

TRANSACTIONS OF SOCIETY OF ACTUARIES 1977 REPORTS

II. GROUP LONG-TERM DISABILITY INSURANCE

ATENTION is directed to the following revisions and additions that have been made in the "Analysis of Rates of Disablement" section of this year's report:

1. The basis on which the actual-to-tabular ratios are determined for Tables 1B, 1C, 4-10, and I and for Exhibit I has been changed. The tabular claims are now derived by applying to the actual exposures for each age and each sex group (i.e., male, female, and unknown) combination the corresponding age-sex disablement rates based on the experience shown in Tables 1A, 2, and 3 for plans with elimination periods of six, three, and twelve months, respectively.
2. Table 1D, which analyzes the number of claims by diagnosis, has been added.
3. Table 5 has been revised to include the subtotal categories "majority hourly" and "majority salaried."
4. The format of Table 5A has been revised. A "number of claims" column has been added to the "all experience units" portion of the table.
5. Table 6A, which analyzes the experience of "hourly" versus "salaried" groups by industry, has been added.
6. Table 6B, which compares the actual-to-tabular ratios shown in Tables 6 and 6A, has been added.

The reader also should note that Tables D-3, D-3A, D-3B, D-3C, D-3D, and D-3E, which analyze the disabled lives experience on plans with a twelve-month elimination period, have been added to the "Analysis of Rates of Termination" section.

The experience included in this report is predominantly that of employer-employee groups located in the United States and is largely for plans that appear not to have been the result of bargaining. Groups that a contributing company considers atypical are excluded. Plans selected for the study provide occupational as well as nonoccupational coverage, but with benefits integrated with workmen's compensation. Virtually all the cases contributed also provide that the gross monthly benefits be integrated with some or all of any social security benefits and frequently with other benefits payable as a result of the disability. Benefits are payable only on claims incurred prior to age 65 and generally cease at age 65.

The Committee recommends that care be used in the interpretation of the results of this study and in their application on other than a broad basis, since a considerable volume of exposure shown in the tables could not be coded with respect to certain characteristics that may influence

the level of rate of disablement or termination. In addition, the experience may not be representative of any particular group or plan.

The early experience years of the studies cover a period relatively free from severe economic disturbances. However, experience of at least two of the more recent years (1971 and 1975) overlaps periods of economic recession.

CONTRIBUTING COMPANIES

Thirteen companies have contributed experience for the investigation covered in this report. The results reflect the composite experience of variations in company practices, administration, and claim procedures, as well as variations in experience among the groups.

Aetna Life and Casualty Company
 Bankers Life Company
 Connecticut General Life Insurance Company
 Continental Assurance Company
 Continental Casualty Company
 Equitable Life Assurance Society
 John Hancock Mutual Life Insurance Company
 Metropolitan Life Insurance Company
 New England Mutual Life Insurance Company
 New York Life Insurance Company
 Provident Life & Accident Insurance Company
 Prudential Insurance Company of America
 Sun Life Assurance Company of Canada

ANALYSIS OF RATES OF DISABLEMENT

Many of the tables appearing in this section, specifically Tables 1B, 1C, 4-10, and I, include a column that shows the "number of experience units." An experience unit represents the experience of a single group for one calendar year. Therefore, for an experience cell that covers more than one calendar year of experience, a group would be included in the count of the number of experience units for the total number of separate calendar years for which experience was submitted. Furthermore, where the number of experience units in a cell is relatively small and no distinction is made by size, the experience for that cell could be influenced substantially by the experience of but a few groups and, as such, may not be representative of all units in that cell.

In analyzing the various tables shown in this section of the report, the reader should note that the claim experience shown may be understated as a result of a lag in the reporting of claims incurred in the latest year

of the study. Historically, the lag on plans with a six-month elimination period has been about 5 percent. However, in this report it appears that the reporting lag on claims incurred in 1974 on plans with a six-month elimination period was about 20 percent (i.e., for claims reported as incurred in 1974 on plans with a six-month elimination period, the number included in the current report is about 20 percent higher than the number included in last year's report). Consequently, the tabular claims, the number of claims, the rates of disablement, and the actual-to-tabular ratios may be distorted for some age and sex cells.

Table 1 is based on the experience of all size groups for the period 1971-75 on plans with a six-month elimination period. Crude rates of disablement based on number of lives are shown by sex and age group. The corresponding experience of nonjumbo groups, defined as groups with less than 5,000 lives insured, is displayed in Table 1A. Experience of the calendar year of issue is excluded from both tables and therefore from all subsequent tables that analyze the underlying experience. About 17 percent of the exposure contributed could not be separated by sex. The first part of each of these two tables summarizes the experience for male, female, and sex-unknown exposure combined. The experience for which exposure was sex-coded is presented in the bottom two sections of each table.

Tables 2 and 3 are similar to Table 1 but are based on the experience of plans with a three-month and a twelve-month elimination period, respectively.

Attention is called to the small number of claims underlying the disablement rate for some of the sex-age cells, especially for plans with three- and twelve-month elimination periods.

The experience is based largely on a "his own occupation" definition of disability generally during the first two years following disablement. For plans with either a three- or a six-month elimination period, however, about 3 percent of the experience is based on an "any occupation" definition for the full period of disability. For plans with a twelve-month elimination period, approximately 7 percent of the experience uses the "any occupation" definition.

Claims were reported and included in rates of disablement, even though, because of the existence of social security or other disability income under plans with an offset provision, no benefit may have been payable.

For the plans with a six-month elimination period, accidents accounted for approximately 9 percent of the claims coded for a known cause of disablement. The corresponding figures for plans with three-month and twelve-month elimination periods are 15 and 8 percent, respectively.

TABLE 1
 GROUP LONG-TERM DISABILITY INSURANCE
 CRUDE RATES OF DISABLEMENT
 PER 1,000 LIVES EXPOSED
 (Six-Month Elimination Period; Calendar
 Year of Issue Excluded)
 Calendar Years of Experience 1971-75
 ALL EXPERIENCE UNITS COMBINED

Attained Age	Life Years Exposed	Number of Claims	Rate of Disablement per 1,000 Lives
All Experience: Males, Females, and Sex Unknown			
Under 40.....	1,744,113	1,591	0.91
40-44.....	418,077	849	2.03
45-49.....	421,547	1,511	3.58
50-54.....	365,311	2,255	6.17
55-59.....	278,661	2,995	10.75
60-64.....	181,869	2,541	13.97
All ages.....	3,409,578	11,742	3.44
Male Experience Only			
Under 40.....	959,315	813	0.85
40-44.....	254,680	449	1.76
45-49.....	253,926	858	3.38
50-54.....	218,504	1,397	6.39
55-59.....	171,523	1,989	11.60
60-64.....	112,055	1,739	15.52
All ages.....	1,970,003	7,245	3.68
Female Experience Only			
Under 40.....	481,270	498	1.03
40-44.....	87,495	260	2.97
45-49.....	95,490	392	4.11
50-54.....	87,480	516	5.90
55-59.....	63,239	567	8.97
60-66.....	41,935	427	10.18
All ages.....	856,909	2,660	3.10

TABLE 1A
 GROUP LONG-TERM DISABILITY INSURANCE
 CRUDE RATES OF DISABLEMENT
 PER 1,000 LIVES EXPOSED
 (Six-Month Elimination Period; Calendar
 Year of Issue Excluded)
 Calendar Years of Experience 1971-75
 NONJUMBO EXPERIENCE UNITS ONLY

Attained Age	Life Years Exposed	Number of Claims	Rate of Disablement per 1,000 Lives
All Experience: Males, Females, and Sex Unknown			
Under 40.....	1,248,357	1,155	0.93
40-44.....	300,720	614	2.04
45-49.....	304,951	1,052	3.45
50-54.....	267,552	1,555	5.81
55-59.....	204,747	2,089	10.20
60-64.....	130,478	1,844	14.13
All ages.....	2,456,805	8,309	3.38
Male Experience Only			
Under 40.....	688,843	584	0.85
40-44.....	181,184	317	1.75
45-49.....	180,228	560	3.11
50-54.....	157,004	894	5.69
55-59.....	121,523	1,313	10.80
60-64.....	77,791	1,186	15.25
All ages.....	1,406,573	4,854	3.45
Female Experience Only			
Under 40.....	297,727	300	1.01
40-44.....	56,183	166	2.95
45-49.....	64,727	252	3.89
50-54.....	60,882	338	5.55
55-59.....	45,418	383	8.43
60-64.....	27,620	309	11.19
All ages.....	552,557	1,748	3.16

Table 1B analyzes by underlying calendar year of experience the crude rates of disablement shown in Tables 1 and 1A, respectively, for all ages and for males, females, and sex-unknown exposures combined. Some portion of the variation in the overall disablement rate from year to year is the result of changes in the distributions of exposed to risk by age groups.

The reader is reminded that the lag in claim reporting tends to under-

TABLE 1B

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF RATES OF DISABLEMENT
BY CALENDAR YEAR OF INCURRAL

(Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages;
Males, Females, and Sex Unknown Combined)
Calendar Years of Experience 1962-75

CALENDAR YEAR OF INCURRAL	NUMBER OF EX PERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS			RATE OF DISABLE- MENT PER 1,000 LIVES	RATE OF ACTUAL CLAIMS TO TABU- LAR CLAIMS*
			Acci- dent	Sick- ness	Total (Incl. Unknown)		
All Experience Units Combined							
1962-65	602	329,341	47	632	858	2.61	82%
1966-70	4,923	1,943,451	499	4,618	6,174	3.18	96
1971	1,688	528,068	202	1,953	2,174	4.12	121%
1972	2,257	628,019	203	1,952	2,164	3.45	101
1973	2,183	722,974	233	2,298	2,534	3.50	104
1974	2,177	731,467	194	2,364	2,568	3.51	103
1975	2,089	799,050	194	2,067	2,302	2.88	89
1971-75	10,394	3,409,578	1,026	10,634	11,742	3.44	103%
Nonjumbo Experience Units Only							
1962-65	588	144,381	13	236	298	2.06	63%
1966-70	4,853	1,258,362	315	2,717	3,763	2.99	87
1971	1,675	417,912	173	1,447	1,630	3.90	114%
1972	2,239	456,834	156	1,331	1,495	3.27	95
1973	2,159	497,123	160	1,523	1,685	3.39	101
1974	2,157	538,335	146	1,719	1,875	3.48	104
1975	2,067	546,601	139	1,473	1,624	2.97	89
1971-75	10,297	2,456,805	774	7,493	8,309	3.38	100%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

state the claim experience shown in the various tables presented in this report. In particular, if past reporting lag is any indication of the extent of claim underreporting, the figures in Table 1B of claims reported as incurred for the most recent calendar year, 1975, may be understated from 5 to 20 percent.

Table 1B also shows ratios of actual claims to tabular claims. The tabular claims for each year were obtained by applying the rates of dis-

TABLE 1B-1

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF RATES OF DISABLEMENT
BY CALENDAR YEAR OF INCURREAL

(Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages;
Males, Females, and Sex Unknown Combined)
Calendar Years of Experience 1962-75

CALENDAR YEAR OF INCURREAL	NUMBER OF EXPERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS			RATE OF DISABLEMENT PER 1,000 LIVES	RATIO OF ACTUAL CLAIMS TO TABULAR CLAIMS*
			Accident	Sickness	Total (Incl. Unknown)		
All Experience Units Combined							
1962-65.....	602	329,341	47	632	858	2.61	85%
1966-70.....	4,923	1,943,451	499	4,618	6,174	3.18	98
1971.....	1,688	528,068	202	1,953	2,174	4.12	121%
1972.....	2,257	628,019	203	1,952	2,164	3.45	101
1973.....	2,183	722,974	233	2,298	2,534	3.50	103
1974.....	2,177	731,467	194	2,364	2,568	3.51	103
1975.....	2,089	799,050	194	2,067	2,302	2.88	89
1971-75..	10,394	3,409,578	1,026	10,634	11,742	3.44	102%
Nonjumbo Experience Units Only							
1962-65.....	588	144,381	13	236	298	2.06	65%
1966-70.....	4,853	1,258,362	315	2,717	3,763	2.99	89
1971.....	1,675	417,912	173	1,447	1,630	3.90	114%
1972.....	2,239	456,834	156	1,331	1,495	3.27	95
1973.....	2,159	497,123	160	1,523	1,685	3.39	101
1974.....	2,157	538,335	146	1,719	1,875	3.48	104
1975.....	2,067	546,601	139	1,473	1,624	2.97	89
1971-75..	10,297	2,456,805	774	7,493	8,309	3.38	100%

*Tabular claims were calculated by applying to the actual age-group exposures the crude rates of disablement shown in Table 1A for males, females, and sex unknown combined.

TABLE 1C
 GROUP LONG-TERM DISABILITY INSURANCE
 RATES OF DISABLEMENT AND RATIOS OF ACTUAL CLAIMS TO TABULAR CLAIMS, BY SIZE OF EXPERIENCE UNIT EXPOSED
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75
 ALL EXPERIENCE UNITS COMBINED

SIZE OF UNIT	NUMBER OF EXPERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS	RATE OF DISABLEMENT PER 1,000 LIVES	AVERAGE A/T RATIO*	NUMBER OF EXPERIENCE UNITS BY RATIO OF ACTUAL TO TABULAR CLAIMS*							
						0%	1-50%	50-75%	75-100%	100-150%	150-200%	200-500%	500% or More
Under 25 lives.....	1,783	23,063	66	2.86	83%	1,726	0	0	0	0	0	0	57
25-49.....	2,012	74,353	235	3.16	84	1,812	0	0	0	0	0	38	162
50-99.....	2,322	163,427	538	3.29	93	1,894	0	0	0	0	10	270	148
100-249.....	2,181	335,794	1,258	3.75	108	1,426	0	2	20	129	129	381	94
250-499.....	919	319,347	980	3.07	90	410	11	85	87	118	67	127	14
500-999.....	527	363,140	1,289	3.55	108	116	61	76	56	77	52	82	7
1,000-2,499.....	400	642,884	2,169	3.37	104	53	71	62	46	68	45	53	2
2,500-4,999.....	153	534,797	1,774	3.32	97	11	34	15	30	32	18	13	0
Under 5,000.....	10,297	2,456,805	8,309	3.38	100%	7,448	177	240	239	424	321	964	484
5,000 or more.....	97	952,773	3,433	3.60	109%	2	13	11	15	30	17	9	0
Total.....	10,394	3,409,578	11,742	3.44	103%	7,450	190	251	254	454	338	973	484

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 1D
 GROUP LONG-TERM DISABILITY INSURANCE
 DISTRIBUTION OF NUMBER OF CLAIMS BY DIAGNOSIS
 (Six-Month Elimination Period; Calendar Year of Issue Excluded)
 Calendar Years of Experience 1962-75
 ALL EXPERIENCE UNITS COMBINED

DIAGNOSIS	MALE								FEMALE								MALE AND FEMALE COMBINED							
	Under 30	30-39	40-44	45-49	50-54	55-59	60-64	All Ages	Under 30	30-39	40-44	45-49	50-54	55-59	60-64	All Ages	Under 30	30-39	40-44	45-49	50-54	55-59	60-64	All Ages
Infective and parasitic diseases:																								
Number	4	6	10	7	14	9	8	58	4	1	0	2	2	3	14	8	7	10	9	16	11	11	72	
Percent	1	1	1	0	1	0	0	0	1	0	0	0	0	0	0	1	0	1	0	0	0	0	0	
Malignant neoplasms (cancer):																								
Number	20	51	48	121	185	275	230	930	12	39	42	86	113	126	74	492	32	90	90	207	298	401	304	1,422
Percent	3	5	5	7	7	8	7	7	3	7	7	11	12	12	10	10	3	6	6	8	9	9	8	8
Benign and unspecified neoplasms:																								
Number	4	6	11	13	12	14	10	70	4	8	9	9	6	14	4	54	8	14	20	22	18	28	14	124
Percent	1	1	1	1	0	0	0	1	1	1	2	1	1	1	1	1	1	1	1	1	1	1	0	0
Allergic, endocrine-system, metabolic, and nutritional diseases:																								
Number	7	18	13	28	42	68	64	240	9	3	5	14	18	19	17	85	16	21	18	42	60	87	81	325
Percent	1	2	1	2	2	2	2	2	3	1	1	2	2	2	2	2	2	2	1	2	2	2	2	2
Diseases of the blood and blood-forming organs:																								
Number	9	13	18	28	40	55	57	220	8	7	12	12	18	20	12	89	17	20	30	40	58	75	69	309
Percent	2	1	2	2	2	2	2	2	2	1	2	2	2	2	2	2	2	1	2	2	2	2	2	2
Mental, psychoneurotic, and personality disorders:																								
Number	37	66	55	90	107	107	87	549	38	64	59	63	70	33	26	353	75	130	114	153	177	140	113	902
Percent	6	6	6	5	4	3	3	4	11	11	10	8	7	3	3	7	8	8	7	6	5	3	3	5
Diseases of the nervous system and sense organs:																								
Number	44	96	77	124	184	243	210	978	34	44	48	64	73	80	49	392	78	140	125	188	257	323	259	1,370
Percent	8	9	8	7	7	7	6	7	9	8	8	8	8	8	7	8	8	9	8	7	7	7	6	7
Diseases of the circulatory system:																								
Number	19	145	267	547	925	1,469	1,429	4,801	16	55	73	141	217	297	245	1,044	35	200	340	688	1,142	1,766	1,674	5,845
Percent	3	15	29	33	37	40	44	35	4	9	13	18	22	28	32	21	4	12	22	27	32	37	42	30

TABLE 1D—Continued

DIAGNOSIS	MALE								FEMALE								MALE AND FEMALE COMBINED								
	Under 30	30-39	40-44	45-49	50-54	55-59	60-64	All Ages	Under 30	30-39	40-44	45-49	50-54	55-59	60-64	All Ages	Under 30	30-39	40-44	45-49	50-54	55-59	60-64	All Ages	
Diseases of the respiratory system:																									
Number	12	35	32	98	176	346	305	1,004	12	29	28	31	35	39	49	223	24	64	60	129	211	385	354	1,227	
Percent	2	3	3	6	7	10	9	7	3	5	5	4	4	4	7	4	3	4	4	5	6	8	9	7	
Diseases of the digestive system:																									
Number	5	43	31	56	62	92	95	384	16	33	27	31	32	34	21	194	21	76	58	87	94	126	116	578	
Percent	1	4	3	3	2	3	3	2	4	6	5	4	3	3	3	4	2	5	4	3	3	3	3	3	
Diseases of the genitourinary system:																									
Number	19	14	19	23	32	43	34	184	8	22	21	17	13	16	13	110	27	36	40	40	45	59	47	294	
Percent	3	1	2	1	1	1	1	1	2	4	4	2	1	2	2	2	3	2	3	2	1	1	1	2	
Diseases of the skin and cellular tissue:																									
Number	10	10	11	17	15	21	17	101	8	15	4	10	9	12	7	65	18	25	15	27	24	33	24	166	
Percent	2	1	1	1	1	0	1	1	2	3	1	1	1	1	1	1	2	2	1	1	1	1	1	1	
Diseases of the bones and organs of movement:																									
Number	89	189	148	223	321	376	369	1,715	55	102	99	144	147	163	124	834	144	291	247	367	468	539	493	2,549	
Percent	15	20	15	13	13	10	11	13	16	17	17	18	15	16	16	16	15	18	16	15	13	11	12	14	
Congenital malformations:																									
Number	1	3	0	2	8	4	3	21	1	1	1	1	3	1	1	9	2	4	1	3	11	5	4	30	
Percent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Senility and ill-defined conditions:																									
Number	18	24	15	37	51	65	57	267	26	30	25	32	46	28	18	205	44	54	40	69	97	93	75	472	
Percent	3	2	2	2	2	2	2	2	7	5	4	4	5	3	2	4	5	3	3	3	3	2	2	3	
Accidents, poisoning, and violence:																									
Number	236	215	109	154	142	147	93	1,096	91	78	58	64	86	58	41	476	327	293	167	218	228	205	134	1,572	
Percent	41	21	11	9	6	4	3	8	26	13	11	8	9	6	5	9	34	19	11	9	7	4	3	8	
Un determined:																									
Number	45	82	91	144	211	302	211	1,086	21	55	56	74	80	96	49	431	66	137	147	218	291	398	260	1,517	
Percent	8	8	10	8	8	8	6	8	6	9	10	9	8	9	7	9	7	9	10	9	8	9	6	8	
Total																									
Number	579	1,016	955	1,712	2,527	3,636	3,279	13,704	363	586	567	795	968	1,038	753	5,070	942	1,602	1,522	2,507	3,495	4,674	4,032	18,774	
Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	

TABLE 2
 GROUP LONG-TERM DISABILITY INSURANCE
 CRUDE RATES OF DISABLEMENT
 PER 1,000 LIVES EXPOSED
 (Three-Month Elimination Period; Calendar
 Year of Issue Excluded)
 Calendar Years of Experience 1971-75
 ALL EXPERIENCE UNITS COMBINED

Attained Age	Life Years Exposed	Number of Claims	Rate of Disablement per 1,000 Lives
All Experience: Males, Females, and Sex Unknown			
Under 40	473,830	909	1.92
40-44	101,221	415	4.10
45-49	96,167	603	6.27
50-54	80,529	762	9.46
55-59	60,820	883	14.52
60-64	38,407	787	20.49
All ages	850,974	4,359	5.12
Male Experience Only			
Under 40	223,423	417	1.87
40-44	52,166	197	3.78
45-49	47,761	268	5.61
50-54	40,368	382	9.46
55-59	31,184	502	16.10
60-64	20,446	469	22.94
All ages	415,348	2,235	5.38
Female Experience Only			
Under 40	98,053	213	2.17
40-44	16,843	113	6.71
45-49	17,369	136	7.83
50-54	15,994	148	9.25
55-59	11,442	153	13.37
60-64	7,222	112	15.51
All ages	166,923	875	5.24

TABLE 3
 GROUP LONG-TERM DISABILITY INSURANCE
 CRUDE RATES OF DISABLEMENT
 PER 1,000 LIVES EXPOSED
 (Twelve-Month Elimination Period; Calendar
 Year of Issue Excluded)
 Calendar Years of Experience 1971-75
 ALL EXPERIENCE UNITS COMBINED

Attained Age	Life Years Exposed	Number of Claims	Rate of Disablement per 1,000 Lives
All Experience: Males, Females, and Sex Unknown			
Under 40	143,954	72	0.50
40-44	30,192	40	1.32
45-49	32,638	89	2.73
50-54	29,563	150	5.07
55-59	23,366	208	8.90
60-64	12,449	119	9.56
All ages	272,162	678	2.49
Male Experience Only			
Under 40	87,475	45	0.51
40-44	19,008	23	1.21
45-49	20,583	58	2.82
50-54	18,375	91	4.95
55-59	14,898	139	9.33
60-64	8,555	94	10.99
All ages	168,894	450	2.66
Female Experience Only			
Under 40	22,281	19	0.85
40-44	4,987	6	1.20
45-49	6,132	14	2.28
50-54	6,375	35	5.49
55-59	5,444	37	6.80
60-64	2,152	9	4.18
All ages	47,371	120	2.53

ablement of nonjumbo size groups from Table 1A by sex category to the actual exposures for each age-sex group. The tabulars, therefore, only adjust for age and sex. No adjustments are made for any other factors that might influence disablement rates.

The reader is reminded that the basis (described previously) under which the ratios of actual claims to tabular claims were determined has been changed from previous years. Table 1B-1, with the tabular claims determined as in previous years (i.e., age-disablement rates based on the experience of all sex categories combined), has been included in this report for the reader's convenience in analyzing the impact of this change.

Table 1B also gives some indication of the adverse impact of the 1970-71 recession on disablement rates. Both the rate of disablement and the ratios of actual to tabular for the year 1971 are significantly higher than the levels for prior years. Table 1B also indicates that the effect of the 1970-71 recession was limited and that disablement rates in 1972-75 appear to have retreated to prerecession levels.

Table 1C subdivides the Table 1 experience for all ages and for males, females, and sex-unknown exposures combined, by size of experience unit. Note that experience units of less than 100 lives accounted for over 58 percent of the total number of units. This explains the large number of units (over 71 percent of the total) that experienced no claims. This table shows that the rate of disablement and the actual-to-tabular ratios tend to increase with the size of the group—a phenomenon that is consistent with the results of prior years.

Table 1C also includes a dispersion-type analysis of ratios of actual claims to tabular claims. As in Table 1B, the tabulars adjust only for age and sex. However, because the experience is not adjusted for other characteristics that might have a measurable impact on the rate of disablement, such as differences among contributing companies in underwriting and claims administration practices, the extent to which employers use the long-term disability plan as an early retirement vehicle, the proportions of salaried and hourly employees, the extent of employer financial participation, the type of industry, the relationship of the amount of benefit payable under the plan to take-home pay, and so on, the reader should use caution in interpreting the results.

To allow analysis of the relative disablement rates by cause of disability, the contributing companies were asked to code the cause of disability, where available, on the individual claim cards submitted for the study. These data have been analyzed and the results are summarized in Table 1D for those claims included in the active lives study for plans with a six-month elimination period. The results shown are for each sex

and both sexes combined. The number and percentage distribution by cause of disability of the coded claims is shown for the various age groups. The number of claims in each cell is shown to indicate the relative weights of the results.

Table 4 shows exposures, claims, and rates of disablement by size of group for plans with either a three- or a twelve-month elimination period. Tabulars used for each elimination period in this table are based on the experience of all size groups displayed in Tables 2 and 3.

The respective experiences underlying Tables 1 and 1A have been analyzed by employee class, industry, contributory status, and plan provisions with respect to preexisting conditions, indirect integration (whereby the long-term disability benefit may be reduced when the total income from all specified sources, including the long-term disability benefit, exceeds a specified percentage of salary), and rehabilitation. The respective results are displayed in Tables 5-10.

In examining Tables 5-10, it should be noted that many of the variables analyzed may be interrelated. This is especially true in Table 6, where the results shown in the various cells may be influenced heavily by the level of hourly versus salaried employees.

The portion of the Table 5 experience under units with at least a 75 percent salaried employees composition, the majority of whom were not executives (i.e., Code 2), was analyzed further to investigate the effect that appears to be exerted on disablement rates by such variables as (a) the relationship between the long-term disability benefit (before integration with other income sources) and salary at time of disablement, (b) the plan's integration provision, and (c) the extent to which a disability income is provided under employer-sponsored plans prior to qualification for long-term disability benefits. The several classifications are somewhat broad. The various parameters may not be mutually exclusive. The respective subanalyses are shown in Table 5A, separately for nonjumbo and for all experience units. It should be noted that the tabulars and the actual-to-tabular ratios are consistent with those in Table 5 for Employee Code 2.

The portions of the Table 6 experience under units with "the majority salaried" and "the majority hourly" as defined in Table 5 were analyzed to investigate the effect that employee class has on the disablement rates by industry classification. The respective subanalyses are shown in Table 6A, separately for nonjumbo and for all experience units combined. It should be noted that the tabulars and the actual-to-tabular ratios are consistent with those shown in Tables 5 and 6.

The actual-to-tabular ratios shown by industry in Tables 6 and 6A have

TABLE 4
 GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF RATES OF DISABLEMENT BY SIZE OF EXPERIENCE UNIT EXPOSED
 (Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75
 ALL EXPERIENCE UNITS COMBINED

SIZE OF UNIT	THREE-MONTH ELIMINATION PERIOD PLANS					TWELVE-MONTH ELIMINATION PERIOD PLANS				
	Number of Experience Units	Life Years Exposed	Number of Claims	Rate of Disablement per 1,000 Lives	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Rate of Disablement per 1,000 Lives	Ratio of Actual Claims to Tabular Claims†
Under 25 lives	2,034	25,340	140	5.52	106%	16	177	1	5.65	193%
25-49	2,013	73,053	366	5.01	92	83	3,123	6	1.92	69
50-99	1,750	120,503	628	5.21	97	104	7,407	13	1.76	64
100-249	1,010	150,182	753	5.01	99	113	18,620	57	3.06	108
250-499	334	116,926	586	5.01	97	59	21,537	57	2.65	96
500-999	230	159,473	846	5.30	105	65	46,092	132	2.86	92
1,000-2,499	83	122,146	651	5.33	112	29	42,952	148	3.45	110
2,500-4,999	15	56,683	222	3.92	79	21	73,558	183	2.49	115
Under 5,000	7,469	824,306	4,192	5.09	100%	490	213,466	597	2.80	103%
5,000 or more	5	26,668	167	6.26	109%	8	58,696	81	1.38	83%
Total	7,474	850,974	4,359	5.12	100%	498	272,162	678	2.49	100%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 2.

† Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 3.

TABLE 5
 GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY EMPLOYEE CLASS
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

EMPLOYEE CODE	EMPLOYEE CLASS	TABLE 1A EXPERIENCE--NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE--ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
1	At least 75% salaried, majority executive	534	140,104	550	112%	541	193,370	648	99%
2	At least 75% salaried, majority nonexecutive	4,963	1,277,380	3,830	90	5,029	1,907,531	5,894	95
3	50-75% salaried	195	40,490	203	146	202	136,770	504	109
7	At least 50% salaried (exact percentage unknown)	76	12,484	27	53	76	12,484	27	53
	Subtotal (majority salaried)	5,768	1,470,458	4,610	93%	5,848	2,250,155	7,073	96%
6	At least 50% hourly (exact percentage unknown)	1,299	286,050	1,008	105	1,305	371,554	1,224	100%
4	50-75% hourly	389	127,585	568	122	389	127,585	568	122
5	At least 75% hourly	304	102,027	604	162	312	156,075	1,155	165
	Subtotal (majority hourly)	1,992	515,662	2,180	122%	2,006	655,214	2,947	123%
9	Indeterminate	2,537	470,685	1,519	97%	2,540	504,209	1,722	104%
	Total	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	103%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 5-1

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY EMPLOYEE CLASS

(Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
Calendar Years of Experience 1971-75

EMPLOYEE CODE	EMPLOYEE CLASS	TABLE 1A EXPERIENCE--NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE--ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
1.....	At least 75% salaried, majority executive	534	140,104	550	113%	541	193,370	648	100%
2.....	At least 75% salaried, majority nonexecutive	4,963	1,277,380	3,830	89	5,029	1,907,531	5,894	94
3.....	50-75% salaried	195	40,490	203	146	202	136,770	504	108
7.....	At least 50% salaried (exact percentage unknown)	76	12,484	27	53	76	12,484	27	53
	Subtotal	5,768	1,470,458	4,610	93%	5,848	2,250,155	7,073	95%
6.....	At least 50% hourly (exact percentage unknown)	1,299	286,050	1,008	104	1,305	371,554	1,224	100%
4.....	50-75% hourly	389	127,585	568	121	389	127,585	568	121
5.....	At least 75% hourly	304	102,027	604	164	312	156,075	1,155	163
	Subtotal	1,992	515,662	2,180	121%	2,006	655,214	2,947	123%
9.....	Indeterminate	2,537	470,685	1,519	99%	2,540	504,209	1,722	106%
	Total.....	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	102%

* Tabular claims were calculated by applying to the actual age-group exposures the crude rates of disablement shown in Table 1A for males, females, and sex unknown combined.

TABLE 5A
 GROUP LONG-TERM DISABILITY INSURANCE
 SUPPLEMENTAL ANALYSIS OF TABLE 5 EXPERIENCE FOR EMPLOYEE CLASS CODE 2
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

	NONJUMBO EXPERIENCE UNITS ONLY				ALL EXPERIENCE UNITS		
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of A/T Claims*	Life Years Exposed	Number of Claims	Ratio of A/T Claims*
I. Relationship between Long-Term Disability Benefit and Salary							
<i>Ratio of gross benefit (before reduction for integration) to salary:</i>							
Always less than 50%.....	107	18,415	29	42%	18,415	29	42%
Generally less than 50%.....	82	4,188	11	81	4,188	11	81
Subtotal (less than 50%).....	189	22,603	40	48%	22,603	40	48%
50% (exactly or approximately).....	1,326	493,254	1,312	77%	719,057	2,145	87%
Always more than 50%, exact % unknown.....	101	63,060	294	122%	101,226	512	131%
Generally more than 50%, exact % unknown.....	310	25,729	51	65	65,108	274	120
More than 50%, but less than or equal to 60%.....	2,312	538,258	1,774	99	791,028	2,370	95
More than 60%, but less than or equal to 70%.....	361	95,331	267	106	158,934	397	101
More than 70%.....	11	5,183	18	113	5,183	18	113
Subtotal (greater than 50%).....	3,095	727,561	2,404	101%	1,121,479	3,571	101%
Other, including not determinable.....	353	33,962	74	62%	44,392	138	89%
Total salaried, nonexecutive.....	4,963	1,277,380	3,830	90%	1,907,531	5,894	95%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 5A--Continued

	NONJUMBO EXPERIENCE UNITS ONLY				ALL EXPERIENCE UNITS		
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of A/T Claims*	Life Years Exposed	Number of Claims	Ratio of A/T Claims*
II. Analysis by Plan Integration Provision							
<i>Other income sources included in plan integration provision:</i>							
Nonintegrated.....	1,328	267,970	827	99%	675,790	2,214	106%
Social security primary benefit only or in combination with income from other sources.....	553	245,032	791	88	291,059	1,014	96
Social security primary and family benefit only or in combination with income from other sources.....	2,929	734,418	2,107	87	910,722	2,561	86
Other integration bases.....	153	29,960	105	96	29,960	105	96
Total salaried, nonexecutive.....	4,963	1,277,380	3,830	90%	1,907,531	5,894	95%
III. Extent to Which a Disability Income Is Provided during Elimination Period							
<i>Disability income benefit provided during the elimination period:</i>							
Full salary.....	107	51,216	224	126%	187,247	630	120%
Less than full salary but generally more than 50%.....	952	268,036	854	92	446,112	1,481	101
Generally less than 50% of salary.....	217	12,734	33	61	12,734	33	61
None.....	498	97,048	253	86	97,048	253	86
Noncodable or unknown.....	3,189	848,346	2,466	87	1,164,390	3,497	90
Total salaried, nonexecutive.....	4,963	1,277,380	3,830	90%	1,907,531	5,894	95%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 6
 GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY INDUSTRY
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

INDUSTRY CODE(S)	INDUSTRY	TABLE 1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE—ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
01-09.....	Agriculture, forestry, and fisheries	47	21,667	88	116%	49	36,833	257	193%
10-14.....	Mining	194	62,871	376	166	194	62,871	376	166
15-17.....	Contract construction	289	78,608	344	119	289	78,608	344	119
19-39.....	Manufacturing	3,913	1,042,224	3,868	106	3,965	1,462,470	6,000	116
40-49.....	Transportation, communication, electric, gas, and sanitary services	547	164,127	589	108	549	184,572	736	121
50-59.....	Wholesale and retail trade	1,617	218,392	779	104	1,623	265,482	900	101
60-67.....	Finance, insurance, and real estate	1,396	401,819	1,000	82	1,410	608,791	1,405	82
70-89.....	Services	1,982	389,543	1,019	80	2,001	607,133	1,469	71
91-94.....	Government	136	33,438	138	111	136	33,438	138	111
	All other classifiable	91	34,925	82	78	93	60,189	91	48
99.....	Nonclassifiable	85	9,191	26	92	85	9,191	26	92
	Total.....	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	103%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 6-1

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY INDUSTRY

(Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
Calendar Years of Experience 1971-75

INDUSTRY CODE(S)	INDUSTRY	TABLE 1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE—ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
01-09.....	Agriculture, forestry, and fisheries	47	21,667	88	115%	49	36,833	257	191%
10-14.....	Mining	194	62,871	376	167	194	62,871	376	167
15-17.....	Contract construction	289	78,608	344	120	289	78,608	344	120
19-39.....	Manufacturing	3,913	1,042,224	3,868	105	3,965	1,462,470	6,000	116
40-49.....	Transportation, communication, electric, gas, and sanitary services	547	164,127	589	108	549	184,572	736	121
50-59.....	Wholesale and retail trade	1,617	218,392	779	104	1,623	265,482	900	101
60-67.....	Finance, insurance, and real estate	1,396	401,819	1,000	82	1,410	608,791	1,405	82
70-89.....	Services	1,982	389,543	1,019	79	2,001	607,133	1,469	70
91-94.....	Government	136	33,438	138	110	136	33,438	138	110
	All other classifiable	91	34,925	82	82	93	60,189	91	51
99.....	Nonclassifiable	85	9,191	26	97	85	9,191	26	97
	Total.....	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	102%

* Tabular claims were calculated by applying to the actual age-group exposures the crude rates of disablement shown in Table 1A for males, females, and sex unknown combined.

TABLE 6A
 GROUP LONG-TERM DISABILITY INSURANCE
 SUPPLEMENTAL ANALYSIS OF EXPERIENCE BY INDUSTRY
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

I. GROUPS CONTAINING A MAJORITY OF HOURLY EMPLOYEES

INDUSTRY CODE(S)	INDUSTRY	NONJUMBO UNITS ONLY				ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
01-09.....	Agriculture, forestry, and fisheries	7	10,480	55	160%	7	10,480	55	160%
10-14.....	Mining	81	30,750	232	195	81	30,750	232	195
15-17.....	Contract construction	61	19,421	92	149	61	19,421	92	149
19-39.....	Manufacturing	838	231,719	1,102	133	843	269,121	1,640	164
40-49.....	Transportation, communication, electric, gas, and sanitary services	150	65,538	214	94	152	85,983	361	125
50-59.....	Wholesale and retail trade	322	54,345	160	89	323	61,001	169	85
60-67.....	Finance, insurance, and real estate	200	40,755	91	75	200	40,755	91	75
70-89.....	Services	277	50,726	163	91	283	125,775	236	45
91-94.....	Government	44	10,445	64	162	44	10,445	64	162
	All other classifiable	8	956	5	135	8	956	5	135
99.....	Nonclassifiable	4	527	2	138	4	527	2	138
	Total.....	1,992	515,662	2,180	122%	2,006	655,214	2,947	123%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 6A—Continued

II. GROUPS CONTAINING A MAJORITY OF SALARIED EMPLOYEES

INDUSTRY CODE(S)	INDUSTRY	NONJUMBO UNITS ONLY				ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
229 01-09	Agriculture, forestry, and fisheries	22	9,682	30	87%	22	9,682	30	87%
10-14	Mining	107	30,289	139	134	107	30,289	139	134
15-17	Contract construction	172	22,571	94	107	172	22,571	94	107
19-39	Manufacturing	2,368	665,205	2,291	98	2,415	1,048,049	3,885	106
40-49	Transportation, communication, electric, gas, and sanitary services	301	76,162	327	134	301	76,162	327	134
50-59	Wholesale and retail trade	948	111,642	398	99	953	152,076	510	97
60-67	Finance, insurance, and real estate	691	242,037	571	77	704	430,651	942	79
70-89	Services	1,024	264,744	625	73	1,037	407,285	1,002	76
91-94	Government	77	21,506	69	86	77	21,506	69	86
	All other classifiable	58	26,620	66	85	60	51,884	75	47
99	Nonclassifiable	0	0	0	0	0	0	0	0
	Total	5,768	1,470,458	4,610	93%	5,848	2,250,155	7,073	96%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 6B
GROUP LONG-TERM DISABILITY INSURANCE
COMPARISON OF TABLES 6 AND 6A EXPERIENCE BY EMPLOYEE CLASS
RATIO OF ACTUAL CLAIMS TO TABULAR CLAIMS*
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

INDUSTRY CODE(S)	INDUSTRY	TABLE 1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE—ALL UNITS			
		All	Majority Salaried	Majority Hourly	Indeterminate	All	Majority Salaried	Majority Hourly	Indeterminate
01-09	Agriculture, forestry, and fisheries	116%	87%	160%	44%	193%	87%	160%	267%
10-14	Mining	166	134	195	123	166	134	195	123
15-17	Contract construction	119	107	149	113	119	107	149	113
19-39	Manufacturing	106	98	133	94	116	106	164	94
40-49	Transportation, communication, electric, gas, and sanitary services	108	134	94	64	121	134	125	64
50-59	Wholesale and retail trade	104	99	89	132	101	97	85	132
60-67	Finance, insurance, and real estate	82	77	75	93	82	79	75	92
70-89	Services	80	73	91	95	71	76	45	95
91-94	Government	111	86	162	99	111	86	162	99
	All other classifiable	78	85	135	46	48	47	135	46
99	Nonclassifiable	92	0	138	89	92	0	138	89
	Total	100%	93%	122%	97%	103%	96%	123%	104%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 7
 GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY CONTRIBUTORY STATUS
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

CONTRIBUTORY STATUS	TABLE 1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE—ALL UNITS			
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
Employee-pay-all.....	865	301,097	1,099	105%	889	534,308	1,820	108%
Employer-pay-all.....	5,257	921,831	3,123	101	5,279	1,184,925	3,774	97
Contributory, employer and employee share cost.....	2,926	765,664	2,848	108	2,966	1,119,621	4,466	115
Unknown.....	1,249	468,213	1,239	80	1,260	570,724	1,682	84
Total.....	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	103%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 8
 GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY PREEXISTING CONDITION PROVISION
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

	TABLE 1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE—ALL UNITS			
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
Preexisting conditions are not covered	6,222	801,667	2,680	98%	6,256	1,171,690	3,948	97%
Preexisting conditions are covered	4,075	1,655,138	5,629	103	4,138	2,237,888	7,794	105
Total	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	103%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 9

GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY PLAN INDIRECT INTEGRATION PROVISION
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

	TABLE 1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE—ALL UNITS			
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
No indirect integration.....	6,505	1,489,311	4,848	96%	6,544	1,887,846	5,980	93%
Indirect integration—nonduplication level:								
Less than 50%.....	24	14,439	33	67	24	14,439	33	67
50-59%.....	281	124,078	354	81	291	230,669	654	94
60-69%.....	1,146	331,860	1,193	106	1,180	645,919	2,300	104
70-79%.....	2,164	429,844	1,610	110	2,178	563,432	2,504	130
80-89%.....	131	44,237	110	88	131	44,237	110	88
Greater than 89%.....	12	2,404	9	155	12	2,404	9	155
Integrated but noncodable.....	34	20,632	152	294	34	20,632	152	294
Total.....	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	103%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

TABLE 10
 GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES 1 AND 1A EXPERIENCE BY PLAN REHABILITATION PROVISION
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75

	TABLE 1A EXPERIENCE--NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE--ALL UNITS			
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
Rehabilitation provision included.....	7,826	1,673,889	5,772	101%	7,882	2,229,245	7,246	99%
Rehabilitation provision not included..	2,471	782,916	2,537	97	2,512	1,180,333	4,496	109
Total	10,297	2,456,805	8,309	100%	10,394	3,409,578	11,742	103%

* Tabular claims were calculated by applying to the actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

been compared separately for nonjumbo and for all experience units combined. The results are shown in Table 6B.

As mentioned previously, the basis under which the ratios of actual claims to tabular claims were determined has been changed from previous years. Tables 5-1 and 6-1, with the tabular claims determined as in previous years, have been included in this report so that the reader may analyze the impact of this change on Tables 5 and 6.

Table I examines the interrelationships among various parameters whose effect on disablement rates may not be mutually exclusive. The analysis was based on the experience of those nonjumbo units, all employee classes combined, that have plans that provide for the direct integration of the long-term disability benefit with either the total primary and family benefits payable under social security or with such social security benefits plus income from other sources. The parameters selected for study were (a) the disability income provided by employer-sponsored, short-term plans during the elimination period, (b) the proportion of salary represented by the long-term disability benefit (before integration), and (c) the point at which the long-term disability benefit is reduced, if at all, when total income from all sources exceeds a certain percentage of salary (i.e., nonduplication level), or otherwise.

The respective Table 1A, Table 2, and Table 3 experiences, each of which is a composite of all companies, were examined according to contributing company to determine the variances among companies. The findings along with the relative exposure are displayed in Exhibit I in the form of actual-to-tabular ratios. In comparing the differences between the companies, one should be reminded of the caveats noted throughout this report.

ANALYSIS OF RATES OF DETERMINATION

Table D-1 shows, for plans with a six-month elimination period, the crude rates of termination from death or recovery based on number of lives, by sex and age groups, for the period 1962-75. Because of the small number of terminations at the later durations, the experience has been truncated at the end of eight years of disablement. It should be noted that the termination rates for the first year of disablement relate to the six-month period following the end of the elimination period. There were 39,593 claims exposed to termination, of which 11,742 originated from the 1971-75 and 7,032 from the 1962-70 active lives experience (all experience units combined), with the balance from experience units that were not included in the study of rates of disablement. For plans with a six-month elimination period, the Committee did a sub-

TABLE 1
EXPERIENCE UNDER PLANS WHERE LTD BENEFIT IS DIRECTLY
INTEGRATED WITH SOCIAL SECURITY
PRIMARY AND FAMILY BENEFITS
ONLY OR IN COMBINATION WITH OTHER INCOME SOURCES
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1971-75
 NONJUMBO ALL EMPLOYEE CLASSES

Indirect Integration Classification	Relationship between LTD Benefit and Salary	Relationship between Disability Income Provided during Elimination Period and Salary	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
None or a nonduplication level less than 60%	50% or less	50% or less	1,025	330,559	918	82%
		Greater than 50%	149	49,325	124	71
		Subtotal	1,174	379,884	1,042	80%
	Greater than 50%	50% or less	4,316	800,694	2,673	99%
		Greater than 50%	427	115,097	422	109
	Subtotal	4,743	915,791	3,095	100%	
	Subtotal		5,917	1,295,675	4,137	94%
Nonduplication level greater than or equal to 60%	50% or less	50% or less	128	41,708	172	120%
		Greater than 50%	42	18,645	167	240
		Subtotal	170	60,353	339	159%
	Greater than 50%	50% or less	454	53,837	207	114%
		Greater than 50%	557	133,767	424	96
	Subtotal	1,011	187,604	631	101%	
	Subtotal		1,181	247,957	970	116%
Total			7,098	1,543,632	5,107	98%

* Tabular claims were calculated by applying to actual age-sex-group exposures the crude rates of disablement shown in Table 1A.

analysis of the termination rates of only the claims that were included in the rates of disablement study. Termination rates for these claims were found to be generally from 10 to 15 percent higher than those shown in Table D-1.

The actual number of claims that terminated by death or recovery is shown in Table D-1A. Ratios of the actual terminations to the number of terminations that would have been produced by application of termination rates from the 1964 Commissioners Disability Table (CDT) to

EXHIBIT I

ANALYSIS OF THE EXPERIENCE OF TABLE 1A (SIX-MONTH, NONJUMBO), TABLE 2 (THREE-MONTH, ALL EXPERIENCE), AND TABLE 3 (TWELVE-MONTH, ALL EXPERIENCE) BY CONTRIBUTING COMPANY

COMPANY	TABLE 1A		TABLE 2		TABLE 3	
	% of Total Exposure	Ratio A/T	% of Total Exposure	Ratio A/T	% of Total Exposure	Ratio A/T
I.....	9%	97%	3%	65%	11%	115%
II.....	3	85	6	92	6	73
III.....	7	127	17	108	30	136
IV.....	3	100	9	124	1	98
V.....	11	96	14	91	4	68
VI.....	1	89	3	106	0	0
VII.....	5	110	10	98	2	173
VIII.....	18	90	8	69	2	89
IX.....	29	100	0	0	33	97
X.....	1	84	1	73	4	13
XI.....	10	98	26	104	1	0
XII.....	3	129	3	146	6	76
All.....	100%	100%	100%	100%	100%	100%

the Table D-1 exposures are presented in Table D-1B. Table D-1C compares the values of a monthly benefit of \$1 payable for a maximum period of sixty months with the values of a similar benefit payable to age 65. The illustrations are done on two alternate bases, each using a 3 percent interest discount. One basis was the Table D-1 crude termination rates for the first six years, regardless of the actual number of terminations in each duration-age cell, and the 1964 CDT rates thereafter. The other basis uses the termination rates from the 1964 CDT throughout. It should be noted that previous reports used the Table D-1 crude termination rates for the first *four* years and the 1964 CDT rates thereafter. Attention is directed to Exhibit A on page 258, which traces for two age groups on a basis consistent with previous reports the ratios of annuity

TABLE D-1

GROUP LONG-TERM DISABILITY INSURANCE
CRUDE TERMINATION RATES PER 1,000 CLAIMS EXPOSED
TO DEATH OR RECOVERY

(Six-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
7th month.....	61.5	42.6	49.1	34.5	22.9	17.8
8th month.....	73.3	54.6	60.9	40.2	25.2	18.2
9th month.....	69.5	52.7	58.3	37.5	23.6	18.1
10th month.....	62.8	45.3	51.1	32.6	21.8	14.0
11th month.....	54.6	43.2	46.9	29.3	19.6	11.1
12th month.....	53.7	45.2	48.0	28.8	16.9	13.2
1st year (last 6 months)...	321.4	252.1	276.0	186.6	123.2	88.9
13th month.....	51.3	43.4	45.9	26.7	16.0	12.1
14th month.....	53.7	35.1	41.0	24.9	14.4	10.0
15th month.....	53.7	29.3	37.0	23.0	13.0	10.0
16th month.....	32.4	29.7	30.6	19.0	11.7	10.2
17th month.....	26.1	31.5	29.9	17.9	10.2	9.9
18th month.....	30.9	25.9	27.4	18.2	12.1	9.0
19th month.....	33.1	22.7	25.8	14.7	12.0	9.4
20th month.....	33.4	16.9	21.8	10.9	9.7	9.8
21st month.....	29.1	13.9	18.4	10.9	9.7	8.3
22d month.....	23.9	21.2	22.0	11.4	8.8	6.3
23d month.....	26.2	23.2	24.1	11.7	7.9	6.2
24th month.....	36.0	21.3	25.6	15.4	9.0	8.2
2d year.....	354.9	272.8	298.2	186.8	126.5	104.3
3d year.....	266.4	181.3	205.6	127.3	87.5	81.6
4th year.....	99.2	97.4	97.9	68.1	63.9	73.1
5th year.....	78.0	66.7	69.5	48.9	60.8	48.3
6th year.....	76.8†	48.7	55.1	47.0	62.8	84.5
7th year.....	83.4*	61.8	66.3	41.3	50.5	33.3*
8th year.....	35.4*	67.2†	60.7	52.5	53.3	34.3*
Male Only						
1st year (last 6 months)...	335.8	265.7	289.5	179.2	119.4	86.2
2d year.....	364.7	279.0	305.8	166.9	122.8	105.9
3d year.....	287.5	180.2	210.8	120.5	84.8	81.8
4th year.....	107.2	107.7	107.8	67.1	65.5	78.3
5th year.....	72.0†	63.5	65.5	49.9	64.8	50.8
6th year.....	58.5*	23.1*	32.1†	46.2	68.4	73.4
7th year.....	73.6*	67.1†	68.6†	51.4	52.7	32.2*
8th year.....	0.0*	41.0*	31.7*	61.2	54.0	15.3*
Female Only						
1st year (last 6 months)...	298.5	229.6	253.8	200.6	134.9	100.3
2d year.....	339.4	262.3	287.6	226.1	138.1	97.0
3d year.....	231.9	182.5	196.8	142.4	96.8	80.5
4th year.....	87.2†	80.8	82.6	70.5	57.7	48.0
5th year.....	88.8†	70.9	75.0	46.6	45.6	33.8*
6th year.....	110.7*	83.7	87.8	48.7	42.2	161.9*
7th year.....	96.5*	53.1*	61.9†	18.7*	42.4	38.5*
8th year.....	108.0*	105.1†	105.9†	33.0†	50.5†	159.7*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

values based on the Table D-1 crude termination rates for the first four years and the 1964 CDT rates thereafter to those based on the 1964 CDT rates throughout, as shown in Table D-1C in the last six reports for plans providing a monthly benefit to age 65.

Table D-1D shows male and female disabled life annuity values for a benefit payable to age 65, based on the male and female claims, respec-

TABLE D-1A
GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Six-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
1st year (last 6 months) . . .	511	771	1282	1462	1988	682
2d year	279	452	731	937	1430	520
3d year	100	175	275	401	691	235
4th year	21	59	80	153	367	101
5th year	11	28	39	76	246	26
6th year	6	14	20	52	164	13
7th year	4	10	14	30	68	3
8th year	1	9	10	27	41	2
Male Only						
1st year (last 6 months) . . .	323	506	829	916	1454	536
2d year	178	285	463	552	1054	430
3d year	64	107	171	265	516	193
4th year	14	41	55	106	297	88
5th year	6	16	22	56	208	22
6th year	3	4	7	35	140	10
7th year	2	7	9	26	55	3
8th year	0	3	3	22	33	1
Female Only						
1st year (last 6 months) . . .	188	265	453	546	534	146
2d year	101	167	268	385	376	90
3d year	36	68	104	136	175	42
4th year	7	18	25	47	70	13
5th year	5	12	17	20	38	4
6th year	3	10	13	17	24	3
7th year	2	3	5	4	13	0
8th year	1	6	7	5	8	1

TABLE D-1B
GROUP LONG-TERM DISABILITY INSURANCE
RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
1964 COMMISSIONERS DISABILITY TABLE*
(Six-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABILITY	ALL AGES OF DISABILITY COMBINED	AGE AT DISABILITY					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 6 months)...	36.4%	59.5%	48.7%	52.5%	40.2%	32.4%	26.1%
2d year	80.0	114.1	98.8	104.2	79.7	72.4	75.8
3d year	73.1	115.4	92.1	99.8	77.3	65.4	67.7
4th year	60.9	57.1	68.5	65.2	57.5	59.8	68.3
5th year	62.6	58.0	62.6	61.2	54.2	67.4	48.8
6th year	72.9	70.4†	57.1	60.7	62.9	77.5	90.4
7th year	64.2	89.6†	84.2	85.7	60.0	64.8	36.7†
8th year	72.3	42.5†	99.8†	85.9	79.2	69.3	37.3†
Male Only							
1st year (last 6 months)...	35.0%	62.1%	51.3%	55.1%	38.6%	31.4%	25.3%
2d year	76.7	117.3	101.1	106.6	71.3	70.2	77.0
3d year	70.5	124.6	91.6	102.3	73.2	63.3	67.9
4th year	62.8	61.7	75.8	72.0	56.6	61.3	73.2
5th year	65.7	53.6†	59.6	57.8	55.3	71.7	51.4
6th year	75.1	53.7†	27.1†	35.2†	61.8	84.3	78.6
7th year	69.4	79.0†	91.4†	88.4†	74.7	67.7	35.5†
8th year	71.0	0.0†	60.9†	44.7†	92.3	70.3	16.7†
Female Only							
1st year (last 6 months)...	39.7%	55.2%	44.3%	48.3%	43.2%	35.5%	29.4%
2d year	88.6	109.2	95.0	100.2	96.5	79.0	70.5
3d year	80.4	100.5	92.7	95.5	86.5	72.3	66.8
4th year	55.2	50.2†	56.9	54.8	59.6	54.0	44.9
5th year	53.1	66.0†	66.5	65.7	51.7	50.5	34.1†
6th year	66.1	101.5†	98.2	97.0	65.2	52.1	173.4†
7th year	48.7	103.7†	72.3†	80.2†	27.1†	54.4	42.3†
8th year	75.9	129.7†	156.1†	151.0†	49.8†	65.8†	173.6†

* As published by the Health Insurance Association of America, Table B1, Vol. III.

† Involves fewer than ten terminations.

tively, included in Table D-1C. There were 28,704 male and 10,889 female claims in this analysis. As was done in Table D-1C, illustrative values are shown on two alternate bases. In making any sex comparisons, the reader is reminded that the 1964 CDT is a unisex table.

The claim termination experience is analyzed further by examining, by claim incurral year during the period 1962-75, the ratio for all ages combined of the actual terminations to the number of terminations that would have been produced by application of the termination rates from the 1964 CDT to the Table D-1 exposures associated with the claims incurred. The results are presented in Table D-1E.

Tables D-2, D2-A, D-2B, D-2C, D-2D, and D-2E analyze the experi-

TABLE D-1C
GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1 PAYABLE FOR
VARIOUS BENEFIT PERIODS, DISCOUNTED AT 3 PERCENT INTEREST
(Six-Month Elimination Period; Males and Females Combined)

AGE AT DISABLEMENT	VALUE AS OF END OF ELIMINATION PERIOD			VALUE AS OF END OF TWELFTH MONTH OF DISABLEMENT		
	Based on Table D-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table D-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Benefit Payable for a Maximum of 60 Months but Not beyond Age 65 with First Payment Due at End of Elimination Period						
25.5	\$23.12	\$16.59	139%	\$27.25	\$28.46	96%
35.5	28.79	18.44	156	32.07	30.86	104
45.5	35.16	21.71	162	37.19	33.50	111
55.5	40.69	26.85	152	40.66	36.68	111
62.5	20.23	14.91	136	16.23	15.77	103
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$48.53	\$32.62	149%	\$65.26	\$63.86	102%
35.5	65.58	38.72	169	82.00	73.54	112
45.5	75.70	42.87	177	87.76	73.57	119
55.5	60.78	38.40	158	63.92	55.60	115
62.5	20.23	14.91	136	16.23	15.77	103

* Annuity values are based on the crude, ungraduated, combined male and female termination rates from Table D-1 for the first six years and on the 1964 Commissioners Disability Table rates thereafter.

ence of terminations for plans with a three-month elimination period and are similar in form and content to the corresponding tables of the D-1 series with two exceptions. The experience shown in Tables D-2, D-2A, D-2B, and D-2E has been truncated at six years instead of the eight years that was used for the six-month elimination period plans. Also, the crude termination rates from Table D-2 are used for four years (instead of the six years that was used for the six-month elimination period plans), with the 1964 CDT termination rates used thereafter, in calculating one of the two sets of illustrative values in Tables D-2C and D-2D. The number of claims exposed to termination was 19,129, of which 4,359 and 1,983 emanated from the 1971-75 and 1962-70 portions, respectively, of

TABLE D-1D
GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES, UNDER PLANS WITH A SIX-MONTH
ELIMINATION PERIOD, OF A MONTHLY BENEFIT OF \$1,
DISCOUNTED AT 3 PERCENT INTEREST, PAYABLE TO AGE 65,
WITH FIRST PAYMENT DUE AT END OF
ELIMINATION PERIOD

AGE AT DISABLEMENT	VALUE AS OF END OF ELIMINATION PERIOD			VALUE AS OF END OF TWELFTH MONTH OF DISABLEMENT		
	Based on Table D-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table D-1 Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only						
25.5	\$46.46	\$32.62	142%	\$63.57	\$63.86	100%
35.5	64.65	38.72	167	82.31	73.54	112
45.5	78.49	42.87	183	90.40	73.57	123
55.5	61.09	38.40	159	63.99	55.60	115
62.5	20.26	14.91	136	16.20	15.77	103
Female Only						
25.5	\$51.76	\$32.62	159%	\$67.69	\$63.86	106%
35.5	67.44	38.72	174	81.94	73.54	111
45.5	70.30	42.87	164	82.52	73.57	112
55.5	59.97	38.40	156	63.86	55.60	115
62.5	20.09	14.91	135	16.33	15.77	104

* Annuity values are based on the crude, ungraduated, male or female termination rates from Table D-1 for the first six years and on the 1964 Commissioners Disability Table rates thereafter.

TABLE D-1E

GROUP LONG-TERM DISABILITY INSURANCE RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR RECOVERY
TO NUMBER OF TERMINATIONS EXPECTED FROM THE 1964 COMMISSIONERS DISABILITY TABLE*

(Six-Month Elimination Period; Calendar Years of Experience 1962-75)

ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											All Years
	1965 and Prior	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	
Male and Female Combined												
1st year (last 6 months)...	44.4%	41.6%	47.1%	41.7%	37.6%	37.6%	34.3%	34.9%	35.3%	30.9%	24.3%	36.4%
2d year.....	95.7	94.7	100.8	87.7	86.7	74.5	82.7	79.9	69.7	59.2	.....	80.0
3d year.....	91.6	87.7	84.3	83.5	72.6	74.4	73.1	65.5	46.4	.....	.....	73.1
4th year.....	84.2	80.2	73.8	58.9	68.4	56.0	48.6	44.5	.....	.....	.....	60.9
5th year.....	86.6	74.4	44.5	75.8	68.5	52.0	59.4	.....	.....	.....	.....	62.6
6th year.....	137.6	37.8	74.1	74.5	58.0	50.0	.....	.....	.....	.....	.....	72.9
7th year.....	86.3	65.8	69.9	60.3	22.8†	.....	.....	.....	.....	.....	.....	64.2
8th year.....	70.2	91.1	82.8	42.9†	.....	.....	.....	.....	.....	.....	.....	72.3
Male Only												
1st year (last 6 months)...	40.7%	41.4%	46.3%	41.8%	35.5%	36.8%	31.9%	36.1%	33.1%	28.7%	22.6%	35.0%
2d year.....	97.7	98.2	94.9	83.3	82.7	67.3	77.0	76.5	68.5	56.4	.....	76.7
3d year.....	88.8	78.4	74.1	79.6	72.0	71.5	71.6	63.5	49.5	.....	.....	70.5
4th year.....	74.7	85.6	77.9	56.2	77.1	57.6	51.6	45.0	.....	.....	.....	62.8
5th year.....	92.0	78.7	46.0	85.2	65.4	56.1	59.1	.....	.....	.....	.....	65.7
6th year.....	145.7	50.4	77.2	72.2	56.5	55.1	.....	.....	.....	.....	.....	75.1
7th year.....	88.4	74.6	83.1	57.4	27.8†	.....	.....	.....	.....	.....	.....	69.4
8th year.....	71.3	105.1	72.6	13.5†	.....	.....	.....	.....	.....	.....	.....	71.0

* As published by the Health Insurance Association of America, Table B1, Vol. III.

† Involves fewer than ten terminations.

TABLE D-1E--Continued

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1965 and Prior	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	All Years
	Female Only											
1st year (last 6 months)	53.1%	41.9%	49.3%	41.6%	42.8%	40.0%	40.8%	31.8%	40.5%	35.7%	28.4%	39.7%
2d year	90.2	85.0	115.7	99.4	96.8	94.8	98.8	88.5	72.6	65.0	.....	88.6
3d year	99.0	113.7	112.9	94.5	74.1	83.6	77.7	70.9	38.8	.....	.....	80.4
4th year	111.3	63.1	61.4	66.4	43.5	50.5	39.2	43.0	.....	.....	.....	55.2
5th year	69.2	61.5†	40.0†	48.2†	77.2	38.2	64.2	.....	.....	.....	.....	53.1
6th year	112.3	0.0†	65.4†	81.7	62.1	33.0†	.....	.....	.....	.....	.....	66.1
7th year	79.4†	39.3†	33.1†	69.3†	9.2†	.....	.....	.....	.....	.....	.....	48.7
8th year	66.6†	48.9†	109.4†	113.5†	.....	.....	.....	.....	.....	.....	.....	75.9

* As published by the Health Insurance Association of America, Table B1, Vol. III.

† Involves fewer than ten terminations.

TABLE D-2
 GROUP LONG-TERM DISABILITY INSURANCE
 CRUDE TERMINATION RATES PER 1,000 CLAIMS EXPOSED
 TO DEATH OR RECOVERY

(Three-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
4th month.....	123.7	112.7	117.2	92.4	64.7	45.1
5th month.....	149.6	127.9	136.7	105.1	70.4	53.5
6th month.....	139.3	118.4	126.8	93.2	65.4	48.0
7th month.....	120.1	101.4	108.7	78.5	54.2	41.4
8th month.....	102.3	81.3	89.5	70.3	41.6	36.0
9th month.....	95.7	58.5	72.6	59.7	34.9	23.1
10th month.....	84.2	49.3	62.4	48.4	30.6	18.9
11th month.....	75.4	56.1	63.0	43.4	25.9	18.8
12th month.....	85.1	53.3	64.5	38.4	23.3	16.1
1st year (last 9 months).....	645.0	549.6	588.3	480.7	344.2	264.2
13th month.....	79.2	47.0	57.9	32.0	20.6	14.7
14th month.....	69.7	38.5	48.7	28.9	16.7	12.8
15th month.....	59.1	37.5	44.5	24.2	15.2	13.2
16th month.....	40.0†	38.7	39.1	22.5	16.8	12.6
17th month.....	38.1	29.6	32.3	22.9	16.5	10.3
18th month.....	40.2†	23.6	28.9	20.9	13.3	7.0†
19th month.....	29.8†	17.7†	21.5	17.1	11.4	6.0†
20th month.....	29.4†	14.2†	18.9	13.2	10.2	10.6
21st month.....	39.5†	20.6	26.4	12.3	10.1	11.4
22d month.....	45.3†	23.8†	30.2	14.4	9.3	7.3†
23d month.....	30.4*	21.5†	24.2	13.3	7.7	7.2†
24th month.....	27.1†	28.1	27.8	15.3	8.2	8.0†
2d year.....	418.2	292.7	335.1	213.0	145.4	114.5
3d year.....	242.4	211.6	220.2	144.6	95.6	105.8
4th year.....	48.1*	94.2	83.2	81.1	73.1	95.4
5th year.....	51.4*	48.5†	49.4†	25.9†	72.2	103.4
6th year.....	20.0*	32.5*	30.5*	42.0†	81.4	100.9*
Male Only						
1st year (last 9 months).....	663.5	556.0	599.6	465.4	326.3	269.1
2d year.....	388.4	303.8	332.3	213.5	143.9	112.1
3d year.....	188.6	218.4	211.3	142.3	99.8	115.8
4th year.....	40.6*	114.0†	95.8	91.2	77.4	86.5
5th year.....	47.1*	88.1†	78.2†	23.2†	77.2	98.4†
6th year.....	0.0*	58.8*	47.3*	37.7†	86.6	0.0*
Female Only						
1st year (last 9 months).....	619.9	540.3	572.7	505.5	388.7	248.1
2d year.....	455.2	276.3	338.2	212.2	149.4	122.2
3d year.....	318.6	202.1	233.4	149.2	83.0	71.5
4th year.....	58.0*	68.1*	65.6†	58.8	60.3	120.6
5th year.....	50.0*	0.0*	11.4*	29.8*	55.3	121.8*
6th year.....	50.0*	0.0*	11.4*	50.2*	64.1†	505.6*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE D-2A
GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Three-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
1st year (last 9 months)	847	1055	1902	1951	2409	794
2d year	123	175	298	336	486	166
3d year	26	62	88	127	200	80
4th year	2	13	15	41	99	30
5th year	2	5	7	7	58	12
6th year	0	2	2	9	35	2
Male Only						
1st year (last 9 months)	499	616	1115	1174	1624	619
2d year	65	105	170	214	361	125
3d year	13	37	50	83	156	68
4th year	1	9	10	31	78	20
5th year	1	5	6	5	48	9
6th year	0	2	2	5	29	0
Female Only						
1st year (last 9 months)	348	439	787	777	785	175
2d year	58	70	128	122	125	41
3d year	13	25	38	44	44	12
4th year	1	4	5	10	21	10
5th year	1	0	1	2	10	3
6th year	0	0	0	4	6	2

TABLE D-2B

GROUP LONG-TERM DISABILITY INSURANCE
RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
1964 COMMISSIONERS DISABILITY TABLE*

(Three-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	ALL AGES OF DIS- ABLE- MENT COM- BINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 9 months)	51.8%	72.6%	62.5%	66.6%	57.1%	45.9%	39.8%
2d year	91.7	134.5	106.0	116.7	90.9	83.2	83.3
3d year	82.9	105.0	107.5	107.1	87.9	71.4	87.8
4th year	69.6	27.7†	66.3	55.6	68.5	68.4	89.1
5th year	67.1	38.2†	45.5†	43.8†	28.7†	80.0	104.4
6th year	82.0	18.3†	38.2†	33.6†	56.1†	100.4	108.0†
Male Only							
1st year (last 9 months)	49.8%	74.7%	63.2%	67.9%	55.3%	43.5%	40.6%
2d year	89.7	124.9	110.0	115.6	91.1	82.3	81.5
3d year	84.0	81.7	111.0	102.6	86.5	74.6	96.1
4th year	73.7	23.4†	80.2†	63.8	77.0	72.4	80.8
5th year	74.0	35.0†	82.7†	68.9†	25.7†	85.5	99.4†
6th year	85.5	0.0†	69.0†	52.2†	50.5†	106.8	0.0†
Female Only							
1st year (last 9 months)	55.7%	69.8%	61.4%	64.9%	60.1%	51.8%	37.4%
2d year	95.9	146.4	100.1	117.8	90.6	85.5	88.8
3d year	80.1	138.0	102.7	113.8	90.6	62.0	59.3
4th year	59.4	33.4†	47.9†	44.0†	49.6	56.4	112.7
5th year	48.9	37.2†	0.0†	10.2†	33.1†	61.2	123.1†
6th year	73.4	45.9†	0.0†	12.6†	67.1†	79.1†	541.3†

* As published by the Health Insurance Association of America, Table B1, Vol. III.

† Involves fewer than ten terminations.

TABLE D-2C
GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1 PAYABLE FOR
VARIOUS BENEFIT PERIODS, DISCOUNTED AT 3 PERCENT INTEREST
(Three-Month Elimination Period; Males and Females Combined)

AGE AT DISABLEMENT	VALUE AS OF END OF ELIMINATION PERIOD			VALUE AS OF END OF TWELFTH MONTH OF DISABILITY		
	Based on Table D-2 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table D-2 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Benefit Payable for a Maximum of 60 Months but Not beyond Age 65 with First Payment Due at End of Elimination Period						
25.5	\$13.76	\$ 5.43	253%	\$24.59	\$27.50	89%
35.5	18.61	5.95	313	29.31	29.72	99
45.5	23.32	7.82	298	33.78	32.18	105
55.5	31.05	12.25	253	37.58	35.19	107
62.5	18.96	9.67	196	16.04	15.77	102
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$25.85	\$ 9.41	275%	\$59.42	\$63.86	93%
35.5	38.16	11.09	344	73.68	73.54	100
45.5	46.38	14.23	326	79.17	73.57	108
55.5	45.72	17.24	265	60.47	55.60	109
62.5	18.96	9.67	196	16.04	15.77	102

* Annuity values are based on the crude, ungraduated, combined male and female termination rates from Table D-2 for the first four years and on the 1964 Commissioners Disability Table rates thereafter.

TABLE D-2D
GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES, UNDER PLANS WITH A THREE-MONTH
ELIMINATION PERIOD, OF A MONTHLY BENEFIT OF \$1,
DISCOUNTED AT 3 PERCENT INTEREST, PAYABLE
TO AGE 65, WITH FIRST PAYMENT DUE AT
END OF ELIMINATION PERIOD

AGE AT DISABLEMENT	VALUE AS OF END OF ELIMINATION PERIOD			VALUE AS OF END OF TWELFTH MONTH OF DISABLEMENT		
	Based on Table D-2 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table D-2 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only						
25.5	\$26.88	\$ 9.41	286%	\$66.25	\$63.86	104%
35.5	36.51	11.09	329	71.00	73.54	97
45.5	47.39	14.23	333	78.65	73.57	107
55.5	46.73	17.24	271	60.22	55.60	108
62.5	18.86	9.67	195	16.05	15.77	102
Female Only						
25.5	\$24.37	\$ 9.41	259%	\$50.93	\$63.86	80%
35.5	40.59	11.09	366	77.53	73.54	105
45.5	44.83	14.23	315	80.30	73.57	109
55.5	43.33	17.24	251	61.27	55.60	110
62.5	19.29	9.67	199	16.02	15.77	102

* Annuity values are based on the crude, ungraduated, male or female termination rates from Table D-2 for the first four years and on the 1964 Commissioners Disability Table rates thereafter.

TABLE D-2E—GROUP LONG-TERM DISABILITY INSURANCE RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE 1964 COMMISSIONERS DISABILITY TABLE*
(Three-Month Elimination Period; Calendar Years of Experience of 1962-75)
ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1965 and Prior	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	All Years
Male and Female Combined												
1st year (last 9 months)	58.4%	63.2%	57.5%	61.0%	57.0%	51.5%	54.2%	51.9%	49.3%	46.7%	44.5%	51.8%
2d year	130.1	120.1	107.5	107.7	90.2	99.5	104.3	90.3	74.7	71.2	.....	91.7
3d year	121.3	92.6	103.4	99.2	112.0	90.9	86.4	63.3	52.6	.....	.....	82.9
4th year	99.9	105.8	102.0	90.9	87.1	68.8	49.4	31.0	.....	.....	.....	69.6
5th year	61.2†	22.3†	125.8	70.8	58.5	69.3	114.7	.....	.....	.....	.....	67.1
6th year	114.5†	99.8†	92.3†	87.1	84.4	26.2†	.....	.....	.....	.....	.....	82.0
Male Only												
1st year (last 9 months)	57.4%	64.1%	58.0%	60.6%	54.6%	48.7%	51.9%	50.0%	46.4%	43.7%	40.0%	49.8%
2d year	150.2	127.4	95.7	108.1	96.6	93.6	96.4	90.2	71.8	63.5	.....	89.7
3d year	112.8	100.4	112.2	106.0	104.9	87.8	87.5	62.7	57.8	.....	.....	84.0
4th year	93.0	96.7†	114.6	110.2	95.1	66.5	54.1	34.3	.....	.....	.....	73.7
5th year	73.6†	24.5†	154.8	80.9†	71.1	64.4	106.5	.....	.....	.....	.....	74.0
6th year	96.6†	117.1†	83.5†	102.7†	91.9†	35.0†	.....	.....	.....	.....	.....	85.5
Female Only												
1st year (last 9 months)	60.4%	61.2%	56.5%	61.8%	63.0%	58.1%	57.2%	55.5%	54.8%	51.8%	52.0%	55.7%
2d year	83.1	106.1	131.4	106.1	72.7	114.6	124.4	90.4	80.7	84.8	.....	95.9
3d year	137.1	77.3†	82.5†	80.3†	130.0	98.9	83.0	64.2	40.2	.....	.....	80.1
4th year	114.9†	122.9†	71.7†	38.6†	67.0†	74.9	35.8†	24.0†	.....	.....	.....	59.4
5th year	30.3†	16.6†	53.9†	45.9†	26.1†	83.3†	134.9†	.....	.....	.....	.....	48.9
6th year	158.0†	60.3†	111.5†	47.6†	62.7†	.....	.....	.....	.....	.....	.....	73.4

* As published by the Health Insurance Association of America, Table B1, Vol. III.

† Involves fewer than ten terminations.

the active lives experience, and the balance from experience units that were not included in the study of rates of disablement. Termination rates for the first year of disablement cover the nine months immediately following the elimination period.

For plans with a twelve-month elimination period, the experience of terminations is analyzed in Tables D-3, D-3A, D-3B, D-3C, D-3D, and D-3E. These tables are similar in format to the corresponding tables of the D-2 series. The number of claims exposed to termination was 3,357, of which 678 and 362 originated from the 1971-75 and 1962-70 portions, respectively, of the active lives experience, and the balance from experience units that were not included in the study of rates of disablement.

For both the six- and the three-month elimination period plans, the low first-year ratios shown in Tables D-1B and D-2B, respectively, would appear to be due to the shorter elimination periods of the individual health insurance experience underlying the first-year termination rates of the 1964 CDT.

The overall termination rates shown in this report, which includes one additional year of experience, for both six- and three-month elimination period plans, male and female combined, are slightly lower (varies by plan, age, duration, and sex) than those shown in last year's report. The financial consequences of this change are apparent from a comparison of Table D-1C and Table D-2C values between last year's and this year's report. The variation from one report to the next underscores the need to exercise caution and judgment when using the disabled life annuity values shown in Tables D-1C, D-2C, and D-3C for actuarial purposes such as reserving.

TABLE D-3
GROUP LONG-TERM DISABILITY INSURANCE
CRUDE TERMINATION RATES PER 1,000 CLAIMS EXPOSED
TO DEATH OR RECOVERY

(Twelve-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
13th month	17.7*	23.8†	21.5†	12.6	12.1	15.6†
14th month	12.4*	35.4†	27.0†	17.5†	15.9	14.0†
15th month	6.4*	37.8†	26.5†	15.4†	13.7	11.5†
16th month	14.5*	19.4*	17.7*	13.1†	9.1	9.8*
17th month	22.3*	16.8*	19.0†	16.9	10.6	7.9*
18th month	16.1*	30.1*	25.2*	18.5†	11.7	5.8*
19th month	17.1*	22.5*	20.7*	13.5†	10.7	4.8*
20th month	18.4*	18.7*	18.6*	10.4*	9.2	5.0*
21st month	9.6*	14.3*	12.8*	14.4†	7.6†	7.7*
22d month	0.0*	14.9*	10.1*	21.0†	8.7	9.3*
23d month	10.6*	20.4*	17.2*	15.2*	13.7	11.1†
24th month	10.6*	15.9*	14.2*	8.0*	14.0	14.4†
2d year	145.3†	239.3	207.7	163.0	128.9	111.0
3d year	225.6†	108.8†	146.6	139.7	97.4	87.3
4th year	134.2*	92.1*	103.3†	110.9	71.6	50.5†
5th year	121.1*	30.1*	49.8*	61.2†	72.4	5.5*
6th year	437.5*	44.9*	118.2*	19.5*	79.3	83.3*
Male Only						
2d year	124.3†	259.9	216.4	152.1	128.5	113.1
3d year	213.0†	91.7†	130.3	129.5	93.9	89.8
4th year	162.0*	98.5*	115.0†	113.4	78.3	40.8†
5th year	137.8*	38.1*	62.1*	46.9†	75.9	6.2*
6th year	569.3*	61.5*	160.6*	22.1*	81.6	100.0*
Female Only						
2d year	230.3*	108.4*	160.6†	218.1	131.6	96.6†
3d year	280.5*	195.1*	227.1†	195.8	119.6	66.8*
4th year	0.0*	50.0*	35.7*	93.6*	26.1*	129.3*
5th year	0.0*	0.0*	0.0*	161.8*	49.7*	0.0*
6th year	0.0*	0.0*	0.0*	0.0*	65.1*	0.0*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE D-3A
GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Twelve-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
2d year	9	32	41	81	163	49
3d year	9	9	18	47	87	23
4th year	2	4	6	25	47	8
5th year	1	1	2	8	34	0
6th year	2	1	3	1	23	1
	Male Only					
2d year	6	30	36	63	139	43
3d year	7	6	13	37	73	21
4th year	2	4	6	22	45	6
5th year	1	1	2	5	31	0
6th year	2	1	3	1	20	1
	Female Only					
2d year	3	2	5	18	24	6
3d year	2	3	5	10	14	2
4th year	0	0	0	3	2	2
5th year	0	0	0	3	3	0
6th year	0	0	0	0	3	0

TABLE D-3B
 GROUP LONG-TERM DISABILITY INSURANCE
 RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
 RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
 1964 COMMISSIONERS DISABILITY TABLE*
 (Twelve-Month Elimination Period; Calendar Years of Experience 1962-75)

DURATION OF DIS- ABLEMENT	ALL AGES OF DIS- ABLE- MENT COM- BINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
2d year...	73.4%	46.7%†	86.7%	72.0%	69.6%	73.8%	80.7%
3d year...	75.5	97.8†	55.3†	70.8	84.9	72.8	72.5
4th year...	70.5	77.3†	64.8†	69.1†	93.7	67.0	47.2†
5th year...	69.5	90.0†	28.2†	44.5†	67.9†	80.1	5.6†
6th year...	85.2	401.4†	52.7†	133.8†	26.0†	97.8	89.2†
Male Only							
2d year...	72.7%	40.0%†	94.1%	75.1%	64.9%	73.5%	82.2%
3d year...	72.2	92.3†	46.6†	63.0	78.7	70.1	74.5
4th year...	74.0	93.3†	69.3†	77.0†	95.8	73.2	38.1†
5th year...	69.5	102.4†	35.7†	55.4†	51.9†	84.0	6.2†
6th year...	89.9	522.3†	72.2†	182.2†	29.6†	100.6	107.1†
Female Only							
2d year...	77.1%	74.1%†	39.3%†	55.4%†	93.1%	75.3%	70.3%†
3d year...	95.8	121.6†	99.1†	109.7†	118.9	89.3	55.4†
4th year...	47.1†	0.0†	35.2†	23.8†	79.1†	24.4†	120.8†
5th year...	69.5†	0.0†	0.0†	0.0†	179.4†	55.0†	0.0†
6th year...	57.0†	0.0†	0.0†	0.0†	0.0†	80.2†	0.0†

* As published by the Health Insurance Association of America, Table B1, Vol. III.
 † Involves fewer than ten terminations.

TABLE D-3C
GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1
PAYABLE FOR VARIOUS BENEFIT PERIODS, DIS-
COUNTED AT 3 PERCENT INTEREST
(Twelve-Month Elimination Period; Males and
Females Combined)

AGE AT DISABLEMENT	VALUE AS OF END OF ELIMINATION PERIOD		
	Based on Table D-3 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
	Benefit Payable for a Maximum of 60 Months but Not beyond Age 65 with First Payment Due at End of Elimination Period		
25.5	\$37.21	\$30.28	123%
35.5	37.50	33.03	114
45.5	39.87	36.02	111
55.5	43.25	39.53	109
62.5	16.15	15.77	102
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period		
25.5	\$81.15	\$63.86	127%
35.5	87.50	73.54	119
45.5	82.49	73.57	112
55.5	61.62	55.60	111
62.5	16.15	15.77	102

* Annuity values are based on the crude, ungraduated, combined male and female termination rates from Table D-3 for the first four years and on the 1964 Commissioners Disability Table rates thereafter.

TABLE D-3D
 GROUP LONG-TERM DISABILITY INSURANCE
 ILLUSTRATIVE VALUES, UNDER PLANS WITH A TWELVE-
 MONTH ELIMINATION PERIOD, OF A MONTHLY BENE-
 FIT OF \$1, DISCOUNTED AT 3 PERCENT INTEREST,
 PAYABLE TO AGE 65, WITH FIRST PAYMENT DUE AT
 END OF ELIMINATION PERIOD

AGE AT DISABILITY	VALUE AS OF END OF ELIMINATION PERIOD		
	Based on Table D-3 Rates of Termi- nation*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only			
25.5	\$82.16	\$63.86	129%
35.5	86.18	73.54	117
45.5	84.15	73.57	114
55.5	61.54	55.60	111
62.5	16.11	15.77	102
Female Only			
25.5	\$76.89	\$63.86	120%
35.5	96.60	73.54	131
45.5	74.24	73.57	101
55.5	62.09	55.60	112
62.5	16.41	15.77	104

* Annuity values are based on the crude, ungraduated, male or female termination rates from Table D-3 for the first four years and on the 1964 Commissioners Disability Table rates thereafter.

TABLE D-3E—GROUP LONG-TERM DISABILITY INSURANCE RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE 1964 COMMISSIONERS DISABILITY TABLE*
(Twelve-Month Elimination Period; Calendar Years of Experience 1962-75)

ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1965 and Prior	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	All Years
Male and Female Combined												
2d year.....	60.1%	74.7%	73.3%	64.7%	64.9%	89.4%	89.2%	80.6%	51.8%	45.1%	.....	73.4%
3d year.....	121.3	78.8†	56.8†	52.9	114.5	91.9	47.0	70.5	50.4	.....	.....	75.5
4th year.....	47.0†	84.6†	55.1†	97.4	76.0	88.1	50.8	84.6†	.....	.....	.....	70.5
5th year.....	66.0†	73.6†	88.1†	68.5†	94.5	56.6†	27.1†	.....	.....	.....	.....	69.5
6th year.....	181.0†	37.0†	101.5†	123.6†	67.9†	4.4†	.....	.....	.....	.....	.....	85.2
Male Only												
2d year.....	55.2%†	80.4%	69.0%	62.7%	54.7%	91.2%	87.8%	81.9%	56.0%	43.9%	.....	72.7%
3d year.....	134.2	82.2†	63.8†	43.0†	95.2	96.2	50.1	63.5	53.1†	.....	.....	72.2
4th year.....	51.3†	84.9†	61.8†	91.5	85.0	85.3	57.0	91.6†	.....	.....	.....	74.0
5th year.....	74.8†	64.2†	81.7†	65.0†	108.1	56.6†	19.5†	.....	.....	.....	.....	69.5
6th year.....	197.8†	42.6†	113.5†	137.6†	67.5†	5.0†	.....	.....	.....	.....	.....	89.9
Female Only												
2d year.....	72.4%†	38.7%†	103.2%†	76.8%†	109.1%†	76.9%†	97.5%†	70.4%†	23.1%†	53.9%†	.....	77.1%
3d year.....	87.9†	56.6†	.....	114.5†	213.2	61.6†	20.9†	115.3†	38.3†	.....	.....	95.8
4th year.....	35.6†	80.0†	.....	136.6†	16.0†	107.5†	.....	.....	.....	.....	.....	47.1†
5th year.....	47.3†	117.7†	127.2†	96.5†	.....	56.2†	107.8†	.....	.....	.....	.....	69.5†
6th year.....	142.9†	.....	.....	.....	70.9†	.....	.....	.....	.....	.....	.....	57.0†

* As published by the Health Insurance Association of America, Table B1, Vol. III.

† Involves fewer than ten terminations.

EXHIBIT A
GROUP LONG-TERM DISABILITY INSURANCE
RATIOS OF ANNUITY VALUE BASED ON THE COMBINED TABLE D-1 EXPERI-
ENCE FOR THE FIRST FOUR YEARS AND ON THE 1964 CDT RATES
THEREAFTER TO THE ANNUITY VALUE BASED ON
THE 1964 CDT THROUGHOUT
BENEFIT PAYABLE TO AGE 65, WITH FIRST PAYMENT DUE AT
END OF ELIMINATION PERIOD
(Six-Month Elimination Period; Males and Females Combined)

AGE AT DISABLE- MENT	CALENDAR YEARS OF DISABLED LIVES TERMINATION EXPERIENCE						
	1962-1969	1962-1970	1962-1971	1962-1972	1962-1973	1962-1974	1962-1975
	Ratio Based on Values as of End of Elimination Period						
45.5	139% 142	145% 144	141% 143	157% 150	159% 149	161% 150	169% 155
55.5							
	Ratio Based on Values as of End of Twelfth Month of Disablement						
45.5	99% 104	101% 105	99% 104	108% 109	108% 108	110% 110	114% 112
55.5							