	3.1%
55 - 64	1.9%	-0.7%	-0.6%
65 - 74	3.2%	-0.2%	-0.1%
75 - 84	3.2%	1.4%	0.8%
85+	2.4%	0.8%	-0.2%
*includes bo	th genders		



Stroke Population Trend from SOA Study



	Annual Improvement		
	1999-	2012-	2016-
All Ages	2017	2017	2017
Both	2.7%	-0.5%	-0.8%
Female	2.7%	-0.4%	-0.4%
Male	2.8%	-0.5%	-1.4%
Age Group*			
< 1	0.4%	0.4%	18. <mark>7</mark> %
1 - 4	-1.8%	-3.4%	-19.7%
5 - 14	-2.2%	-2.7%	-10.1%
15 - 24	1.5%	3.0%	-5.4%
25 - 34	0.5%	-0.7%	-1.6%
35 - 44	1.4%	-0.7%	3.1%
45 - 54	1.2%	0.8%	2.0%
55 - 64	1.6%	-1.1%	-1.9%
65 - 74	2.9%	-0.2%	-0.5%
75 - 84	3.2%	0.7%	0.9%
85+	2.7%	-1.3%	-2.1%
*includes bo	th genders		



Pulmonary Population Trend from SOA Study



	Annual Improvement			
	1999-	2012-	2016-	
All Ages	2017	2017	2017	
Both	0.5%	0.2%	-1.0%	
Female	-0.1%	-0.3%	-2.1%	
Male	1.4%	0.9%	0.1%	
Age Group*				
< 1	5.3%	6.9%	49. <mark>6</mark> %	
1 - 4	3.3%	9.4%	39.4%	
5 - 14	0.2%	-2.4%	6.4%	
15 - 24	1.2%	-6.0%	8.2%	
25 - 34	0.6%	-1.4%	7.3%	
35 - 44	0.7%	1.0%	-2.0%	
45 - 54	-0.5%	1.7%	6.8%	
55 - 64	0.4%	-2.4%	-3.5%	
65 - 74	1.6%	0.9%	0.3%	
75 - 84	0.7%	0.9%	-0.1%	
85+	-0.5%	-0.4%	-3.5%	
includes bot	th genders			



Cancer Population Trend from SOA Study



	Annual Improvement		
	1999-	2012-	2016-
All Ages	2017	2017	2017
Both	1.5%	1.7%	2.1%
Female	1.4%	1.5%	1.9%
Male	1.8%	2.0%	2.4%
Age Group*			
< 1	1.2%	2.0%	14.3%
1 - 4	1.6%	3.6%	14.0%
5 - 14	1.0%	1.3%	2.9%
15 - 24	1.9%	2.4%	3.4%
25 - 34	1.2%	1.7%	6.0%
35 - 44	1.8%	1.0%	1.0%
45 - 54	1.8%	3.1%	4.0%
55 - 64	1.7%	1.4%	2.6%
65 - 74	2.1%	2.1%	1.9%
75 - 84	1.3%	1.8%	2.0%
85+	0.7%	0.7%	1.2%
*includes bot	th genders		



1-year trend by Cause of Death from SOA Study

2017 U.S. Population Mortality by COD			
Cause of Death	%	Age-Adjusted One Year Trend	
Heart Disease	23.00%	0.20%	
Cancer	21.30%	2.10%	
Alzheimer's/Dementia	8.50%	-1.30%	
Accidents	6.00%	-4.10%	
Pulmonary	5.70%	-1.00%	
Stroke	5.20%	-0.80%	
Diabetes	3.00%	-2.10%	
Suicide	1.70%	-3.90%	
Liver	1.50%	-1.40%	
Assault	0.70%	-0.20%	
Other	23.40%	-1.50%	
All COD	100%	-0.40%	



✤ A negative MI here means that mortality increased over the year!

Hot off the press...2018 U.S. Population Mortality





✤ In 2018, the U.S. Population returned to improving mortality.

On this slide, a negative change in mortality is a positive mortality improvement.



Mortality Level: Socio-economic impact





County level income

The SOA study used county level median household income

County Median Household Income Bottom Mid Top 15% 70% 15% \$41,320 \$69,745 \$111,582 \$19,182 \$41,324 \$69,981 Robert Mundigl, "Choropleth Map Template USA by Counties," [12/17/2018], Clearly and Simply, available under Creative Commons License BY-NC-SA 3.0. Map is a derivative of original.

U.S. CENSUS BUREAU 2008 COUNTY MEDIAN HOUSEHOLD INCOME ESTIMATES



County level income – mortality improvement

The SOA study used county level median household income

4.2 Income Analysis





Annual Improvement 1999-2017			
All Ages	Bot 15%	All	Top 15%
Both	0.6%	1.0%	1.4%
Female	0.4%	0.9%	1.4%
Male	0.8%	1.1%	1.6%
Age Group*			
<1	1.4%	1.4%	1.8%
1-4	1.2%	1.9%	2.3%
5 - 14	1.7%	1.7%	1.8%
15-24	0.8%	0.4%	0.1%
25 - 34	-1.1%	-1.5%	-2.0%
35 - 44	-0.4%	0.1%	0.5%
45 - 54	-0.6%	0.2%	1.1%
55 - 64	-0.1%	0.7%	1.5%
65 - 74	1.0%	1.7%	2.5%
75 - 84	1.0%	1.4%	1.8%
85+	0.8%	0.8%	0.8%

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Your Product & Target Market



Your Product and Target Market

- Does one high-level Mortality Improvement assumption work?
- What about the demographics of your business?
 - Mix of business by age?
 - Mix of business by gender?
 - Mix of business by income?
 - Mix of business by education level?
- What are the drivers for historical mortality improvement for your target market?
- Do you anticipate that those MI drivers will continue?
- What is the impact of improvements or slowdown in mortality trend by certain causes of death?



Predicting the Future



Predicting the Future: SOA MI "By Cause" Research

- "All Cause" Mortality Improvement vs "By Cause" Mortality Improvement models
 - The SOA is currently conducting research on this topic.
 - I'm Chairperson of that Project Oversight Group (POG) and we anticipate that a report will be published soon.
- The <u>report</u> will help you to better understand the <u>historical</u> drivers of mortality improvement <u>by cause</u>.
- The <u>tool</u> will help you to better understand the impact of changes in mortality trend <u>by cause</u> and their impact on <u>future</u> mortality improvement (or dis-improvement) rates.



Predicting the Future: SOA MI "By Cause" Research

- The <u>tool</u> will help you to better understand the impact of changes in mortality trend <u>by cause</u> and their impact on <u>future</u> mortality improvement (or dis-improvement) rates.
 - Will the historical sources of MI continue? If so, then for how long and at what rate?
 - Will the opioid crisis continue or accelerate?
 - What is the impact of break-points in MI trend by cause of death?
 - Does your product rely upon short-term MI predictions or long-term ones?



Predicting the Future: Cause of Death (COD) Data

• Human Cause of Death Database (HCD)

"The main goal of the Human Cause-of-Death Database (HCD) is to provide access to detailed high-quality data on cause-specific mortality to a broad audience of users. In contrast to other existing databases on causes of death, the HCD provides time series with constant classification of causes."

- Available data:
 - Full list: many COD's [use of various ICD codes varies by country]
 - Intermediate list: 104 COD's [same for all countries]
 - Short list: 16 COD's [same for all countries]
- ICD-10 is the 10th revision of the International Statistical Classification of Diseases and Related Health Problems (ICD). It is a medical classification list by the World Health Organization (WHO). It contains codes for diseases, signs and symptoms, abnormal findings, complaints, social circumstances, and external causes of injury or diseases..



Predicting the Future: Grouping Causes of Death

Below is the Cause of Death grouping agreed upon for this latest SOA research:

Cause of Death	
Category	Description
1	Cardiovascular diseases
2	Cerebrovascular diseases
3	Neoplasms directly induced by smoking ("Neosmok")
4	Neoplasms (not directly induced by smoking)
5	Dementia
6	Diabetes
7	Influenza
8	Respiratory diseases
9	Drug abuse
10	External causes
11	Other



Male U.S. Causes of Death by Age in 2016





Female U.S. Causes of Death by Age in 2016





Female Ages 30-34 U.S. COD Trend by Cause



The trend for deaths due to drugs is materially different than that of other causes.
What to assume prospectively?



Male Ages 30-34 U.S. COD Trend by Cause



The trend for deaths due to drugs is materially different than that of other causes.
What to assume prospectively?


Male Ages 45-49 U.S. COD Trend by Cause



Decreases in Cardiovascular deaths have been driving the historical MI.

What to assume prospectively?



Male Ages 60-64 U.S. COD Trend by Cause



- Decreases in Cardiovascular deaths have been driving the historical MI, but have flattened out recently for males ages 60 to 64.
- What to assume prospectively?



Breakpoints in the mortality trend: Cardiovascular Male



There appears to be a breakpoint (slowdown) in the male cardiovascular MI trend
What to assume prospectively?



The Cause of Death Projection Tool

- Will the past be predictive of the future?
- Which past? Since last breakpoint or longer trend?
- Do you anticipate any future trends?
 - Change in the trend for deaths due to drugs?
 - What to assume for cardiovascular trends?
 - What to assume for cancer trends?





The SOA Cause of Death Projection Tool

- Illustration of the tool
- We anticipate the SOA hosting a demo of the tool via a podcast after the report and tool are officially published on the SOA website.









Analysis of Historical U.S. Population Mortality Improvement Drivers: An Age-Period-Cohort Decomposition

Madhavi Bajekal, **Steven Haberman**, Andrés Villegas, Luke Zhou University College London, Cass Business School, UNSW Sydney

29th October 2019, SOA Annual Meeting, Toronto

Outline

- Background and objectives
- Data
- Age-Period-Cohort Modelling
- Visualising APC decomposition with Mortality Improvement Stripes
- ► APC Decomposition of Cause of Death improvements for USA males
- Conclusions

Background

- Expand upon the results of SOA-sponsored study "Components of Historical Mortality Improvement" (https://www.soa.org/resources/research-reports/2017/2017-comp-histmort-impr/) that analised age-period-cohort (APC) mortality improvement models.
- This previous study produced an allocation of historical gender-specific mortality improvement trend experience in the US between 1950 and the present into separate age, period, cohort, and residual components.

Objectives of this new study

- Identify significant drivers of US population mortality improvement/deterioration since 1950 in each appropriate APC component.
- Use cause-of-death and other relevant data sources to quantify the likely degree of causality between each APC mortality improvement component and the relevant extrinsic driver.

Data

- Coverage: All of the USA
- Period: 1959-2016
- Age range: 0-100+ by single year of age. Focus today on 50+
- Cause of death: 3 digit ICD

Regime	Year	Source	Comment	
ICD-7	1959-1967	HMD Cause of Death Source File	- Based on Downloadable	
ICD-8	1968-1978		- No coding change adjustment	
ICD-9	1979-1998	Human Cause of Death database	 Provided by Magali Barbieri Adjusted for coding changes 	
ICD-10	1999-2016	preliminary files	- Adjusted for couling changes	

Population denominators: Human Mortality Database

ASDR per 100,000 males 0-100+ and US 2010 Std.Pop.

-				
Level 1	Level 2	1959	1990	2016
		1508	1119	788
Circulatory diseases		883	466	237
	ISCHAEMIC HEART DISEASE	500	301	116
	Other circulatory system disease	214	101	88
	CVD/STROKE	169	64	33
Digestive System		55	40	32
	Other Digestive system diseases	24	20	16
	CHRONIC LIVER DISEASE	18	17	15
	ULCERS (GASTRIC AND DUODENAL)	13	3	1
External Causes		114	91	97
	External - Other	49	37	56
	TRAFFIC ACCIDENTS	36	17	10
	SELF-HARM AND INTERPERSONAL VIOLENCE	28	36	31
Neoplasms		223	278	180
	Neoplasms-Other	67	86	65
	Other Digestive organ cancer	48	33	27
	LUNG CANCER	44	89	45
	BOWEL CANCER	31	29	16
	PROSTATE CANCER	25	34	17
	LIVER CANCER	7	6	11
	BREAST CANCER	0	1	0
OTHER		149	148	170
	OTHER -Other	114	87	94
	DIABETES + OBESITY	19	22	27
	AIDS/TB	12	20	3
	SUBSTANCE USE (MENTAL & BEHAVIORAL DISRODERS)	3	5	6
	DEMENTIA AND OTHER MENTAL DISORDERS	1	7	21
	ALZHEIMER'S	0	8	19
Respiratory Diseases		84	97	71
	INFLUENZA & PNEUMONIA	51	29	14
	CHRONIC LOWER RESPIRATORY DISEASE	22	52	40
	Other respiratory disease	10	15	17

Contribution of Level 1 causes to Life Expectancy change at age 20 Life expectancy decomposition by Level1

- The overall improvement is dominated by circulatory diseases in all periods
- Neoplasms and respiratory diseases contributed to a decline in life expectancy in 1970-85 for males and females aged 65+.
- External causes contributed negatively in the period 2000-2015 especially at younger ages



Level 1 male - Heatmap of mortality improvements

- Age: Not as important as the other effects
- Period: Important for Circulatory, Respiratory and Other
- Cohort: Important for

 Digestive and Respiratory
 Respiratory



How to decompose mortality improvements into Age-Period-Cohort patterns?



The APCi model

We consider the APCi model for our analysis which corresponds broadly to the new CMI approach:

$$-\log\frac{\mu_{xt}}{\mu_{x,t-1}} = \alpha_x + \kappa_t + \gamma_{t-x}$$

Standard constraints: remove the level and linear trends from the **cohort** effects

$$\sum_{t} \kappa_{t} = 0, \sum_{c} \gamma_{c} = 0, \sum_{c} c \gamma_{c} = 0$$

Visualising APC decompositions: Traditional plots All Cause



- $\blacktriangleright \alpha_x$ represents the average improvement rate over the period at age x
- \blacktriangleright κ_t and γ_{t-x} represent deviations from this average
 - values above 0 imply above average improvements
 - values below 0 imply below average improvements.
- These plot present all the numerical results but the perception of period or cohort patterns is difficult to grasp.

Visualising APC decompositions: Mortality Imp. Stripes

 Use "mortality improvement stripes" in resemblance to the "warming stripes"" designed by Ed Hawkins (http://www.climate-lab-book.ac.uk/2018/warming-stripes/)



Source: https://showyourstripes.info

Data: Annual average temperatures for Canada from 1901-2018 using data from Berkeley Earth.

Visualising APC decompositions: Mortality Imp. Stripes



- horizontal patterns are age effects, vertical patterns are period effects, and diagonal patterns are cohort effects
- ▶ These stripe plots are easy to interpret. For instance,
 - Positive overall improvements
 - Clear deceleration of improvements between 2010 and 2015
 - Slower improvements for the cohorts centred in 1950

Visualising APC decompositions: Mortality Imp. Stripes

To avoid identifiability issues consider the simpler period cohort improvement (PCi) model:



Visualising APC decompositions: Minimalist Stripes



We can further simplify the plots by presenting everything as vertical stripes





Male results

Level 1



- Circulatory diseases have by far the highest improvements
- Clear negative period effect after 2010 for circulatory diseases, digestive system, external causes and other causes
- Positive period effect for circulatory between 2000 and 2010
- Strong negative cohort effect for cohorts centred in 1950 for digestive and external causes

Circulatory Diseases



- Clear negative period effect after 2010 for all three causes albeit milder for IHD.
- Strong negative cohort effect for cohorts centred in 1950 for CVD and Stroke
- Positive cohort effect for IHD and other circulatory diseases for birth cohorts 1920-1937

Neoplasms



- General improvement for bowel, digestive and prostate cancer
- With the exception of prostate cancer, cohort effects seem to dominate
- Very negative effect for liver cancer for the cohort 1940-1950 cohorts
- Mild negative effect for lung cancer for the cohort 1950-1955 cohorts
- Positive effect for lung cancer for the cohort 1927-1949 cohorts
- Improvement of lung cancer for the period post 1990

Respiratory Diseases



- Both period and cohort effects appear to be important
- Negative cohort effects for CLRD for the 1948-1952 cohort
- Positive cohort effects for CLRD for the 1920-1947 cohort

Digestive System



- Very strong negative cohort effect for cohorts centred in 1950 for liver disease and other digestive diseases.
- Very strong negative period effect post 2010 for liver disease

External Causes



- Negative period effect post 2000 for external-other and Self-Harm and Interpersonal Violence
- Very strong negative cohort effect for cohorts centred in 1950 for external-other and Self-Harm and Interpersonal Violence

OTHER



- Period effects: Diabetes and Obesity (↑ 1970-1980, ↑ 2005-2010), AIDS/TB (↑ 1995-2010), Substance Use (↓ 2010+)
- ▶ Cohort effects: OTHER-other (↓ 1947-1952), AIDS/TB (↓ 1920-1950)

Summary and conclusions

- Analysis of APC decomposition for broad causes and more granular causes
- Period and cohort effects are present
- Once decomposed by cause, age seems to be less important

Summary and conclusions (Males)

- Period effects present for:
 - Circulatory disease (↓ 1960-1970, ↑ 2000-2010, ↓ 2010+)
 - Prostate cancer (\downarrow 1995+)
 - Influenza, Chronic Lower Respiratory Disease (1959-1979)
 - ► External-other, Traffic accidents, Self-Harm and Interpersonal Violence (↓ 2005+)
 - Diabetes and Obesity (↑ 1970-1980, ↑ 2005-2010), AIDS/TB (↑ 1995-2000), Substance Use (↓ 2010+)
- Cohort effects present for:
 - Lung (↑ 1945-1950, ↓ 1950-1960), Bowel, Liver (↓ 1940-1955) cancer
 - Chronic Lower Respiratory Disease (↓ 1950-1960)
 - ▶ Chronic liver disease (\downarrow 1942-1952) and other digestive diseases (\downarrow 1942-1952)
 - ► OTHER-other (↓ 1942-1952), AIDS/TB (↓ 1920-1940)

Summary and conclusions (Females)

Period effects present for:

- Circulatory disease (↓ 1960-1970, ↓ 1990-2000, ↑ 2000-2010, ↓ 2010+)
- Influenza, Chronic Lower Respiratory Disease (1959-1979)
- External-other, Traffic accidents (\downarrow 2005+)
- Diabetes and Obesity (↑ 1970-1980, ↑ 2005-2010), AIDS/TB (↑ 1995-2000), Substance Use (↓ 2010+)

Cohort effects present for:

- Lung (↑ 1940-1960, ↓ 1950-1960), Breast (↓ 1920-1930), Bowel, Liver (↓ 1940-1955) cancer
- Chronic Lower Respiratory Disease (↓ 1950-1960)
- Chronic liver disease (↓ 1945-1960)

- Extend results to risk factor markers (Alcohol, Smoking, Obesity, etc.)
- Report summarising results of the research coming up later this year
- Help inform the setting of assumptions for mortality projections

Thank you!

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Appendix: Female results
Level 1



Circulatory Diseases



Neoplasms



Respiratory Diseases



Digestive System



External Causes



OTHER

