

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1968 REPORTS**

**II. GROUP WEEKLY INDEMNITY INSURANCE
AND GROUP HOSPITAL AND SURGICAL
EXPENSE INSURANCE**

THIS is the twenty-first annual report on the continuing study of the morbidity experience of Group Weekly Indemnity insurance and Group Employee and Dependent Hospital and Surgical Expense insurance.

In compiling these reports, the Committee includes the available experience of employer-employee groups and excludes the experience of trusteeship and association cases insuring employees of the member employers and the experience of union cases, whether or not insurance depends upon continued employment. Experience of insured groups outside the United States is excluded, except for experience of groups insured for Group Weekly Indemnity insurance in Canada, which is reported separately. The data for Group Weekly Indemnity insurance exclude the experience of plans written under State Cash Sickness laws.

The Weekly Indemnity experience by specific instructions excludes groups in industrial classifications which the contributing companies individually rate above standard for premium purposes. This is also true of the Employee part of the Hospital Expense experience, but the Dependent part of this study includes experience on some dependents of employees in rated industries. Both employer and dependent data for the Surgical Expense study are reported for all industrial classifications. The last periodic report of experience by industry classification was published in the *1965 Reports*.

Each of the three studies is organized with the first two tables showing experience by plan for the latest three years combined. The first table shows experience for all size groups combined, while the second table, in order to remove the effect that very large groups might have on experience, excludes jumbo groups—those containing 1,000 or more insured employees. (This definition is reasonably consistent with that used in 1966, and earlier reports, when benefits exposed were the basis.) The third table in each study shows the year-by-year trend in actual to tabular ratios over the latest five years. The Hospital and Surgical studies also include analyses by area and, for the first time this year, by size of the experience unit.

Ratios of Actual to Tabular Claims

Throughout this report, experience is based on benefits exposed and presented in the form of actual to tabular claims. The Weekly Indemnity study uses the 1947-49 Weekly Indemnity Tabular as reported in the *1962 Reports*; the Hospital and Surgical studies use the 1957 Hospital and 1957 Surgical Tabulars as reported in the *1961 Reports*, with subsequent expansions as noted in the *1963* and *1964 Reports*.

The Committee recognizes the desirability of revising these tabulars to reflect more current claim levels; specific cautions concerning interpretation of the data contained in this report are noted in the following paragraph and elsewhere in the report. The Committee is now studying detailed group hospital and surgical claim data providing frequency of claims, charge, and benefit payment information to provide a basis for developing new tabulars. In the meantime, it is hoped that continued reporting of experience on the present basis will provide a useful and stable source for reference.

None of the tabulars reflect the recent decline in birth rates. Thus, when combined nonmaternity and maternity (or obstetrical) experience is shown in many of the tables, this tends to conceal the low ratio of actual to tabular for maternity benefits and the generally higher ratios of actual to tabular for nonmaternity benefits. The tabulars do not reflect certain factors, such as age distribution or geographic location, which may affect experience results. In addition, especially in the Hospital and Surgical studies, the tabulars do not always provide for benefits at the levels currently being offered in the market place.

Contributing Companies

The Committee wishes to express its gratitude to the eleven United States and Canadian companies which generously contributed data included in this report. The results are the composite experience of variations in company practice, in underlying administration and claim procedures, as well as variation in experience among groups. It should be recognized that many groups may have significantly different claim costs from those indicated in this report.

This report contains experience for years labeled 1963, 1964, 1965, 1966, and 1967. The majority of the companies contribute exposures and claims based upon policy years ending in the calendar year designated. The central point of the exposure for each policy year is approximately January 1 of that year. The assumption was made that each company's

contribution was distributed uniformly over the period of exposure, which may be improper because of a concentration of policy renewals in January and July.

The following companies contributed experience for the investigation covered in this report:

Aetna Life Insurance Company
 Connecticut General Life Insurance Company
 Continental Assurance Company
 Equitable Life Assurance Society
 John Hancock Mutual Life Insurance Company
 Metropolitan Life Insurance Company
 The Mutual Life Assurance Company of Canada
 Occidental Life Insurance Company of California
 Prudential Insurance Company of America
 Sun Life Assurance Company of Canada
 The Travelers Insurance Company

Analysis of Experience

WEEKLY INDEMNITY

Table 1 shows experience by plan for the three latest policy years combined, including all size groups. Only plans with a six-weeks' maternity benefit are included. Table 2 shows comparable experience, excluding jumbo groups; in addition, for those cases where separate experience is available, experience is also shown broken down into nonmaternity and maternity. Table 2 also includes experience of plans with no maternity benefits. Table 3 summarizes the ratios of actual to tabular claims on non-jumbo groups for each of the five latest years.

The upward trend for combined nonmaternity and maternity experience noted last year seemed to continue on Canadian groups. However, the United States experience has remained at last year's level, with apparently a random downward fluctuation on thirteen-week plans. In Table 1, all Canadian actual to tabular "total" ratios are higher than the corresponding United States ratios. For nonjumbo cases, Canadian experience on eighth-day sickness plans is better than on fourth-day sickness plans, while United States experience is just the reverse of this. The distribution of experience is such that in Tables 2 and 3 the actual to tabular "total" ratios for Canada are higher than the United States with but few exceptions. Nonjumbo maternity experience improved for both United States and Canadian groups.

TABLE 1
 GROUP WEEKLY INDEMNITY EXPERIENCE
 WITH SIX-WEEKS' MATERNITY BENEFIT
 ALL SIZE GROUPS, NONRATED INDUSTRIES
 COMBINED 1965-67 POLICY YEARS' EXPERIENCE, BY PLAN

Plan	No. Experience Units	Weekly Indemnity Exposed (000)	Actual Claims (000)	Ratio of Actual to 1947-49 Weekly Indemnity Tabular
United States Experience				
1-4-13	1,317	7,005	4,496	92%
4-4-13	346	1,744	833	73
1-8-13	5,164	32,114	21,221	104
8-8-13	742	7,099	4,582	98
Total, 13-week plans	7,569	47,962	31,132	100%
1-4-26	391	7,481	6,833	113%
4-4-26	61	929	701	96
1-8-26	2,338	31,797	26,341	111
8-8-26	319	12,775	8,781	96
Total, 26-week plans	3,109	52,982	42,656	108%
Total, all plans	10,678	100,944	73,788	104%
Canadian Experience				
1-4-13	198	870	665	114%
4-4-13	34	189	146	107
1-8-13	1,406	2,252	1,328	100
8-8-13	66	253	141	98
Total, 13-week plans	1,704	3,564	2,280	104%
1-4-26	148	1,003	1,017	127%
4-4-26	16	267	215	96
1-8-26	370	2,788	2,756	137
8-8-26	31	262	200	105
Total, 26-week plans	565	4,320	4,188	130%
Total, all plans	2,269	7,884	6,468	119%

HOSPITAL

The basic results of the Hospital Expense insurance study for the three latest policy years are shown in Table 4 for all size groups combined and in Table 5 for nonjumbo groups. The experience is analyzed by plan according to nonmaternity room-and-board duration under ancillary benefits provided. Table 5 analyzes the nonmaternity and maternity experience combined; and a portion of this experience is analyzed separately by nonmaternity and maternity. The employee combined experience is a mixture of $10\times$ and $14+n\times$ maternity, while the separate experience is essentially all $10\times$ maternity. The nonmaternity experience of plans with no maternity or "other" maternity benefits is shown separately.

In general, the 1965-67 "total" actual to tabular ratios have declined from last year's report for both jumbo and nonjumbo groups. This pattern, noted last year, is confirmed by the results of the five latest years summarized in Table 6 for the same groups and plans included in the three-year analysis in Table 5. Caution should be exercised when interpreting the experience results due to the effect on experience resulting from the COB provision, the advent of Medicare, and resulting hospital utilization trends, as described in the Introduction to this report.

In Table 5, all separate maternity "total" ratios except for one category declined from last year's report.

The ratios in Table 6 also indicate that the use of the 1957 Hospital Tabular generally results in a higher ratio of actual to tabular claims as the size of the ancillary benefit increases. The 1957 Hospital Tabular is based upon an annual frequency of claim which does not vary by plan and an average ancillary benefit which does vary by plan, based on a historical distribution of ancillary benefit charges. While no direct evidence is available, there are now strong suggestions that the variations in actual to tabular by ancillary benefit are the result of inflation rather than an increased frequency of claim for plans with larger ancillary benefits.

Table 7 shows the results of an analysis by state and metropolitan area of employee plus dependent experience for all plans included in Table 4 for the three latest policy years combined. The experience is presented for groups with less than 1,000 employees, together with corresponding actual to tabular ratios with jumbo cases included. For a substantial portion of the experience contributed, it was not possible to determine whether or not 75 per cent of the employees resided in a given metropolitan area. These groups, as well as those where 75 per cent of the employees resided within a state but not within a single metropolitan area, make up the state experience. Where it was not possible to assign a group to a particular state, it was assigned to a region if 75 per cent or more of the insured

TABLE 2

GROUP WEEKLY INDEMNITY EXPERIENCE
GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED, NONRATED INDUSTRIES
1965-67 POLICY YEARS' EXPERIENCE, BY PLAN
UNITED STATES EXPERIENCE

PLAN	NONMATERNITY AND MATERNITY COMBINED EXPERIENCE*				NONMATERNITY AND MATERNITY SEPARATE EXPERIENCE*						
	No. Experience Units	Weekly Indemnity Exposed (000)	Actual Claims (000)	Ratio of Actual to 1947-49 Weekly Indemnity Tabular	No. Experience Units	Weekly Indemnity Exposed (000)	Actual Claims		Ratio of Actual to 1947-49 Weekly Indemnity Tabular		
							Non- maternity (000)	Maternity (000)	Non- maternity	Maternity	Combined
Plans with 6 Weeks' Maternity Benefit											
13-week:											
4th-day sickness.....	1,647	6,972	4,083	87%	1,287	5,161	3,016	138	92%	54%	90%
8th-day sickness.....	5,774	25,829	15,865	96	3,827	17,064	10,074	705	104	52	98
Total.....	7,421	32,801	19,948	94%	5,114	22,225	13,090	843	101%	52%	96%
26-week:											
4th-day sickness.....	408	4,728	3,785	99%	291	3,169	2,544	65	103%	50%	101%
8th-day sickness.....	2,506	19,629	15,442	106	1,526	12,234	9,534	358	112	54	108
Total.....	2,914	24,357	19,227	104%	1,817	15,403	12,078	423	110%	53%	106%
Plans with No Maternity Benefits											
13-week:											
4th-day sickness.....					473	2,332	1,459		96%		
8th-day sickness.....					6,023	22,087	12,302		96		
Total.....					6,496	24,419	13,761		96%		
26-week:											
4th-day sickness.....					286	1,633	1,152		89%		
8th-day sickness.....					3,302	15,345	9,699		90		
Total.....					3,588	16,978	10,851		90%		

* The separate experience exposure is less than the combined experience exposure because separate experience is not available for all groups.

TABLE 2—Continued
CANADIAN EXPERIENCE

PLAN	NONMATERNITY AND MATERNITY COMBINED EXPERIENCE*				NONMATERNITY AND MATERNITY SEPARATE EXPERIENCE*							
	No. Experience Units	Weekly Indemnity Exposed (000)	Actual Claims (000)	Ratio of Actual to 1947-49 Weekly Indemnity Tabular	No. Experience Units	Weekly Indemnity Exposed (000)	Actual Claims		Ratio of Actual to 1947-49 Weekly Indemnity Tabular			
							Non- maternity (000)	Maternity (000)	Non- maternity	Maternity	Combined	
Plans with 6 Weeks' Maternity Benefit												
13-week:												
4th-day sickness.....	227	773	555	108%	198	630	446	11	114%	46%†	110%	
8th-day sickness.....	1,465	2,264	1,312	99	1,269	1,824	979	42	99	46†	95	
Total.....	1,692	3,037	1,867	101%	1,467	2,454	1,425	53	103%	46%	99%	
26-week:												
4th-day sickness.....	161	868	819	115%	130	591	583	15	128%	68%†	125%	
8th-day sickness.....	392	1,619	1,220	101	314	1,006	603	34	87	72†	86	
Total.....	553	2,487	2,039	106%	444	1,597	1,186	49	103%	71%†	102%	
Plans with No Maternity Benefits												
13-week:												
4th-day sickness.....					101	367	232			98%		
8th-day sickness.....					815	2,002	1,122			101		
Total.....					916	2,369	1,354			100%		
26-week:												
4th-day sickness.....					72	245	222			117%		
8th-day sickness.....					341	1,177	735			87		
Total.....					413	1,422	957			92%		

† Less than \$50,000 of actual claims.

TABLE 3
GROUP WEEKLY INDEMNITY EXPERIENCE
GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED
NONRATED INDUSTRIES
1963-67 POLICY YEARS' EXPERIENCE, BY PLAN

UNITED STATES

PLAN	RATIOS OF ACTUAL TO 1947-49 TABULAR FOR POLICY YEAR ENDING IN:				
	1963	1964	1965	1966	1967
Plans with 6 Weeks' Maternity Benefit					
<i>Nonmaternity and maternity combined experience:</i>					
13-week:					
4th-day sickness	94%	90%	87%	89%	84%
8th-day sickness	95	95	95	97	95
Total	95%	94%	94%	95%	93%
26-week:					
4th-day sickness	99%	96%	96%	101%	100%
8th-day sickness	97	103	105	106	106
Total	98%	101%	103%	105%	105%
<i>Nonmaternity and maternity separate experience:*</i>					
Nonmaternity:					
13-week:					
4th-day sickness	97%	92%	92%	94%	91%
8th-day sickness	102	101	104	106	103
Total	101%	99%	101%	103%	100%
26-week:					
4th-day sickness	102%	102%	105%	103%	103%
8th-day sickness	104	107	111	112	114
Total	103%	106%	109%	110%	111%
Maternity (all plans)	64%	65%	55%	55%	48%
Combined:					
13-week:					
4th-day sickness	95%	91%	90%	92%	87%
8th-day sickness	97	96	98	99	96
Total	97%	95%	96%	98%	94%
26-week:					
4th-day sickness	100%	100%	103%	101%	99%
8th-day sickness	101	105	107	109	109
Total	101%	104%	106%	107%	107%
Plans with No Maternity Benefits					
13-week:					
4th-day sickness	92%	97%	98%	102%	90%
8th-day sickness	95	94	96	96	97
Total	94%	94%	96%	96%	96%
26-week:					
4th-day sickness	110%	90%	91%	93%	83%
8th-day sickness	93	88	91	92	88
Total	95%	88%	91%	92%	88%

* The nonmaternity and maternity separate experience is also included in the nonmaternity and maternity combined experience.

TABLE 3—Continued
CANADA

PLAN	RATIO OF ACTUAL TO 1947-49 TABULAR FOR POLICY YEAR ENDING IN:				
	1963	1964	1965	1966	1967
Plans with 6 Weeks' Maternity Benefit					
<i>Nonmaternity and maternity combined experience:</i>					
13-week:					
4th-day sickness.....	114%	102%	100%	109%	119%
8th-day sickness.....	94	96	96	99	102
Total.....	99%	98%	97%	102%	106%
26-week:					
4th-day sickness.....	123%	118%	107%	123%	114%
8th-day sickness.....	95	100	93	96	115
Total.....	104%	105%	98%	106%	115%
<i>Nonmaternity and maternity separate experience:*</i>					
Nonmaternity:					
13-week:					
4th-day sickness.....	112%	112%	104%	120%	122%
8th-day sickness.....	95	94	99	99	100
Total.....	99%	98%	100%	104%	106%
26-week:					
4th-day sickness.....	140%	114%	131%	135%	118%
8th-day sickness.....	94	87	85	79	101
Total.....	106%	95%	98%	103%	108%
Maternity (all plans).....	69%†	67%†	63%†	59%†	41%†
Combined:					
13-week:					
4th-day sickness.....	110%	109%	101%	116%	117%
8th-day sickness.....	92	91	95	95	94
Total.....	96%	95%	97%	100%	100%
26-week:					
4th-day sickness.....	136%	112%	127%	132%	116%
8th-day sickness.....	93	88	85	79	98
Total.....	104%	95%	97%	101%	106%
Plans with No Maternity Benefits					
13-week:					
4th-day sickness.....	117%	108%	103%	75%	113%
8th-day sickness.....	107	109	100	105	98
Total.....	110%	109%	100%	100%	100%
26-week:					
4th-day sickness.....	109%	85%	138%	109%	109%
8th-day sickness.....	103	102	85	91	84
Total.....	105%	98%	94%	94%	89%

† Less than \$50,000 of actual claims.

TABLE 4
 EMPLOYEE AND DEPENDENT GROUP HOSPITAL EXPENSE INSURANCE
 ALL SIZE GROUPS, EMPLOYEE-RATED INDUSTRIES EXCLUDED
 COMBINED 1965-67 POLICY YEARS' EXPERIENCE, BY PLAN

Plan	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Hospital Tabular
<i>Employee:</i>				
With maternity benefits:*				
10×:				
31-day	1,195	\$3,578	\$ 7,213	122%
70-day	320	751	1,575	127
120-day	75	501	774	110
Total	1,590	\$4,830	\$ 9,562	122%
15×:				
31-day	543	\$1,591	\$ 3,140	117%
70-day	310	781	1,550	122
120-day	18	25	51	118
Total	871	\$2,397	\$ 4,741	118%
20×:				
31-day	1,524	\$3,585	\$ 7,498	124%
70-day	1,950	4,051	8,943	128
120-day	278	699	1,577	135
Total	3,752	\$8,335	\$18,018	127%
20× + 75% of excess:				
31-day	362	\$ 694	\$ 1,763	139%
70-day	595	1,361	3,564	142
120-day	102	221	546	140
Total	1,059	\$2,276	\$ 5,873	141%

* 10× or 14 + n×. Plans with "other" maternity benefits are excluded.

TABLE 4—Continued

Plan	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Hospital Tabular
<i>Dependent:</i>				
With maternity benefits:†				
10×:				
31-day	1,054	\$1,913	\$ 7,424	117%
70-day	244	420	1,690	122
120-day	40	106	382	114
Total	1,338	\$2,439	\$ 9,496	118%
15×:				
31-day	592	\$1,079	\$ 4,612	125%
70-day	334	515	2,182	125
120-day	34	128	521	120
Total	960	\$1,722	\$ 7,315	125%
20×:				
31-day	1,973	\$2,792	\$12,302	130%
70-day	2,723	3,491	15,616	132
120-day	465	749	3,433	135
Total	5,161	\$7,032	\$31,351	131%
20× + 75% of excess:				
31-day	458	\$ 630	\$ 3,279	142%
70-day	918	1,314	6,558	138
120-day	156	229	1,185	148
Total	1,532	\$2,173	\$11,022	140%
With no maternity benefits:				
10×:				
Total	184	\$ 328	\$ 1,081	130%

† 10×, subject to a nine-month waiting period. Plans with "other" maternity benefits are excluded.

TABLE 5
EMPLOYEE AND DEPENDENT HOSPITAL EXPENSE INSURANCE
GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED, NONRATED INDUSTRIES
1965-67 POLICY YEARS' EXPERIENCE, BY PLAN

PLAN	NONMATERNITY AND MATERNITY COMBINED EXPERIENCE*				NONMATERNITY AND MATERNITY SEPARATE EXPERIENCE*						
	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Hospital Tabular	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims		Ratio of Actual to 1957 Hospital Tabular		
							Non-maternity (000)	Maternity (000)	Non-maternity	Maternity	Combined
Employee Plans with 10X and 14 + nX Maternity Benefits											
10X:											
31-day	1,153	\$2,365	\$ 4,415	114%	674	\$1,322	\$ 2,247	\$ 122	118%	54%	111%
70-day	312	616	1,163	116	108	264	438	24†	116	61†	111
120-day	70	265	454	120	‡	‡	‡	‡	‡	‡	‡
Total	1,535	\$3,246	\$ 6,032	115%	789	\$1,616	\$ 2,735	\$ 151	118%	55%	111%
15X:											
31-day	528	\$1,031	\$ 2,038	118%	390	\$ 737	\$ 1,328	\$ 53	118%	60%	114%
70-day	306	698	1,397	123	136	283	530	23†	123	81†	121
120-day	18	25	51	118	‡	‡	‡	‡	‡	‡	‡
Total	852	\$1,754	\$ 3,486	120%	534	\$1,027	\$ 1,873	\$ 77	120%	65%	116%
20X:											
31-day	1,499	\$2,784	\$ 5,787	123%	1,240	\$2,312	\$ 4,520	\$ 190	126%	60%	121%
70-day	1,932	3,424	7,477	127	1,386	2,458	5,097	249	132	74	128
120-day	274	535	1,113	125	159	278	535	23†	126	61†	120
Total	3,705	\$6,743	\$14,377	125%	2,785	\$5,048	\$10,152	\$ 462	129%	67%	124%
20X + 75% of excess:											
31-day	361	\$ 642	\$ 1,671	141%	301	\$ 547	\$ 1,359	\$ 53	146%	68%	140%
70-day	586	1,180	2,992	138	404	845	2,090	106	147	80	141
120-day	101	212	528	141	66	155	384	14†	151	90†	147
Total	1,048	\$2,034	\$ 5,191	139%	771	\$1,547	\$ 3,833	\$ 173	147%	77%	141%
Employee Plans with "Other" Maternity Benefits§											
Total					446	\$ 931	\$ 1,819		129%		

* The separate experience exposure is less than the combined experience exposure because separate experience is not available for all groups.

† Less than \$50,000 of actual claims.

‡ Less than \$50,000 of actual claims and less than ten experience units.

§ Nonmaternity experience only submitted for these plans.

TABLE 5—Continued

PLAN	NONMATERNITY AND MATERNITY COMBINED EXPERIENCE*				NONMATERNITY AND MATERNITY SEPARATE EXPERIENCE*						
	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Hospital Tabular	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims		Ratio of Actual to 1957 Hospital Tabular		
							Non-maternity (000)	Maternity (000)	Non-maternity	Maternity	Combined
Dependent Plans with 10× Maternity Benefits											
10×:											
31-day.....	1,023	\$1,478	\$ 5,601	115%	688	\$ 905	\$ 2,922	\$ 534	130%	73%	116%
70-day.....	241	384	1,523	122	145	285	995	150	141	66	123
120-day.....	40	106	382	114	10	22	76	11†	147	66†	127
Total.....	1,304	\$1,968	\$ 7,506	116%	843	\$1,212	\$ 3,993	\$ 695	133%	72%	118%
15×:											
31-day.....	572	\$ 714	\$ 3,081	126%	422	\$ 527	\$ 1,961	\$ 303	141%	71%	125%
70-day.....	333	495	2,103	125	192	287	991	182	134	80	121
120-day.....	33	99	397	120	16	51	176	25†	136	62†	118
Total.....	938	\$1,308	\$ 5,581	125%	630	\$ 865	\$ 3,128	\$ 510	139%	74%	123%
20×:											
31-day.....	1,948	\$2,410	\$10,622	129%	1,520	\$1,957	\$ 7,375	\$1,231	145%	79%	130%
70-day.....	2,698	2,981	13,459	133	1,904	2,193	8,445	1,391	149	80	133
120-day.....	459	568	2,614	136	262	292	1,151	194	156	85	139
Total.....	5,105	\$5,959	\$26,695	132%	3,686	\$4,442	\$16,971	\$2,816	148%	80%	132%
20× + 75% of excess:											
31-day.....	455	\$ 553	\$ 2,883	141%	359	\$ 440	\$ 2,039	\$ 250	161%	70%	141%
70-day.....	907	1,130	5,699	139	514	685	2,918	449	153	82	137
120-day.....	155	225	1,153	147	85	137	663	93	176	86	156
Total.....	1,517	\$1,908	\$ 9,735	141%	958	\$1,262	\$ 5,620	\$ 792	159%	78%	141%
Dependent Plans with "Other" Maternity Benefits‡											
Total.....					694	\$ 904	\$ 3,205		140%		
Dependent Plans with No Maternity Benefit											
Total.....					177	\$ 244	\$ 807		134%		

TABLE 6
EMPLOYEE AND DEPENDENT GROUP HOSPITAL EXPENSE EXPERIENCE
GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED
EMPLOYEE-RATED INDUSTRIES EXCLUDED
1963-67 POLICY YEARS' EXPERIENCE, BY PLAN

PLAN	RATIOS OF ACTUAL CLAIMS TO 1957 HOSPITAL TABULAR FOR POLICY YEAR ENDING IN:				
	1963	1964	1965	1966	1967
Employee					
<i>Plans with 10X and 14+nX maternity benefits:</i>					
Nonmaternity and maternity combined experience:					
10X	110%	116%	116%	116%	113%
15X	117	119	119	122	118
20X	118	125	125	128	122
20X + 75% of excess	128	131	141	142	133
Nonmaternity and maternity separate experience:*					
Nonmaternity:					
10X	114	116	120	116	117
15X	119	121	122	118	118
20X	119	130	129	133	126
20X + 75% of excess	129	137	149	149	142
Maternity (all plans)	78	75	68	63	67
Combined:					
10X	110	112	114	109	111
15X	116	118	118	114	115
20X	117	126	124	128	121
20X + 75% of excess	125	133	144	143	136
<i>Plans with "other" maternity benefits:</i>					
Nonmaternity	113	127	125	141	122
Dependent					
<i>Plans with 10X maternity benefits:</i>					
Nonmaternity and maternity combined experience:					
10X	111%	117%	118%	115%	115%
15X	121	133	128	129	118
20X	129	133	133	133	128
20X + 75% of excess	135	141	143	145	132
Nonmaternity and maternity separate experience:*					
Nonmaternity:					
10X	119	132	132	133	133
15X	133	142	141	144	131
20X	136	146	148	151	143
20X + 75% of excess	148	153	165	161	148
Maternity (all plans)	94	89	83	76	73
Combined:					
10X	111	118	119	117	117
15X	123	131	127	126	116
20X	127	133	134	133	128
20X + 75% of excess	137	140	147	144	130
<i>Plans with "other" maternity benefits:</i>					
Nonmaternity	126	137	132	149	138
<i>Plans with no maternity benefits:</i>					
10X	125	135	161	125	119

* The nonmaternity and maternity separate experience is also included in the nonmaternity and maternity combined experience.

TABLE 7
EMPLOYEE AND DEPENDENT GROUP HOSPITAL EXPENSE INSURANCE
EMPLOYEE-RATED INDUSTRIES EXCLUDED
COMBINED 1965-67 POLICY YEARS' EXPERIENCE
BY REGION, STATE, AND METROPOLITAN AREA

REGION,* STATE, † OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T ‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T ‡	
<i>Total, all locations</i>	16,180	25,167	79,412	128%	128%
New England States:					
Connecticut	148	187	562	128%	131%
Bridgeport-Stamford- Norwalk	41	65	162	104	104
Hartford-New Britain- Bristol	105	228	724	133	122
New Haven-Waterbury	42	61	141	97	97
Total	336	541	1,589	124%	123%
Maine	100	204	556	114%	114%
Massachusetts	221	447	1,156	118%	121%
Boston-Lowell-Lawrence	200	322	890	119	118
Springfield-Holyoke	61	91	285	137	137
Total	482	860	2,331	120%	122%
New Hampshire	132	309	671	102%	102%
Rhode Island	12	11	18§	72%§	72%§
Providence					
Total	15	25	36§	70%§	70%§
Vermont	147	258	654	115%	111%
Region	162	266	650	119%	129%
<i>Region total</i>	1,374	2,463	6,487	117%	119%
Middle Atlantic States:					
Delaware					
District of Columbia	49	83	242	122%	122%
D.C. (Md.)					
D.C. (Va.)					
Total	61	95	287	125%	125%

* Groups not coded for a specific state or metropolitan area.
† Groups coded for a specific state but not for a specific metropolitan area.
‡ Ratio of Actual to 1957 Hospital Tabular. Note that these ratios are not expressed as a percentage of the national average. For the distribution of experience in this table, the national average is shown in "Total, all locations."
§ Less than \$50,000 of actual claims.
|| Less than \$50,000 of actual claims and less than ten experience units.

TABLE 7—Continued

REGION,* STATE,† OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
New Jersey	152	197	546	117%	116%
New York	672	935	2,342	110%	110%
Albany-Schenectady- Troy					
Buffalo	48	43	104	108	108
New York-Northeastern New Jersey (N.Y.)	231	332	945	116	109
New York-Northeastern New Jersey (N.J.)	199	235	546	91	101
Rochester					
Syracuse	22	26	68	112	112
Total	1,183	1,585	4,030	108%	108%
Pennsylvania	1,324	1,985	5,747	122%	122%
Allentown-Bethlehem- Easton (Pa.)	10	9	27§	130§	130§
Allentown-Bethlehem- Easton (N.J.)					
Philadelphia (Pa.)	143	314	852	117	117
Philadelphia (N.J.)	16	16	47§	106§	106§
Pittsburgh	42	22	80	133	143
Wilkes-Barre-Hazleton	17	60	144	95	95
Total	1,554	2,407	6,900	120%	122%
Region	69	102	273	112%	112%
Region total	3,024	4,388	12,043	116%	117%
North Central States:					
Illinois	871	1,102	3,721	132%	132%
Chicago (Ill.)	375	659	2,284	140	137
Chicago (Ind.)	13	13	44§	114§	114§
Total	1,259	1,774	6,049	135%	134%
Indiana	702	1,303	3,857	119%	120%
Indianapolis	54	124	374	115	115
Total	756	1,427	4,231	119%	120%
Kentucky	111	154	478	123%	130%
Louisville (Ky.)	11	9	23§	107§	107§
Louisville (Ind.)					
Total	122	163	501	122%	129%
Michigan	715	1,337	4,265	133%	134%
Detroit	133	166	543	143	138
Total	848	1,503	4,808	134%	134%

* Groups not coded for a specific state or metropolitan area.

† Groups coded for a specific state but not for a specific metropolitan area.

‡ Ratio of Actual to 1957 Hospital Tabular. Note that these ratios are not expressed as a percentage of the national average. For the distribution of experience in this table, the national average is shown in "Total, all locations."

§ Less than \$50,000 of actual claims.

|| Less than \$50,000 of actual claims and less than ten experience units.

TABLE 7—Continued

REGION,* STATE, † OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T ‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T ‡	
Ohio.....	770	1,350	4,452	135%	136%
Akron.....	21	10	32§	116§	116§
Cincinnati (Ohio).....	47	49	155	120	120
Cincinnati (Ky.).....					
Cleveland.....	29	25	103	153	153
Columbus.....	39	63	160	111	111
Dayton.....					
Toledo.....	40	45	131	127	127
Youngstown (Ohio).....	19	39	169	179	179
Youngstown (Pa.).....	11	18	60	125	125
Total.....	982	1,603	5,268	134%	136%
West Virginia.....	208	238	929	140%	140%
Wheeling-Steubenville (W.Va.).....					
Wheeling-Steubenville (Ohio).....					
Total.....	210	239	954	143%	143%
Wisconsin.....	315	685	2,641	152%	152%
Milwaukee.....	62	129	444	140	140
Total.....	377	814	3,085	150%	151%
Region.....	282	512	1,545	124%	124%
<i>Region total.....</i>	<i>4,836</i>	<i>8,035</i>	<i>26,441</i>	<i>133%</i>	<i>133%</i>
Plains States:					
Iowa.....	234	277	879	115%	114%
Kansas.....	204	295	926	130%	139%
Minnesota.....	134	150	554	144%	144%
Minneapolis-St. Paul.....	57	53	210	141	141
Total.....	191	203	764	143%	143%
Missouri.....	298	301	1,048	130%	131%
Kansas City (Mo.).....	40	33	115	129	129
Kansas City (Kan.).....	19	49	160	124	124
St. Louis (Mo.).....	53	54	191	133	133
St. Louis (Ill.).....					
Total.....	412	439	1,528	130%	131%
Nebraska.....	141	178	566	125%	123%
Omaha.....	45	77	293	163	163
Total.....	186	255	859	136%	134%
North Dakota.....	41	32	102	125%	125%
South Dakota.....	41	51	211	153%	153%
Region.....	59	129	377	116%	84%
<i>Region total.....</i>	<i>1,368</i>	<i>1,681</i>	<i>5,646</i>	<i>129%</i>	<i>127%</i>

TABLE 7—Continued

REGION,* STATE, † OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
Mountain States:					
Colorado.....	49	77	312	152%	156%
Denver.....	18	26	106	154	154
Total.....	67	103	418	152%	156%
Idaho.....	18	17	58	124%	124%
Montana.....	11	58	183	108%	108%
Nevada.....	11	23	142	209%	139%
Utah.....	37	74	201	121%	133%
Wyoming.....					
Region.....	15	59	145	94%	94%
Region total.....	162	335	1,153	131%	134%
Pacific States:					
California.....	63	138	353	115%	115%
Los Angeles-Long Beach.....	45	104	215	102	113
San Diego.....					
San Francisco-Oakland.....	13	15	50	128	128
Total#.....	124	260	631	112%	115%
Oregon.....					
Portland.....					
Total.....	11	12	43	114%	114%
Washington.....					
Seattle.....				90%	90%
Total.....	12	34	80	98%	98%
Region.....					
Region total.....	148	307	762	111%	114%
Gulf States:					
Arizona.....	51	68	287	166%	166%
Arkansas.....	163	215	783	127%	127%
Louisiana.....	308	278	1,182	161%	161%
New Orleans.....	33	16	57	138	138
Total.....	341	294	1,239	159%	159%
New Mexico.....	49	44	179	143%	143%
Oklahoma.....	166	155	619	140%	141%

* Groups not coded for a specific state or metropolitan area.

† Groups coded for a specific state but not for a specific metropolitan area.

‡ Ratio of Actual to 1957 Hospital Tabular. Note that these ratios are not expressed as a percentage of the national average. For the distribution of experience in this table, the national average is shown in "Total, all locations."

§ Less than \$50,000 of actual claims.

|| Less than \$50,000 of actual claims and less than ten experience units.

The California experience above excludes plans integrated with UCD benefits. The corresponding California experience including plans integrated with UCD is as follows: 199 units, 377 exposed, 825 claims, 119 per cent A/T, and 122 per cent A/T.

TABLE 7—Continued

REGION,* STATE,† OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
Texas.....	515	518	2,200	158%	158%
Dallas.....	34	43	171	146	146
Fort Worth.....	16	13	56	155	155
Houston.....	55	47	214	182	217
San Antonio.....	25	70	220	125	125
Total.....	645	691	2,861	155%	160%
Region.....	37	36	154	157%	157%
<i>Region total.....</i>	<i>1,452</i>	<i>1,503</i>	<i>6,122</i>	<i>150%</i>	<i>154%</i>
Southeastern States:					
Alabama.....	110	125	495	153%	153%
Birmingham.....	10	9	30§	115§	115§
Total.....	120	134	525	151%	151%
Florida.....	263	435	1,512	132%	132%
Miami.....	49	66	262	154	154
Tampa-St. Petersburg....	12	22	71	132	132
Total.....	324	523	1,845	135%	135%
Georgia.....	353	349	1,245	136%	135%
Atlanta.....	99	116	342	123	111
Total.....	452	465	1,587	133%	127%
Maryland.....	133	152	448	112%	112%
Baltimore.....	62	75	219	123	123
Total.....	195	227	667	116%	116%
Mississippi.....	119	111	427	136%	136%
North Carolina.....	558	683	2,043	113%	115%
South Carolina.....	131	223	786	132%	131%
Tennessee.....	220	221	799	134%	134%
Knoxville.....	11	13	50	178	178
Memphis.....	32	40	128	127	127
Total.....	263	274	977	134%	134%
Virginia.....	431	501	1,552	121%	120%
Norfolk-Portsmouth.....	53	77	271	144	144
Total.....	484	578	1,823	124%	122%
Region.....	200	464	1,322	116%	113%
<i>Region total.....</i>	<i>2,846</i>	<i>3,682</i>	<i>12,002</i>	<i>126%</i>	<i>124%</i>
Hawaii.....					
Alaska.....					
<i>Total, states and regions.....</i>	<i>15,214</i>	<i>22,400</i>	<i>70,688</i>	<i>128%</i>	<i>128%</i>
<i>All other**.....</i>	<i>966</i>	<i>2,767</i>	<i>8,724</i>	<i>130%</i>	<i>132%</i>

** Less than 75 per cent of employees in one region, state, or metropolitan area.

employees were in that region. A few metropolitan areas extended into more than one state. In these instances all of the experience has been included in the total experience for the principal state, as has been done in studies of other benefits prepared by this Committee. Sufficient detail is provided so that the reader may adjust state totals to exclude only that portion of the metropolitan area not within that state, which would be consistent with previous Hospital and Surgical experience by state.

When interpreting the variations in experience by area, it should be borne in mind that the hospital tabulars do not include an adjustment for the expected variation in costs by area. On the other hand, the tabulars do recognize that for any given dollar maximum ancillary benefit the average benefit payable will increase as the dollar amount of daily benefit increases. For the 1957 Hospital Tabular to produce reasonably accurate ancillary claim costs, it is necessary that the amount of daily benefit provided be reasonably related to the level of hospital room-and-board charges. The area variations in experience shown in Table 7 may be due to variations in the relationship of ancillary charges to room-and-board charges in an area, variations in frequency or average duration of hospital confinement, or a combination of these factors. However, since the daily room-and-board benefit provided is limited to a dollar amount and the ancillary benefits provided have aggregate dollar maximums, it is possible that a substantial part of the variations in experience for area shown in Table 7 is due to the frequency of hospital confinement.

The volume of hospital experience shown for California is relatively small and may be atypical because of the exclusion of Employee Hospital plans which are integrated with California UCD Hospital benefits. The experience of these plans is included in a footnote to Table 7. To reflect the UCD Hospital benefit of \$12 for the first twenty days of confinement, the 1957 Hospital Tabulars were reduced by \$8.28 per male employee and by \$9.24 per female employee.

The results of the area analysis can be presented only as a composite experience of groups having various industry classification, distributions of exposure by age, and different types of claim administration. Moreover, it should be understood that the experience of any particular area is affected by various social and economic factors and that variations in experience may be chance fluctuations resulting from an insufficient volume of experience. The analysis indicates the highest claim level in the Gulf states and the lowest claim level in the Pacific, Middle Atlantic, and New England states. The experience of some states within a given region varies considerably from the region average. There are also marked variations within a given state.

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Table 8 summarizes the actual to tabular ratios for groupings of Hospital cases by the size of the experience unit. Plans with standard maternity benefits are shown with employee and dependent experience combined. The results show little variation in claim level by size.

SURGICAL

The basic results of the Surgical Expense insurance study are presented in Table 9 for all size groups and Table 10 for nonjumbo groups. In Table

TABLE 8
 EMPLOYEE AND DEPENDENT HOSPITAL EXPENSE INSURANCE
 ALL SIZE GROUPS, STANDARD MATERNITY BENEFITS ONLY,*
 EMPLOYEE-RATED INDUSTRIES EXCLUDED
 COMBINED EMPLOYEE AND DEPENDENT EXPERIENCE
 COMBINED 1965-67 POLICY YEARS' EXPERIENCE, BY SIZE OF EXPERIENCE UNIT

Size	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Hospital Tabular
< 50 lives.....	6,084	\$ 2,310	\$ 7,972	130%
50-99.....	4,581	4,224	13,890	130
100-249.....	3,585	7,474	23,196	126
250-499.....	1,158	5,436	16,748	126
500-999.....	590	5,475	16,795	129
Total, <1,000.....	15,998	\$24,919	\$78,601	128%
1,000 or more.....	259	6,283	18,775	131
Grand total.....	16,257	\$31,202	\$97,376	128%

* 10X or 14 + nX maternity benefits.

9 all but one of the 1965-67 actual to tabular ratios are less than their corresponding ratios in last year's report. The actual to tabular ratios for nonjumbo groups in Table 10 also bear this relationship to last year's ratios. Again, the items enumerated in the introduction to these reports should be noted and caution exercised in the interpretation of the results.

Table 11 summarizes the ratios of actual to tabular claims for the five latest policy years. A small volume of invalid experience has been removed from the 1966 data on dependents covered under \$150 schedules; the 1966 ratio has been changed to reflect this correction.

Table 12 contains an analysis by state and metropolitan area of employee and dependent surgical experience for all plans included in Table 9

for the three latest policy years combined. The experience is presented for groups with less than 1,000 employees together with the corresponding actual to tabular ratios with jumbo cases included. The surgical analysis by area indicates the highest claim level in the Mountain, Pacific, and Gulf states and the lowest level in the Middle Atlantic states. The experience of some states within a given region varies considerably from the region average. There are also marked variations within a given state.

The surgical variations in ratios of actual to tabular claims by area are probably due primarily to the variations in claim frequencies, since nearly all claim payments are for the maximum amount allowed by the procedure performed. If frequencies are the same, minor variations in the ratios by area may still occur because of differing frequency distributions of proce-

TABLE 9
EMPLOYEE AND DEPENDENT GROUP SURGICAL EXPENSE INSURANCE
ALL SIZE GROUPS, ALL INDUSTRIES
COMBINED 1965-67 POLICY YEARS' EXPERIENCE, BY PLAN

Plan	No. Experience Units	Maximum Indemnity Exposed per \$150, \$200, or \$300 Basic Units (000)	Actual Claims (000)	Ratio of Actual to 1957 Surgical Tabular
<i>Employee:</i>				
With obstetrical benefits:*				
\$150 schedule.....	1,920	\$ 649	\$ 3,100	118%
\$200 schedule.....	9,986	3,192	20,172	115
\$300 schedule.....	3,712	988	8,010	111
Total.....	15,618	\$4,829	\$31,282	114%
<i>Dependent:</i>				
With obstetrical benefits:*				
\$150 schedule.....	1,225	\$ 373	\$ 4,703	101%
\$200 schedule.....	11,869	2,379	37,637	105
\$300 schedule.....	5,762	827	17,506	104
Total.....	18,856	\$3,579	\$59,846	105%
No obstetrical benefits:				
\$150 schedule.....	142	\$ 35	\$ 299	112%
\$200 schedule.....	1,674	227	2,970	128
\$300 schedule.....	1,326	100	1,851	140
Total.....	3,142	\$ 362	\$ 5,120	131%

* Plans with "other" obstetrical benefits are excluded. Dependent obstetrical benefits are subject to a nine-month waiting period.

TABLE 10
EMPLOYEE AND DEPENDENT SURGICAL EXPENSE INSURANCE
GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED, ALL INDUSTRIES
1965-67 POLICY YEARS' EXPERIENCE, BY PLAN

PLAN	NONOBSTETRICAL AND OBSTETRICAL COMBINED EXPERIENCE*				NONOBSTETRICAL AND OBSTETRICAL SEPARATE EXPERIENCE*						
	No. Experience Units	Maximum Surgical Indemnity Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Surgical Tabular	No. Experience Units	Maximum Surgical Indemnity Exposed (000)	Actual Claims		Ratio of Actual to 1957 Surgical Tabular		
							Non-obstetrical (000)	Obstetrical (000)	Non-obstetrical	Obstetrical	Combined
Employee Plans with Standard Obstetrical Benefits											
\$150.....	1,849	\$ 392	\$ 1,811	112%	1,153	\$ 212	\$ 875	\$ 85	123%	53%	110%
\$200.....	9,603	1,900	11,707	111	6,038	1,198	6,813	533	118	63	111
\$300.....	3,590	630	5,038	109	2,555	493	3,617	303	117	62	109
Total...	15,042	\$2,922	\$18,556	111%	9,746	\$1,903	\$11,305	\$ 921	118%	62%	110%
Employee Plans with "Other" Obstetrical Benefits†											
Total.....					419	\$ 107	\$ 594		114%		
Dependent Plans with Standard Obstetrical Benefits											
\$150.....	1,172	\$ 215	\$ 2,622	98%	734	\$ 119	\$ 1,115	\$ 315	122%	56%	97%
\$200.....	11,519	1,533	23,862	104	7,312	959	11,919	2,951	121	65	103
\$300.....	5,636	570	11,976	104	3,198	402	6,329	2,017	120	70	102
Total...	18,327	\$2,318	\$38,460	103%	11,244	\$1,480	\$19,363	\$5,283	121%	66%	103%
Dependent Plans with "Other" Obstetrical Benefits†											
Total.....					726	\$ 112	\$ 1,394		117%		
Dependent Plans with No Obstetrical Benefits											
\$150.....					132	\$ 18	\$ 164		119%		
\$200.....					1,645	167	2,076		121		
\$300.....					1,323	80	1,450		138		
Total...					3,100	\$ 265	\$ 3,690		127%		

* The separate experience exposure is less than the combined experience exposure because separate experience is not available for all groups.

† Nonmaternity experience only submitted for these plans.

TABLE 11

EMPLOYEE AND DEPENDENT SURGICAL EXPENSE INSURANCE
 GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED, ALL INDUSTRIES
 1963-67 POLICY YEARS' EXPERIENCE, BY PLAN

PLAN	RATIOS OF ACTUAL CLAIMS TO 1957 SURGICAL TABULAR FOR POLICY YEAR ENDING IN:				
	1963	1964	1965	1966	1967
	Employee				
<i>Plans with standard obstetrical benefits:*</i>					
Nonobstetrical and obstetrical combined experience:					
\$150 schedule	108%	112%	111%	113%	112%
\$200 schedule	111	115	111	113	109
\$300 schedule	107	111	110	110	108
Nonobstetrical and obstetrical separate experience:†					
Nonobstetrical:					
\$150 schedule	116	119	123	121	124
\$200 schedule	114	121	118	121	115
\$300 schedule	108	116	116	118	116
Obstetrical (all plans)	78	71	65	59	61
Combined:					
\$150 schedule	107	108	109	108	112
\$200 schedule	110	115	111	113	108
\$300 schedule	104	110	109	110	108
<i>Plans with "other" obstetrical benefits:</i>					
Nonobstetrical	103	126	116	123	107
	Dependent				
<i>Plans with standard obstetrical benefits:*</i>					
Nonobstetrical and obstetrical combined experience:					
\$150 schedule	102%	102%	99%	101%	93%
\$200 schedule	108	109	106	104	101
\$300 schedule	112	114	108	104	100
Nonobstetrical and obstetrical separate experience:†					
Nonobstetrical:					
\$150 schedule	119	123	121	126	120
\$200 schedule	118	122	125	122	116
\$300 schedule	125	126	120	123	118
Obstetrical (all plans)	83	80	73	68	58
Combined:					
\$150 schedule	100	102	98	100	93
\$200 schedule	107	108	108	105	97
\$300 schedule	111	111	106	105	98
<i>Plans with "other" obstetrical benefits:</i>					
Nonobstetrical	111	122	114	124	115
<i>Plans with no obstetrical benefits:</i>					
\$150 schedule	119	115	124	143‡	94‡
\$200 schedule	124	124	131	119	110
\$300 schedule	133	143	151	136	128

* Standard obstetrical benefits: benefit for normal delivery is \$50 under the \$150 and \$200 schedules; benefit is \$75 under the \$300 schedule.

† The nonobstetrical and obstetrical separate experience is also included in the nonobstetrical and obstetrical combined experience.

‡ Less than \$50,000 of actual claims.

TABLE 12
 EMPLOYEE AND DEPENDENT GROUP SURGICAL EXPENSE INSURANCE
 ALL INDUSTRIES
 COMBINED 1965-67 POLICY YEARS' EXPERIENCE
 BY REGION, STATE, AND METROPOLITAN AREA

REGION, * STATE, † OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
<i>Total, all locations</i>	36,471	5,501	60,720	107%	109%
New England States:					
Connecticut.....	401	66	754	105%	107%
Bridgeport-Stamford- Norwalk.....	94	23	225	102	102
Hartford-New Britain- Bristol.....	178	31	372	112	116
New Haven-Waterbury...	98	20	198	96	102
Total.....	771	140	1,549	105%	108%
Maine.....	169	30	342	101%	101%
Massachusetts.....	698	114	1,239	110%	110%
Boston-Lowell-Lawrence...	285	44	467	99	99
Springfield-Holyoke.....	123	21	245	121	113
Total.....	1,106	179	1,951	108%	108%
New Hampshire.....	191	31	299	97%	101%
Rhode Island.....	49	5	37§	119%§	119%§
Providence.....					
Total.....	58	7	54	117%	117%
Vermont.....	301	43	426	99%	99%
Region.....	279	34	391	103%	102%
<i>Region total</i>	2,875	464	5,012	105%	106%
Middle Atlantic States:					
Delaware.....	18	6	69	115%	115%
District of Columbia.....	113	17	158	92%	91%
D.C. (Md.).....	26	2	25§	124§	124§
D.C. (Va.).....	16	1	8§	90§	90§
Total.....	155	20	191	95%	94%

* Groups not coded for a specific state or metropolitan area.

† Groups coded for a specific state but not for a specific metropolitan area.

‡ Ratio of Actual to 1957 Surgical Tabular. Note that these ratios are not expressed as a percentage of the national average. For the distribution of experience in this table, the national average is shown in "Total, all locations."

§ Less than \$50,000 of actual claims.

|| Less than \$50,000 of actual claims and less than ten experience units.

TABLE 12—Continued

REGION,* STATE,† OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
New Jersey	435	58	627	101%	102%
New York	1,648	194	1,908	94%	97%
Albany-Schenectady-Troy	45	8	83	98	98
Buffalo	111	10	116	102	102
New York-Northeastern New Jersey (N.Y.)	512	64	697	100	98
New York-Northeastern New Jersey (N.J.)	270	31	215	71	79
Rochester	24	8	97	102	102
Syracuse	66	7	67	84	84
Total	2,676	322	3,183	93%	95%
Pennsylvania	2,377	373	3,726	102%	105%
Allentown-Bethlehem-Easton (Pa.)	23	6	51	103	103
Allentown-Bethlehem-Easton (N.J.)					
Philadelphia (Pa.)	238	42	417	100	99
Philadelphia (N.J.)	26	3	34§	99§	79§
Pittsburgh	127	21	222	102	120
Wilkes-Barre-Hazleton	47	10	77	81	81
Total	2,847	455	4,531	101%	105%
Region	130	24	238	95%	100%
Region total	6,261	885	8,839	98%	101%
North Central States:					
Illinois	2,089	265	2,615	95%	99%
Chicago (Ill.)	796	135	1,217	94	96
Chicago (Ind.)	39	7	83	106	106
Total	2,924	407	3,915	95%	98%
Indiana	1,178	216	2,389	106%	110%
Indianapolis	113	19	199	104	104
Total	1,291	235	2,588	106%	110%
Kentucky	217	30	313	100%	107%
Louisville (Ky.)	18	4	55	122	122
Louisville (Ind.)					
Total	235	34	368	103%	109%
Michigan	1,529	234	3,069	117%	120%
Detroit	422	62	790	120	122
Total	1,951	296	3,859	118%	120%

* Groups not coded for a specific state or metropolitan area.

† Groups coded for a specific state but not for a specific metropolitan area.

‡ Ratio of Actual to 1957 Surgical Tabular. Note that these ratios are not expressed as a percentage of the national average. For the distribution of experience in this table, the national average is shown in "Total, all locations."

§ Less than \$50,000 of actual claims.

|| Less than \$50,000 of actual claims and less than ten experience units.

TABLE 12—Continued

REGION,* STATE,† OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
Ohio.....	1,654	300	3,365	109%	111%
Akron.....	62	7	73	96	96
Cincinnati (Ohio).....	69	8	93	106	106
Cincinnati (Ky.).....					
Cleveland.....	102	18	199	100	108
Columbus.....	70	9	93	98	98
Dayton.....	35	24	298	120	118
Toledo.....	83	7	74	100	100
Youngstown (Ohio).....	41	10	129	125	125
Youngstown (Pa.).....	13	2	18§	97§	118
Total.....	2,131	385	4,343	109%	111%
West Virginia.....	415	52	604	108%	108%
Wheeling-Steubenville (W. Va.).....					
Wheeling-Steubenville (Ohio).....					
Total.....	430	54	634	109%	109%
Wisconsin.....	641	139	1,693	119%	117%
Milwaukee.....	162	37	473	100	90
Total.....	803	176	2,166	114%	106%
Region.....	881	153	1,732	105%	115%
<i>Region total.....</i>	<i>10,646</i>	<i>1,740</i>	<i>19,605</i>	<i>107%</i>	<i>109%</i>
Plains States:					
Iowa.....	564	89	1,027	106%	106%
Kansas.....	418	45	516	104%	107%
Minnesota.....	459	57	795	113%	112%
Minneapolis-St. Paul.....	144	21	222	109	107
Total.....	603	78	1,017	112%	111%
Missouri.....	542	62	611	96%	100%
Kansas City (Mo.).....	91	14	143	102	107
Kansas City (Kan.).....	35	6	64	113	122
St. Louis (Mo.).....	100	15	149	104	105
St. Louis (Ill.).....					
Total.....	777	100	992	98%	104%
Nebraska.....	233	25	299	111%	108%
Omaha.....	66	8	94	110	110
Total.....	299	33	393	111%	108%
North Dakota.....	84	8	84	104%	104%
South Dakota.....	74	10	105	101%	101%
Region.....	106	18	198	94%	103%
<i>Region total.....</i>	<i>2,925</i>	<i>381</i>	<i>4,332</i>	<i>105%</i>	<i>106%</i>

TABLE 12—Continued

REGION,* STATE,† OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Ex- perience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
Mountain States:					
Colorado.....	116	12	175	126%	134%
Denver.....	32	3	54	140	140
Total.....	148	15	229	129%	135%
Idaho.....	36	3	37§	127%	127%
Montana.....	17	6	85	130%	162%
Nevada.....	34	5	60	129%	117%
Utah.....	128	19	240	118%	126%
Wyoming.....	23	5	60	105%	105%
Region.....	20	6	64	107%	129%
Region total.....	405	50	775	121%	128%
Pacific States:					
California.....	1,244	149	1,834	122%	119%
Los Angeles-Long Beach...	380	55	692	127	128
San Diego.....	41	4	73	185	185
San Francisco-Oakland...	80	7	86	112	112
Total.....	1,745	215	2,685	124%	122%
Oregon.....	63	7	93	117%	117%
Portland.....	23	3	35§	113§	113§
Total.....	86	10	128	116%	116%
Washington.....	90	9	115	127%	107%
Seattle.....	15	1	17§	111§	111§
Total.....	105	10	132	124%	108%
Region.....	21	5	51	107%	78%
Region total.....	1,957	240	2,996	124%	117%
Gulf States:					
Arizona.....	230	39	568	131%	132%
Arkansas.....	321	49	489	101%	98%
Louisiana.....	710	78	904	120%	120%
New Orleans.....	80	10	113	103	103
Total.....	790	88	1,017	118%	118%
New Mexico.....	100	10	127	119%	113%
Oklahoma.....	329	35	435	122%	123%
Texas.....	1,472	161	1,909	121%	121%
Dallas.....	66	8	116	134	109
Fort Worth.....	37	4	62	127	137
Houston.....	153	21	214	137	141
San Antonio.....	36	13	142	126	126
Total.....	1,764	207	2,443	123%	123%

TABLE 12—Continued

REGION,* STATE,† OR METROPOLITAN AREA	GROUPS WITH LESS THAN 1,000 EMPLOYEES EXPOSED				ALL SIZE GROUPS RATIO A/T‡
	No. Experience Units	Daily Benefit Exposed (000)	Actual Claims (000)	Ratio A/T‡	
Region	80	15	178	133%	138%
Region total	3,614	443	5,257	120%	122%
Southeastern States:					
Alabama	281	26	300	107%	105%
Birmingham	16	1	17§	95§	95§
Total	297	27	317	106%	105%
Florida	586	71	811	107%	116%
Miami	137	13	145	110	123
Tampa-St. Petersburg	18	2	28§	116§	116§
Total	741	86	984	108%	117%
Georgia	611	63	716	102%	99%
Atlanta	129	14	153	110	107
Total	740	77	869	104%	101%
Maryland	361	49	540	99%	100%
Baltimore	102	12	125	97	99
Total	463	61	665	99%	99%
Mississippi	313	33	376	105%	105%
North Carolina	912	120	1,192	98%	99%
South Carolina	276	52	525	100%	101%
Tennessee	270	40	458	104%	104%
Knoxville					
Memphis	42	9	105	115	119
Total	312	49	563	106%	107%
Virginia	859	76	788	101%	109%
Norfolk-Portsmouth	98	12	115	104	104
Total	957	88	903	102%	108%
Region	309	59	567	95%	92%
Region total	5,329	652	6,961	102%	104%
Hawaii	27	6	75	108%	112%
Alaska	14	3	29§	151%§	151%§
Total, states and regions	34,054	4,873	53,881	106%	108%
All other#	2,417	628	6,839	108%	113%

* Groups not coded for a specific state or metropolitan area.

† Groups coded for a specific state but not for a specific metropolitan area.

‡ Ratio of Actual to 1957 Surgical Tabular. Note that these ratios are not expressed as a percentage of the national average. For the distribution of experience in this table, the national average is shown in "Total, all locations."

§ Less than \$50,000 of actual claims.

|| Less than \$50,000 of actual claims and less than ten experience units.

Less than 75 per cent of employees in one region, state, or metropolitan area.

dures performed, provided such distributions result in different average benefits.

Table 13 summarizes the actual to tabular ratios for groupings of surgical cases by size of the experience unit. Plans with standard obstetrical

TABLE 13
EMPLOYEE AND DEPENDENT SURGICAL EXPENSE INSURANCE
ALL SIZE GROUPS, STANDARD OBSTETRICAL BENEFITS ONLY,*
ALL INDUSTRIES, COMBINED EMPLOYEE AND DEPENDENT EXPERIENCE
COMBINED 1965-67 POLICY YEARS' EXPERIENCE, BY SIZE OF EXPERIENCE UNIT

Size	No. Experience Units	Maximum Surgical Indemnity Exposed (000)	Actual Claims (000)	Ratio of Actual to 1957 Surgical Tabular
< 50 lives.....	11,951	\$ 398	\$ 4,735	103%
50-99.....	8,885	716	8,079	105
100-249.....	7,776	1,442	15,508	104
250-499.....	3,172	1,318	14,029	106
500-999.....	1,587	1,365	14,682	108
Total, <1,000.....	33,371	\$5,239	\$57,033	106%
1,000 or more.....	1,103	3,168	34,095	112
Grand total.....	34,474	\$8,407	\$91,128	108%

* 10× obstetrical benefits.

benefits are shown with the employee and dependent experience combined. The results seem to indicate that the actual to tabular ratio for a group increases with the size of the group. Jumbo cases in particular appear to have significantly higher claim levels; the general uniformity of this may be observed by comparing the actual to tabular ratios with and without jumbo cases in Table 12.