

TRANSACTIONS OF SOCIETY OF ACTUARIES 1980 REPORTS

III. GROUP LONG-TERM DISABILITY INSURANCE

THIS section of the report presents the results of the continuing study of the morbidity experience of Group Long Term Disability Insurance. As in previous reports, 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 have not been included. 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 benefit be integrated with some or all of any benefits payable under social security and frequently with other benefits payable as a result of the disability.

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.

CONTRIBUTING COMPANIES

The Committee wishes to express its gratitude to the following companies who have contributed experience for this report:

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

The results of the study reflect the composite experience of variations in company practices, administration, and claim procedures, as well as variations in the experience among the groups.

ANALYSIS OF RATES OF DISABLEMENT

As in past reports, a column containing the "number of experience units" appears in most of the tables. In the context of this report, an experience unit represents the experience of a single group for one calendar year. Therefore, whenever an experience cell covers more than one calendar year of experience, a group would be included in the count for the total number of separate calendar years for which the experience of the group was submitted. Consequently, where the number of experience units in a cell is relatively small, and no distinction is made by size, the experience for that cell may be substantially influenced by the experience of just a few groups and thus may not be representative of all units contained 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 somewhat as a result of the lag in the reporting of claims incurred in the latest year of the study. Historically, the reporting lag on plans with a six-month elimination period has been about 5-10 percent. It should be noted, however, that the number of claims reported as incurred in 1977 on plans with a six-month elimination period included in the current report increased approximately 7 percent from that shown in last year's report. Consequently, the tabulars, the number of claims, the rates of disablement, and the actual-to-tabular ratios shown in the various tables may be distorted for some age and sex cells.

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.

Experience on Plans with a Six-Month Elimination Period

Table I-1 is based on the experience of all groups regardless of size for plans with a six-month elimination period for the latest five-year period, 1974-78. Crude rates of disablement based on the 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 I-1A. Experience of the calendar year of issue is excluded from both tables and, therefore, from all subsequent tables that analyze the underlying experience. It should be noted that 10 percent of the exposure contributed could not be separated by sex. The first part of each of these two tables

summarizes the combined experience of the male, female, and sex-unknown exposures. The experience for which exposure was sex-coded is presented in the bottom two sections of each table.

The experience is based largely on a "his own occupation" definition of disability generally during the first two years following disablement. Approximately 3 percent of the experience is based on an "any occupation" definition for the full period of disability.

TABLE I-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 1974-78
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	2,283,799	2,218	0.97
40-44	491,708	1,021	2.08
45-49	490,206	1,819	3.71
50-54	445,088	2,881	6.47
55-59	345,666	3,833	11.09
60-64	196,756	2,910	14.79
All ages	4,253,223	14,682	3.45
Male Experience Only			
Under 40	1,301,404	1,136	0.87
40-44	323,846	567	1.75
45-49	319,017	1,115	3.50
50-54	287,220	1,843	6.42
55-59	229,517	2,628	11.45
60-64	131,191	2,056	15.67
All ages	2,592,195	9,345	3.61
Female Experience Only			
Under 40	760,186	878	1.15
40-44	115,954	351	3.03
45-49	120,776	530	4.39
50-54	113,609	764	6.72
55-59	83,397	851	10.20
60-64	44,582	586	13.14
All ages	1,238,504	3,960	3.20

Table I-2 analyzes by underlying calendar year of experience the crude rates of disablement shown in Tables I-1 and I-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. Table I-2 shows that for plans with a six-month elimination period, accidents accounted for approximately 9 percent of the claims coded for a known cause of disablement.

TABLE I-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 1974-78
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	1,473,728	1,434	0.97
40-44	319,571	646	2.02
45-49	324,854	1,174	3.61
50-54	303,716	1,901	6.26
55-59	239,735	2,549	10.63
60-64	139,141	2,094	15.05
All ages	2,800,745	9,798	3.50
Male Experience Only			
Under 40	889,805	811	0.91
40-44	216,823	377	1.74
45-49	216,265	753	3.48
50-54	198,645	1,267	6.38
55-59	158,235	1,777	11.23
60-64	91,467	1,463	15.99
All ages	1,771,240	6,448	3.64
Female Experience Only			
Under 40	423,571	452	1.07
40-44	66,889	193	2.89
45-49	73,247	301	4.11
50-54	72,588	435	5.99
55-59	56,970	519	9.11
60-64	30,948	402	12.99
All ages	724,213	2,302	3.18

As mentioned previously, the lag in claim reporting tends to understate 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 current claim underreporting, then the figures in Table I-2 of claims reported as incurred for the most recent calendar year, 1978, may be understated approximately 5-10 percent.

Table I-2 also shows ratios of actual claims to tabular claims. The tabular claims for each year were obtained by applying the rates of disablement of

TABLE I-2

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 1962-78

CALENDAR YEAR OF INCURRAL	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							
1962-63 ..	91	77,258	3	115	220	2.85	88%
1964-68 ..	2,754	1,183,950	241	2,368	3,143	2.65	82
1969-73 ..	8,768	2,874,358	924	8,791	10,336	3.60	102
1974	2,172	721,060	211	2,455	2,677	3.71	104%
1975	2,140	753,924	223	2,392	2,659	3.53	103
1976	2,272	927,645	305	3,039	3,348	3.61	108
1977	2,078	840,363	357	2,699	3,060	3.64	108
1978	2,373	1,010,231	296	2,641	2,938	2.91	88
1974-78	11,035	4,253,223	1,392	13,226	14,682	3.45	102%
Nonjumbo Experience Units Only							
1962-63 ..	88	28,606	1	50	62	2.17	64%
1964-68 ..	2,710	688,747	146	1,323	1,806	2.62	77
1969-73 ..	8,675	2,035,676	649	5,608	6,691	3.29	93
1974	2,153	540,401	152	1,749	1,912	3.54	100%
1975	2,120	558,420	158	1,638	1,811	3.24	92
1976	2,241	587,592	199	2,029	2,232	3.80	109
1977	2,046	507,399	214	1,693	1,910	3.76	108
1978	2,337	606,933	186	1,747	1,933	3.18	92
1974-78	10,897	2,800,745	909	8,856	9,798	3.50	100%

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

nonjumbo size groups from Table I-1A by sex category to the actual exposures for each age-sex group (male, female, and unknown). As a result, the tabulars adjust only for age and sex. No attempt is made to adjust for any other factors that might influence the disablement rates, such as size of case, industry, and so on.

Table I-3 subdivides the Table I-1 experience for all ages and for male, female and sex-unknown exposures combined, by size of experience unit. Note that experience units of less than 100 lives accounted for over 57 percent of the total number of units. This explains the large number of units (over 70 percent of the total) that experienced no claims. This table indicates that the rate of disablement and the actual-to-tabular ratios tend to increase with the size of the group—a phenomenon which is consistent with the results of prior reports.

Table I-3 also includes a dispersion-type analysis of ratios of actual claims to tabular claims. As in Table I-2, the tabulars adjust only for age and sex. However, since the experience is not adjusted for other characteristics that might have a measurable impact on the rate of disablement, such as differences among the 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, caution should be used in interpreting the results.

Table I-4 presents an analysis of the relative disablement rates by cause of disability. The results are shown 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.

The experience underlying Tables I-1 and I-1A has also been analyzed by employee class, industry, contributory status, and plan provisions with respect to preexisting conditions and 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). The respective results are displayed in Tables 5-9 of the "I" series of tables.

The portion of the Table I-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 further analyzed to investigate the effect that such variables as (a) the relationship between the long-term disability benefit

TABLE I-3
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 1974-78

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	1,734	24,652	176	7.14	194%	1,670	0	0	0	0	0	0	64
25-49	2,057	76,085	248	3.26	84	1,833	5	0	0	0	0	59	160
50-99	2,458	173,750	509	2.93	80	2,025	0	0	0	1	16	262	154
100-249	2,295	353,168	1,316	3.73	105	1,512	1	2	23	134	149	391	83
250-499	1,089	377,761	1,194	3.16	91	487	17	75	93	160	101	145	11
500-999	621	430,435	1,677	3.90	115	143	73	68	64	108	63	95	7
1,000-2,499	466	747,170	2,602	3.48	103	52	84	64	63	100	56	46	1
2,500-4,999	177	617,724	2,076	3.36	94	15	35	27	25	40	17	17	1
Under 5,000	10,897	2,800,745	9,798	3.50	100%	7,737	215	236	268	543	402	1,015	481
5,000 or more	138	1,452,478	4,884	3.36	105%	6	24	19	21	37	18	13	0
Total	11,035	4,253,223	14,682	3.45	102%	7,743	239	255	289	580	420	1,028	481

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

TABLE I-4

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 1962-78

ALL EXPERIENCE UNITS COMBINED

DIAGNOSIS	MALE								FEMALE								TOTAL								
	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	7	7	10	9	15	12	13	73	6	1	0	4	5	4	4	24	13	8	10	13	20	16	17	97	
Percent	1	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	
Malignant neoplasms (cancer):																									
Number	34	84	72	197	297	456	342	1,482	28	65	72	140	196	200	119	820	62	149	144	337	493	656	461	2,302	
Percent	4	5	5	8	8	8	7	7	4	7	9	12	12	12	10	10	4	6	7	9	9	9	8	8	
Benign and unspecified neoplasms:																									
Number	6	10	16	18	22	31	19	122	6	15	12	11	11	17	4	76	12	25	28	29	33	48	23	198	
Percent	1	1	1	1	1	1	0	1	1	2	1	1	1	1	0	1	1	1	1	1	1	1	0	1	
Allergic, endocrine system, metabolic, and nutritional diseases:																									
Number	10	33	25	43	68	98	97	374	14	10	12	23	27	32	24	142	24	43	37	66	95	130	121	516	
Percent	1	2	2	2	2	2	2	2	2	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	
Diseases of the blood and blood-forming organs:																									
Number	15	18	24	36	49	82	79	303	17	10	15	19	28	35	17	141	32	28	39	55	77	117	96	444	
Percent	2	1	2	1	1	1	2	1	3	1	2	2	2	2	1	2	2	1	2	1	1	2	2	2	
Mental, psychoneurotic, and personality disorders:																									
Number	55	111	70	133	166	186	117	838	74	113	70	83	113	62	40	555	129	224	140	216	279	248	157	1,393	
Percent	6	7	5	5	4	3	2	4	12	12	8	7	7	4	3	7	8	9	6	6	5	3	3	5	
Diseases of the nervous system and sense organs:																									
Number	60	146	118	167	267	353	335	1,446	78	88	72	98	107	128	83	654	138	234	190	265	374	481	418	2,100	
Percent	7	9	9	7	7	6	7	7	12	9	9	8	7	9	7	8	9	9	9	7	7	7	7	7	
Diseases of the circulatory system:																									
Number	36	206	371	826	1,414	2,279	2,039	7,171	31	85	106	208	354	464	373	1,621	67	291	477	1,034	1,768	2,743	2,412	8,792	
Percent	4	13	27	33	37	41	44	35	5	8	13	17	23	27	32	20	4	12	22	28	33	38	41	31	

TABLE I-4—Continued

DIAGNOSIS	MALE								FEMALE								TOTAL							
	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	15	46	45	143	253	452	407	1,361	16	36	37	41	60	75	77	342	31	82	82	184	313	527	484	1,703
Percent	2	3	3	6	7	9	9	7	2	4	4	3	4	4	7	4	2	3	4	5	6	7	8	6
Diseases of the digestive system:																								
Number	15	56	44	84	102	154	122	577	23	53	39	44	45	57	32	293	38	109	83	128	147	211	154	870
Percent	2	4	3	3	3	3	3	3	4	5	5	4	3	3	4	4	2	4	4	3	3	3	3	3
Diseases of the genitourinary system:																								
Number	21	28	28	31	57	65	54	284	18	32	23	22	22	25	17	159	39	60	51	53	79	90	71	443
Percent	2	2	2	1	1	1	1	1	3	3	3	2	1	1	1	2	3	2	2	1	1	1	1	2
Diseases of the skin and cellular tissue:																								
Number	12	15	14	20	23	31	25	140	13	20	7	11	13	19	11	94	25	35	21	31	36	50	36	234
Percent	1	1	1	1	1	1	1	1	2	2	1	1	1	1	1	1	2	1	1	1	1	1	1	1
Diseases of the bones and organs of movement:																								
Number	163	315	226	370	525	663	576	2,838	104	192	174	261	305	314	202	1,552	267	507	400	631	830	977	778	4,390
Percent	18	20	17	15	14	12	12	14	16	20	21	22	19	19	17	19	17	20	18	17	15	14	13	15
Congenital malformations:																								
Number	2	2	0	2	11	6	2	25	1	1	2	1	4	1	1	11	3	3	2	3	15	7	3	36
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	29	39	25	65	85	102	82	427	35	45	33	39	58	54	31	295	64	84	58	104	143	156	113	722
Percent	3	3	2	3	2	2	2	2	5	5	3	3	4	3	4	4	4	3	3	3	3	2	2	3
Accidents, poisoning, and violence:																								
Number	367	351	181	217	237	243	150	1,746	154	146	95	109	132	107	71	814	521	497	276	326	369	350	221	2,560
Percent	41	23	13	8	6	4	3	9	24	15	11	9	8	6	6	10	34	20	13	9	7	5	4	9
Undetermined:																								
Number	45	88	94	148	217	301	228	1,121	23	58	59	78	90	100	52	460	68	146	153	226	307	401	280	1,581
Percent	5	6	7	6	6	6	5	6	4	6	7	7	6	6	5	6	5	7	6	7	6	5	5	5
Total:																								
Number	892	1,555	1,363	2,509	3,808	5,514	4,687	20,328	641	970	828	1,192	1,570	1,694	1,158	8,053	1,533	2,525	2,191	3,701	5,378	7,208	5,845	28,381
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 I-5

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF TABLES I-1 AND I-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 1974-78

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*	
138	1 At least 75% salaried, majority executive	450	109,762	284	71%	457	176,245	402	70%	
	2 At least 75% salaried, majority nonexecutive	5,206	1,557,960	4,914	90	5,309	2,643,792	7,820	89	
	3 50%-75% salaried	1,933	437,589	1,762	116	1,947	638,076	2,897	132	
	7 At least 50% salaried (exact percentage unknown)	96	9,744	27	80	96	9,744	27	80	
		Subtotal (majority salaried)	7,685	2,115,055	6,987	94%	7,809	3,467,857	11,146	96%
	6 At least 50% hourly (exact percentage unknown)	15	9,774	43	127%	15	9,774	43	127%	
	4 50%-75% hourly	324	113,596	477	120	326	135,611	579	125	
5 At least 75% hourly	538	160,798	897	156	547	219,391	1,482	167		
	Subtotal (majority hourly)	877	284,168	1,417	141%	888	364,776	2,104	152%	
9 Indeterminate		2,335	401,522	1,394	103%	2,338	420,590	1,432	101%	
	Total	10,897	2,800,745	9,798	100%	11,035	4,253,223	14,682	102%	

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

TABLE 1-5A

GROUP LONG-TERM DISABILITY INSURANCE
 SUPPLEMENTAL ANALYSIS OF TABLE 1-5 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 1974-78

	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*
1. Relationship between Long-Term Disability Benefit and Salary							
<i>Ratio of gross benefit (before reduction for integration) to salary:</i>							
Always less than 50%	95	26,977	61	57%	107,255	176	58%
Generally less than 50%	51	14,047	24	58	14,047	24	58
Subtotal (less than 50%)	146	41,024	85	58%	121,302	200	58%
50% (exactly or approximately)	1,282	533,037	1,471	76%	892,495	2,476	77%
Always more than 50%, exact % unknown	70	55,422	192	85%	99,400	238	66%
Generally more than 50%, exact % unknown	219	33,197	123	103	64,886	315	127
More than 50%, but less than or equal to 60%	2,777	704,753	2,394	98	1,025,498	3,274	98
More than 60%, but less than or equal to 70%	523	144,820	453	101	312,874	901	105
More than 70%	15	2,434	10	117	2,434	10	117
Subtotal (greater than 50%)	3,604	940,626	3,172	98%	1,505,092	4,738	98%
Other, including not determinable	174	43,273	186	110%	124,903	406	88%
Total salaried, nonexecutive	5,206	1,557,960	4,914	90%	2,643,792	7,820	89%

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

TABLE I-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	1,426	343,564	1,211	107%	1,058,609	3,381	102%
Social security primary benefit only or in combination with income from other sources	670	260,199	939	95	383,599	1,019	76
Social security primary and family benefit only or in combination with income from other sources	2,878	896,722	2,551	80	1,092,434	3,103	82
Other integration bases	232	57,475	213	111	109,150	317	83
Total salaried, nonexecutive	5,206	1,557,960	4,914	90%	2,643,792	7,820	89%
III. Extent to Which a Disability Income Is Provided during Elimination Period							
<i>Disability income benefit provided during the elimination period:</i>							
Full salary	123	57,835	250	115%	274,051	759	98%
Less than full salary but generally more than 50%	1,004	272,978	859	89	680,772	1,765	83
Generally less than 50% of salary	215	20,300	97	132	38,787	234	132
None	678	174,451	509	84	174,451	509	84
Noncodable or unknown	3,186	1,032,396	3,199	88	1,475,731	4,553	88
Total salaried, nonexecutive	5,206	1,557,960	4,914	90%	2,643,792	7,820	89%

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

(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 appear to exert on disablement rates. The several classifications are somewhat broad. The various parameters may not be mutually exclusive. The respective subanalyses are shown in Table I-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 I-5 for Employee Class Code 2.

In examining Tables 5-9 of the "I" series, it should be noted that many of the variables analyzed may be interrelated. This is especially true in the analysis by industry (Table I-6) where the results shown in the various cells may be heavily influenced by the relative level of hourly and salaried employees. The portions of the Table I-6 experience under units with "the majority salaried" and "the majority hourly" as defined in Table I-5 were therefore analyzed to investigate the effect which employee class has on the disablement rates by industry classification. The respective subanalyses are shown in Table I-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 I-5 and I-6. The actual-to-tabular ratio experience shown by industry in Tables I-6 and I-6A has been compared separately for nonjumbo and for all experience units combined. The results are shown in Table I-6B.

Table I-A examines the interrelationships among various parameters whose effects on rates of disablement 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.

Experience on Plans with Three-Month and Twelve-Month Elimination Periods

Tables II-1 and III-1 are similar to Table I-1 but are based on the experience of plans with three-month and twelve-month elimination periods, respec-

TABLE I-6

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF TABLES I-1 AND I-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 1974-78

INDUSTRY CODE(S)	INDUSTRY	TABLE 1A EXPERIENCE—NONUNIFORM 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	54	16,231	34	60%	56	55,423	66	32%
10-14 ...	Mining	234	100,765	574	144	234	100,765	574	144
15-17 ...	Contract construction	265	72,140	397	136	266	77,203	403	130
19-27 ...	Food, tobacco, textile and wood products	1,180	340,667	1,667	134	1,198	486,917	2,662	146
28-32 ...	Chemical, petroleum, rubber, leather and stone products	798	255,010	889	98	821	463,347	1,628	98
33-37 ...	Metal, machinery, and transportation equipment	2,036	525,135	1,635	86	2,058	721,273	2,071	81
38-39 ...	Instruments and miscellaneous manufacturing	337	62,076	192	83	337	62,076	192	83
40-49 ...	Transportation, communication, electric, gas, and sanitary services	558	190,090	798	122	568	294,982	1,231	123
50-59 ...	Wholesale and retail trade	1,654	295,999	1,083	103	1,658	331,779	1,158	99
60-67 ...	Finance, insurance, and real estate	1,459	453,317	1,223	88	1,477	792,185	2,025	93
70-89 ...	Services	1,932	397,481	1,035	77	1,972	775,439	2,401	92
91-97 ...	Public administration	129	43,171	160	106	129	43,171	160	106
	All other classifiable	25	3,586	9	69	25	3,586	9	69
99	Nonclassifiable	236	45,077	102	66	236	45,077	102	66
	Total	10,897	2,800,745	9,798	100%	11,035	4,253,223	14,682	102%

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

TABLE I-6A

GROUP LONG-TERM DISABILITY INSURANCE
 SUPPLEMENTAL ANALYSIS OF TABLE I-6 BY INDUSTRY
 (Six-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1974-78

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	2	153	0	0%	2	153	0	0%
10-14 ...	Mining	18	21,858	145	151	18	21,858	145	151
15-17 ...	Contract construction	38	8,448	48	187	38	8,448	48	187
19-27 ...	Food, tobacco, textile and wood products	161	54,730	524	236	166	91,033	1,093	269
28-32 ...	Chemical, petroleum, rubber, leather and stone products	61	20,656	106	145	61	20,656	106	145
33-37 ...	Metal, machinery, and transportation equipment	140	36,705	82	67	140	36,705	82	67
38-39 ...	Instruments and miscellaneous manufacturing	16	1,425	3	74	16	1,425	3	74
40-49 ...	Transportation, communication, electric, gas, and sanitary services	67	34,194	120	106	69	56,209	222	126
50-59 ...	Wholesale and retail trade	171	41,923	143	109	171	41,923	143	109
60-67 ...	Finance, insurance, and real estate	50	20,101	60	111	50	20,101	60	111
70-89 ...	Services	110	35,496	141	106	114	57,786	157	60
91-97 ...	Public administration	24	3,715	30	194	24	3,715	30	194
	All other classifiable	0	0	0	0	0	0	0	0
99	Nonclassifiable	19	4,764	15	88	19	4,764	15	88
	Total	877	284,168	1,417	141%	888	364,776	2,104	152%

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

TABLE I-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*
01-09 ...	Agriculture, forestry, and fisheries	42	15,425	34	63%	44	54,617	66	32%
10-14 ...	Mining	210	76,957	427	144	210	76,957	427	144
15-17 ...	Contract construction	188	44,382	164	91	188	44,382	164	91
19-27 ...	Food, tobacco, textile and wood products	833	249,420	999	112	846	359,367	1,425	111
28-32 ...	Chemical, petroleum, rubber, leather and stone products	615	215,979	715	93	638	424,316	1,454	96
33-37 ...	Metal, machinery, and transportation equipment	1,628	430,013	1,393	87	1,650	626,151	1,829	82
38-39 ...	Instruments and miscellaneous manufacturing	218	51,124	154	80	218	51,124	154	80
40-49 ...	Transportation, communication, electric, gas, and sanitary services	376	129,424	583	129	384	212,301	914	124
50-59 ...	Wholesale and retail trade	1,172	213,515	785	101	1,176	249,295	860	96
60-67 ...	Finance, insurance, and real estate	919	314,368	782	80	935	639,231	1,552	90
70-89 ...	Services	1,181	297,637	738	75	1,217	653,305	2,088	99
91-97 ...	Public administration	88	35,215	122	99	88	35,215	122	99
	All other classifiable	15	2,014	6	80	15	2,014	6	80
99	Nonclassifiable	200	39,582	85	63	200	39,582	85	63
	Total	7,685	2,115,055	6,987	94%	7,809	3,467,857	11,146	96%

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

TABLE I-6B

GROUP LONG-TERM DISABILITY INSURANCE
 COMPARISON OF TABLES I-6 AND I-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 1974-78

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	60%	63%	0%	0%	32%	32%	0%	0%
10-14	Mining	144	144	151	33	144	144	151	33
15-17	Contract construction	136	91	187	216	130	91	187	181
19-27	Food, tobacco, textile and wood products	134	112	236	107	146	111	269	107
28-32	Chemical, petroleum, rubber, leather and stone products	98	93	145	105	98	96	145	105
33-37	Metal, machinery, and transportation equipment	86	87	67	83	81	82	67	83
38-39	Instruments and miscellaneous manufacturing	83	80	74	100	83	80	74	100
40-49	Transportation, communication, electric, gas, and sanitary services	122	129	106	109	123	124	126	109
50-59	Wholesale and retail trade	103	101	109	107	99	96	109	107
60-67	Finance, insurance, and real estate	88	80	111	105	93	90	111	102
70-89	Services	77	75	106	72	92	99	60	72
91-97	Public administration	106	99	194	62	106	99	194	62
	All other classifiable	69	80	0	53	69	80	0	53
99	Nonclassifiable	66	63	88	67	66	63	88	67
	Total	100%	94%	141%	103%	102%	96%	152%	101%

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

TABLE I-7

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF TABLES I-1 AND I-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 1974-78

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	728	252,296	1,107	121%	752	537,302	1,917	112%
Employer-pay-all	5,818	1,113,635	3,993	105	5,857	1,560,763	4,938	97
Contributory, employer and employee share cost	3,541	1,045,844	3,847	103	3,601	1,637,513	6,661	115
Unknown	810	388,970	851	64	825	517,645	1,166	65
Total	10,897	2,800,745	9,798	100%	11,035	4,253,223	14,682	102%

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

TABLE I-8

GROUP LONG-TERM DISABILITY INSURANCE
ANALYSIS OF TABLES I-1 AND I-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 1974-78

PREEXISTING CONDITION PROVISION	TABLE I-1A EXPERIENCE—NONJUMBO UNITS ONLY				TABLE I-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	7,198	1,151,833	4,150	104%	7,253	1,706,895	6,509	109%
Preexisting conditions are covered	3,699	1,648,912	5,648	97	3,782	2,546,328	8,173	97
Total	10,897	2,800,745	9,798	100%	11,035	4,253,223	14,682	102%

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

TABLE I-9

GROUP LONG-TERM DISABILITY INSURANCE
 ANALYSIS OF TABLES I-1 AND I-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 1974-78

PLAN INDIRECT INTEGRATION PROVISION	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	7,187	1,743,589	5,837	95%	7,240	2,265,396	7,494	94%
Indirect integration—nonduplication level:								
Less than 50%	35	22,784	40	49	37	70,107	71	41
50%–59%	352	160,342	536	92	368	343,473	984	94
60%–69%	1,072	338,518	1,241	106	1,118	767,117	2,617	97
70%–79%	2,069	463,144	1,831	114	2,088	720,395	3,119	134
80%–89%	128	45,808	207	148	130	60,175	291	158
Greater than 89%	21	5,677	28	181	21	5,677	28	181
Integrated by noncodable	33	20,883	78	132	33	20,883	78	132
Total	10,897	2,800,745	9,798	100%	11,035	4,253,223	14,682	102%

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

TABLE I-A

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 1974-78

NONJUMBO—ALL EMPLOYEE CLASSES

Indirect Integration Classification	Relationship between LTD Benefit and Salary	Relationship between Disability Income Provided during the 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	1,074	387,202	1,026	74%
		Greater than 50%	99	35,040	92	78
	Greater than 50%	Subtotal	1,173	422,242	1,118	75%
		50% or less	4,872	965,063	3,377	100%
		Greater than 50%	355	124,147	435	96
	Subtotal	5,227	1,089,210	3,812	99%	
Subtotal		6,400	1,511,452	4,930	93%	
Nonduplication level greater than or equal to 60%	50% or less	50% or less	94	26,988	219	214%
		Greater than 50%	23	2,735	6	68
	Greater than 50%	Subtotal	117	29,723	225	202%
		50% or less	212	72,942	247	95%
		Greater than 50%	462	115,368	306	81
	Subtotal	674	188,310	553	86%	
Subtotal		791	218,033	778	104%	
Total			7,191	1,729,485	5,708	94%

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

tively. It should be noted that the number of claims underlying the disablement rate for some of the sex-age cells shown in these tables is relatively small.

As on plans with a six-month elimination period, the experience on plans with three-month and twelve-month elimination periods are based largely on a "his own occupation" definition of disability generally during the first two years following disablement. Less than 1 percent of the experience on

TABLE II-1

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 1974-78
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	546,919	945	1.73
40-44	103,583	394	3.80
45-49	97,079	581	5.98
50-54	85,565	725	8.47
55-59	66,285	950	14.33
60-64	41,224	810	19.65
All ages	940,655	4,405	4.68
Male Experience Only			
Under 40	287,789	464	1.61
40-44	60,419	201	3.33
45-49	55,194	315	5.71
50-54	47,762	394	8.25
55-59	37,687	565	14.99
60-64	24,762	510	20.60
All ages	513,613	2,449	4.77
Female Experience Only			
Under 40	156,789	331	2.11
40-44	22,905	129	5.63
45-49	22,470	174	7.74
50-54	21,305	202	9.48
55-59	16,635	231	13.89
60-64	9,242	179	19.37
All ages	249,346	1,246	5.00

plans with a three-month elimination period and 5 percent of the experience on plans with a twelve-month elimination period is based on an "any occupation" definition for the full period of disability.

The reader is reminded that claims were reported and included in the 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.

TABLE III-1
 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 1974-78
 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	193,754	179	0.92
40-44	39,225	65	1.66
45-49	44,394	159	3.58
50-54	43,897	255	5.81
55-59	36,389	332	9.12
60-64	16,870	185	10.97
All ages	374,529	1,175	3.14
Male Experience Only			
Under 40	148,702	121	0.81
40-44	29,169	33	1.13
45-49	32,538	113	3.47
50-54	32,096	168	5.23
55-59	26,446	256	9.68
60-64	12,631	155	12.27
All ages	281,582	846	3.00
Female Experience Only			
Under 40	31,639	43	1.36
40-44	7,094	22	3.10
45-49	8,438	36	4.27
50-54	8,413	72	8.56
55-59	7,170	65	9.07
60-64	2,645	22	8.32
All ages	65,399	260	3.98

Tables II-2 and III-2 analyze the crude rates of disablement shown in Tables II-1 and III-1 by underlying calendar year of experience, respectively, for all ages and for males, females, and sex-unknown exposures combined. Some portion of the variation in the overall disablement rates from year to year is the result of changes in the distributions of exposed to risk by age groups. These tables further show that accidents account for a small portion of the claims coded for a known cause of disablement—about 14 percent on plans with a three-month elimination period and 9 percent on plans with a twelve-month elimination period. As on plans with a six-month elimination period, the reader is reminded that the claim experience shown in the tables presented in this portion of the report may tend to be understated because of the lag in claim reporting.

Tables II-2 and III-2 also show the ratios of actual claims to tabular claims. The tabular claims for each year were obtained by applying the rates of disablement of all size groups from Tables II-1 and III-1, respectively, by sex category to the actual exposures for each age-sex group (males, females,

TABLE II-2

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

(Three-Month Elimination Period; Calendar Year of Issue Excluded; All Ages;
Males, Females, and Sex Unknown Combined)
Calendar Years of Experience 1962-78

ALL EXPERIENCE UNITS COMBINED

CALENDAR YEAR OF INCURRAL	NUMBER OF EX- PERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS			RATE OF DISABLE- MENT PER 1,000 LIVES	RATIO OF ACTUAL CLAIMS TO TABU- LAR CLAIMS*
			Acci- dent	Sick- ness	Total (Incl. Unknown)		
1962-63 ..	32	1,658	3	7	10	6.03	131%
1964-68 ..	1,219	174,157	92	647	760	4.36	85
1969-73 ..	6,096	697,451	589	3,168	3,773	5.41	111
1974	1,435	169,909	103	708	811	4.77	107%
1975	1,415	184,484	124	765	893	4.84	108
1976	1,288	183,094	119	871	990	5.41	114
1977	1,313	195,196	107	814	922	4.72	98
1978	1,382	207,972	103	685	789	3.79	78
1974-78	6,833	940,655	556	3,843	4,405	4.68	100%

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

and sex unknown). These tabulars, therefore, adjust only for age and sex. No adjustments are made for any other factors that might influence disablement rates.

Tables II-3 and III-3 subdivide the experience shown in Tables II-1 and III-1, respectively, 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 75 percent of the total number of units on plans with a three-month elimination period and 39 percent on plans with a twelve-month elimination period. This explains the large number of units which experienced no claims. These tables show 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 reports.

Tables II-3 and III-3 also include a dispersion-type analysis of ratios of actual claims to tabular claims. As in Tables II-2 and III-2, these tabulars adjust only for age and sex. Because the experience is not adjusted for other

TABLE III-2

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

(Twelve-Month Elimination Period; Calendar Year of Issue Excluded; All Ages;
Males, Females, and Sex Unknown Combined)
Calendar Years of Experience 1962-78

ALL EXPERIENCE UNITS COMBINED

CALENDAR YEAR OF INCURRAL	NUMBER OF EX- PERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS			RATE OF DISABLE- MENT PER 1,000 LIVES	RATIO OF ACTUAL CLAIMS TO TABU- LAR CLAIMS*
			Acci- dent	Sick- ness	Total (Incl. Unknown)		
1962-63 ..	12	1,720	0	2	2	1.16	50%
1946-68 ..	160	57,670	7	91	113	1.96	63
1969-73 ..	389	221,463	38	438	504	2.28	75
1974	97	60,121	20	156	176	2.93	95%
1975	97	57,489	19	222	241	4.19	137
1976	131	68,176	18	193	211	3.09	100
1977	127	72,486	24	231	255	3.52	114
1978	146	116,257	33	259	292	2.51	78
1974-78	598	374,529	114	1,061	1,175	3.14	100%

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

TABLE II-3

GROUP LONG-TERM DISABILITY INSURANCE
 RATES OF DISABLEMENT AND RATIOS OF ACTUAL CLAIMS TO TABULAR CLAIMS BY SIZE OF EXPERIENCE UNIT EXPOSED
 (Three-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1974-78
 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	1,559	22,287	112	5.03	97%	1,462	0	0	0	0	0	5	92
25-49	1,817	65,581	301	4.59	90	1,548	1	0	0	0	0	122	146
50-99	1,777	122,926	591	4.81	100	1,356	0	0	2	10	46	266	97
100-249	1,011	150,924	662	4.39	94	591	0	5	32	106	96	155	26
250-499	309	108,338	487	4.50	99	113	15	36	22	47	33	40	3
500-999	217	147,972	743	5.02	109	32	25	32	21	46	26	35	0
1,000-2,499	108	164,344	836	5.09	114	12	15	13	20	20	11	17	0
2,500-4,999	20	68,692	221	3.22	84	0	8	3	2	3	3	1	0
Under 5,000	6,818	851,064	3,953	4.64	101%	5,114	64	89	99	232	215	641	364
5,000 or more	15	89,591	452	5.05	92%	2	2	2	3	3	1	2	0
Total	6,833	940,655	4,405	4.68	100%	5,116	66	91	102	235	216	643	364

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

TABLE III-3

GROUP LONG-TERM DISABILITY INSURANCE
RATES OF DISABLEMENT AND RATIOS OF ACTUAL CLAIMS TO TABULAR CLAIMS BY SIZE OF EXPERIENCE UNIT EXPOSED
 (Twelve-Month Elimination Period; Calendar Year of Issue Excluded; All Ages; Males, Females, and Sex Unknown Combined)
 Calendar Years of Experience 1974-78

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	29	337	1	2.97	97%	28	0	0	0	0	0	0	1
25-49	88	3,249	7	2.15	56	82	0	0	0	0	0	0	6
50-99	116	8,230	13	1.58	51	104	0	0	0	0	0	7	5
100-249	150	24,578	74	3.01	83	106	0	0	2	11	8	19	4
250-499	76	27,929	62	2.22	65	39	0	7	11	8	6	5	0
500-999	66	47,959	158	3.29	93	13	10	13	2	13	7	7	1
1,000-2,499	35	53,700	181	3.37	94	5	5	4	4	9	4	4	0
2,500-4,999	22	82,840	231	2.79	97	1	7	4	2	2	3	3	0
Under 5,000	582	248,822	727	2.92	88%	378	22	28	21	43	28	45	17
5,000 or more	16	125,707	448	3.56	128%	1	0	1	0	6	8	0	0
Total	598	374,529	1,175	3.14	100%	379	22	29	21	49	36	45	17

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

TABLE A-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 1962-78)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
7th month	63.0	43.8	50.5	35.5	23.1	16.9
8th month	72.9	51.9	59.2	39.2	24.4	17.1
9th month	69.7	49.9	56.7	37.4	22.6	16.2
10th month	64.5	42.1	49.7	33.4	20.4	13.3
11th month	56.9	37.5	44.0	29.1	19.1	10.8
12th month	55.4	40.3	45.3	28.3	17.1	12.5
1st year (last 6 months)	326.5	237.9	269.2	186.5	120.2	83.8
13th month	51.3	39.0	43.0	26.5	15.7	11.4
14th month	42.9	32.7	36.0	23.8	14.3	9.6
15th month	42.1	29.4	33.4	21.5	12.7	10.3
16th month	34.7	26.6	29.1	18.6	10.9	9.8
17th month	31.4	27.2	28.5	17.8	9.5	8.7
18th month	32.1	24.5	26.8	17.5	10.9	8.5
19th month	32.2	20.2	23.9	13.6	11.1	8.8
20th month	30.4	16.2	20.6	11.1	9.0	9.1
21st month	25.5	15.5	18.5	11.4	8.8	7.9
22d month	20.1	19.1	19.4	10.7	8.5	6.0
23d month	19.5	19.3	19.4	11.2	8.1	6.5
24th month	32.8	20.8	24.3	14.2	8.5	8.0
2d year	331.1	255.0	279.4	181.1	120.9	99.8
3d year	276.3	170.8	201.1	116.1	80.7	74.1
4th year	125.9	92.8	101.2	66.2	59.6	62.4
5th year	67.7	63.7	64.7	47.7	55.5	46.1
6th year	69.2	53.8	57.6	45.3	56.4	67.8
7th year	82.7	56.8	63.2	43.9	56.2	37.6†
8th year	36.8*	50.9	47.5	49.4	50.2	41.9†
	Male Only					
1st year (last 6 months)	334.0	245.3	276.0	181.8	118.1	80.8
2d year	342.8	258.7	285.3	169.0	118.8	101.8
3d year	284.2	174.1	205.1	113.1	82.3	73.7
4th year	139.9	103.6	112.6	69.4	63.5	67.2
5th year	55.0†	67.1	64.2	48.2	59.9	45.0
6th year	75.5†	38.1	47.2	48.5	63.4	65.5
7th year	91.3†	76.4	80.0	47.9	59.8	39.4†
8th year	41.6*	43.8†	43.5	56.1	50.5	38.2†
	Female Only					
1st year (last 6 months)	315.8	226.6	259.0	195.1	126.1	95.2
2d year	313.6	249.2	270.6	203.7	126.8	91.5
3d year	265.0	165.6	195.0	121.9	75.8	75.5
4th year	104.9	75.5	83.3	59.7	47.4	40.8
5th year	85.1†	58.3	65.4	46.7	41.3	50.7†
6th year	59.8*	77.9	73.6	37.9	33.2	93.8*
7th year	71.3*	26.2*	37.6†	34.6	44.0	22.7*
8th year	32.0*	61.8†	54.1†	34.0	48.8	70.2*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

the 1962-73 active lives experience (all experience units combined), with the balance from experience units that were not included in the study of rates of disablement. The Committee did a subanalysis of the termination rates of only the claims that were included in the rates of disablement portion of the study. Termination rates for these claims were found to be generally 5 to 15 percent higher than those shown in Table A-1.

Table A-2 displays the actual number of claims that terminated by death or recovery, while Table A-3 presents 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)

TABLE A-2

GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Six-Month Elimination Period; Calendar Years of Experience 1962-78)

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) . . .	845	1,139	1,984	2,118	2,910	923
2d year	431	700	1,131	1,348	2,101	737
3d year	178	275	453	581	1,034	332
4th year	44	97	141	245	580	143
5th year	17	48	65	138	414	44
6th year	12	31	43	98	304	18
7th year	11	22	33	69	184	7
8th year	3	16	19	61	98	6
Male Only						
1st year (last 6 months) . . .	503	711	1,214	1,337	2,114	709
2d year	269	426	695	816	1,538	603
3d year	106	171	277	379	790	267
4th year	30	67	97	174	470	124
5th year	8	31	39	96	341	35
6th year	8	13	21	73	263	15
7th year	7	19	26	53	150	7
8th year	2	8	10	48	76	5
Female Only						
1st year (last 6 months) . . .	342	428	770	781	796	214
2d year	162	274	436	532	563	134
3d year	72	104	176	202	244	65
4th year	14	30	44	71	110	19
5th year	9	17	26	42	73	9
6th year	4	18	22	25	41	3
7th year	4	3	7	16	34	0
8th year	1	8	9	13	22	1

TABLE A-3

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

(Six-Month Elimination Period; Calendar Years of Experience 1962-78)

DURATION OF DISABLEMENT	ALL AGES OF DIS- ABLEMENT COMBINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 6 months)	35.8%	60.4%	45.9%	51.2%	40.2%	31.6%	24.5%
2d year	76.6	106.5	92.4	97.3	77.3	69.1	72.6
3d year	68.0	119.7	86.8	97.6	70.5	60.3	61.5
4th year	57.4	72.5	65.3	67.5	55.9	55.7	58.3
5th year	58.2	50.4	59.7	57.0	52.9	61.4	46.5
6th year	66.9	63.5	63.1	63.4	60.5	69.5	72.6
7th year	69.6	88.8	77.4	80.9	63.8	72.1	41.4 [†]
8th year	67.2	44.2 [†]	75.6	66.8	74.5	65.3	45.6 [†]
Male Only							
1st year (last 6 months)	34.5%	61.8%	47.4%	52.5%	39.2%	31.1%	23.7%
2d year	74.6	110.2	93.7	99.4	72.1	68.0	74.0
3d year	67.4	123.1	88.5	99.6	68.7	61.5	61.2
4th year	61.1	80.6	72.9	75.2	58.6	59.4	62.8
5th year	61.3	40.9 [†]	62.9	56.7	53.4	66.3	45.4
6th year	72.7	69.2 [†]	44.7	52.0	64.9	78.2	70.1
7th year	75.6	98.0 [†]	104.1	102.4	69.6	76.7	43.3 [†]
8th year	69.	49.9 [†]	65.1 [†]	61.3	84.5	65.8	41.5 [†]
Female Only							
1st year (last 6 months)	38.7%	58.4%	43.8%	49.3%	42.0%	33.2%	27.9%
2d year	81.4	100.9	90.3	94.2	86.9	72.6	66.6
3d year	69.6	114.8	84.2	94.5	74.1	56.6	62.6
4th year	47.4	60.4	53.1	55.4	50.4	44.4	38.1
5th year	49.7	63.3 [†]	54.7	57.5	51.8	45.7	51.2 [†]
6th year	50.5	54.8 [†]	91.5	80.9	50.7	40.9	100.5 [†]
7th year	52.7	76.6 [†]	35.7 [†]	48.1 [†]	50.4	56.5	25.0 [†]
8th year	62.0	38.4 [†]	91.8 [†]	75.9 [†]	51.3	63.6	76.3 [†]

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

[†] Involves fewer than ten terminations.

to the Table A-1 exposures. The low first-year ratios shown in Table A-3 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.

Table A-4 further analyzes the claim termination experience by examining, by claim incurral year during the period 1962-78, 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 A-1 exposures associated with the claims incurred.

Table A-5 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 is the Table A-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 is the termination rates from the 1964 CDT throughout. It should be noted that reports prior to 1977 used the Table A-1 crude termination rates for the first *four* years and the 1964 CDT rates thereafter. Attention is directed to Exhibit A, which traces for two age groups, on a basis consistent with these previous reports, the ratios of annuity values based on the Table A-1 crude termination rates for the first four years and the 1964 CDT thereafter to those based on the 1964 CDT throughout as shown in Table A-5 in the last nine reports, for plans providing a monthly benefit to age 65.

Table A-6 shows male and female disabled life annuity values for a benefit payable to age 65, based on the male and female claims, respectively, included in Table A-5. There were 40,684 male and 16,442 female claims in this analysis. As was done in Table A-5, 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.

Tables AA-1, AA-2, AA-3, AA-4, and AA-5 analyze the experience of terminations for plans with a six-month elimination period and are similar in form and content to Tables A-1, A-2, A-3, A-5, and A-6, respectively, except that the observation period has been restricted to the most current five years of experience, namely, 1974-78. As in Table A-1, the claim experience shown has been truncated at the end of eight years.

To allow for the analysis of trends in claim termination experience, Table AAA has been developed. This table traces the annuity values based on crude termination over various restricted observation periods for the first six years and the 1964 CDT thereafter, for each age group on a basis consistent with Tables A-5 and AA-4 and some unpublished data.

TABLE A-4

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

(Six-Month Elimination Period; Calendar Years of Experience 1962-78)

ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1968 and Prior	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	All Years
	Male and Female Combined											
1st year (last 6 months) . . .	44.6%	37.9%	37.7%	34.1%	33.9%	33.2%	31.8%	34.0%	32.4%	36.3%	32.5%	35.8%
2d year	96.4	89.1	75.4	83.7	78.6	70.1	67.4	65.6	69.3	70.2	.....	76.6
3d year	88.5	74.2	76.0	73.8	67.3	56.1	63.3	53.9	53.8	.....	.....	68.0
4th year	74.9	71.3	59.7	52.2	54.7	50.6	43.7	47.2	.....	.....	.....	57.4
5th year	71.9	69.3	57.6	61.8	46.2	51.1	34.9	.....	.....	.....	.....	58.2
6th year	84.8	68.5	66.7	64.0	46.5	52.9	.....	.....	.....	.....	.....	66.9
7th year	78.9	65.7	76.6	59.1	76.7	.....	.....	.....	.....	.....	.....	69.6
8th year	73.8	70.3	59.8	50.7	.....	.....	.....	.....	.....	.....	.....	67.2
	Male Only											
1st year (last 6 months) . . .	43.6%	35.5%	36.8%	31.8%	35.3%	31.5%	29.7%	32.8%	30.9%	34.9%	32.4%	34.5%
2d year	94.5	85.4	68.4	79.1	75.9	70.4	64.9	65.2	69.1	69.5	.....	74.6
3d year	82.7	75.1	73.2	72.8	66.2	56.1	66.4	52.2	56.1	.....	.....	67.4
4th year	74.4	80.7	60.6	56.1	56.4	57.1	47.9	55.2	.....	.....	.....	61.1
5th year	78.6	66.5	60.9	65.5	52.0	47.9	36.2	.....	.....	.....	.....	61.3
6th year	89.6	69.7	69.4	73.7	55.8	59.6	.....	.....	.....	.....	.....	72.7
7th year	86.0	67.7	82.8	65.2	79.8	.....	.....	.....	.....	.....	.....	75.6
8th year	74.3	71.4	67.4	53.8	.....	.....	.....	.....	.....	.....	.....	69.0
	Female Only											
1st year (last 6 months) . . .	47.2%	44.0%	40.3%	40.5%	30.4%	37.4%	36.4%	36.9%	35.5%	39.0%	32.9%	38.7%
2d year	100.9	98.5	95.4	96.2	85.1	69.4	73.0	66.3	69.6	71.5	.....	81.4
3d year	104.2	71.9	84.9	77.0	70.0	56.1	56.2	57.6	48.5	.....	.....	69.6
4th year	76.4	45.4	56.6	40.3	50.1	34.8	34.1	26.7	.....	.....	.....	47.4
5th year	52.7	76.9	46.3	50.8	31.4	58.6	32.0	.....	.....	.....	.....	49.7
6th year	71.1	64.8	57.6	35.1	23.2†	39.1	.....	.....	.....	.....	.....	50.5
7th year	58.6	59.6†	56.7	41.7	68.9†	.....	.....	.....	.....	.....	.....	52.7
8th year	72.4	67.3†	35.6†	37.6†	.....	.....	.....	.....	.....	.....	.....	62.0

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

† Involves fewer than ten terminations.

TABLE A-5

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 A-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table A-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	\$23.24	\$16.59	140%	\$27.66	\$28.46	97%
35.5	30.01	18.44	163	33.06	30.86	107
45.5	35.59	21.71	164	37.73	33.50	113
55.5	41.29	26.85	154	41.20	36.68	112
62.5	20.39	14.91	137	16.29	15.77	103
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$48.76	\$32.62	149%	\$66.12	\$63.86	104%
35.5	69.04	38.72	178	85.02	73.54	116
45.5	77.15	42.87	180	89.58	73.57	122
55.5	62.07	38.40	162	65.18	55.60	117
62.5	20.39	14.91	137	16.29	15.77	103

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

EXHIBIT A

GROUP LONG-TERM DISABILITY INSURANCE
 RATIO OF ANNUITY VALUE PAYABLE TO AGE 65 DISCOUNTED AT 3 PERCENT
 BASED ON COMBINED TABLE A-1 EXPERIENCE FOR FIRST FOUR
 YEARS AND ON 1964 CDT RATES THEREAFTER TO
 ANNUITY VALUES PAYABLE TO AGE 65 DISCOUNTED
 AT 3 PERCENT BASED ON 1964 CDT THROUGHOUT
 (Six-Month Elimination Period; Males and Females Combined)

AGE AT DISABLEMENT	YEARS OF DISABLED LIVES TERMINATION EXPERIENCE									
	1962-69	1962-70	1962-71	1962-72	1962-73	1962-74	1962-75	1962-76	1962-77	1962-78
Ratio Based on Values as of End of Elimination Period										
45.5	139%	145%	141%	157%	159%	161%	169%	165%	170%	172%
55.5	142	144	143	150	149	150	155	154	156	158
Ratio Based on Values as of End of Twelfth Month of Disablement										
45.5	99%	101%	99%	108%	108%	110%	114%	112%	115%	116%
55.5	104	105	104	109	108	110	112	112	113	114

TABLE A-6
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 A-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table A-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
	Male Only					
25.5	\$46.91	\$32.62	144%	\$64.12	\$63.86	100%
35.5	67.82	38.72	175	84.25	73.54	115
45.5	78.44	42.87	183	90.64	73.57	123
55.5	61.84	38.40	161	64.75	55.60	116
62.5	20.43	14.91	137	16.27	15.77	103
	Female Only					
25.5	\$51.61	\$32.62	158%	\$69.21	\$63.86	108%
35.5	70.98	38.72	183	86.26	73.54	117
45.5	74.84	42.87	175	87.66	73.57	119
55.5	62.91	38.40	164	66.60	55.60	120
62.5	20.25	14.91	136	16.39	15.77	104

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

TABLE AA-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 1974-78)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
7th month	59.7	43.6	49.4	35.9	22.6	15.7
8th month	70.4	46.8	55.4	35.7	22.4	15.8
9th month	66.5	44.7	52.5	34.6	20.9	14.4
10th month	62.1	37.1	46.0	31.6	18.3	12.4
11th month	55.0	30.8	39.2	26.4	17.4	9.3
12th month	51.5	34.5	40.3	25.5	16.3	10.9
1st year (last 6 months)	314.1	215.3	251.6	175.4	112.3	76.0
13th month	49.3	32.8	38.3	24.0	14.5	10.5
14th month	37.0	28.9	31.6	21.0	13.4	9.0
15th month	36.6	27.6	30.5	18.6	12.0	9.8
16th month	38.9	21.0	26.8	18.1	8.9	7.9
17th month	32.9	22.2	25.7	17.3	7.6	6.3
18th month	31.2	22.8	25.5	15.4	8.3	7.4
19th month	31.4	16.6	21.3	10.5	8.6	7.9
20th month	27.6	14.1	18.3	9.5	7.7	9.0
21st month	23.5	15.2	17.8	11.1	7.0	8.1
22d month	17.7†	16.5	16.9	9.0	7.3	6.0
23d month	15.1†	16.3	15.9	10.0	7.8	6.4
24th month	32.2	18.3	22.5	12.5	7.6	7.2
2d year	316.0	225.3	255.4	163.4	105.2	91.6
3d year	264.1	165.9	194.4	105.4	68.2	63.6
4th year	110.8	84.0	91.0	59.9	49.3	57.5
5th year	56.5	57.4	57.2	47.4	50.8	33.8
6th year	78.8	53.7	60.1	40.7	50.2	75.0
7th year	81.4†	52.2	60.0	39.6	55.1	39.8†
8th year	41.6*	37.8†	38.7	46.9	50.1	46.1†
	Male Only					
1st year (last 6 months)	313.8	208.4	246.1	176.0	110.0	70.8
2d year	328.0	225.3	258.5	155.0	104.9	94.7
3d year	257.5	169.8	194.5	105.1	72.9	63.8
4th year	124.8	96.3	103.6	65.2	53.5	60.9
5th year	44.0†	57.5	54.0	47.1	54.6	28.3
6th year	92.4†	40.8	54.0	45.0	56.6	71.2
7th year	95.4†	72.0	78.0	40.3	58.5	41.0†
8th year	49.9*	41.3†	43.7†	51.4	49.1	42.5†
	Female Only					
1st year (last 6 months)	314.7	224.9	259.2	174.4	118.3	93.5
2d year	299.1	225.1	250.8	178.3	106.0	80.1
3d year	274.4	159.9	194.1	106.0	55.5	62.5
4th year	89.2†	63.4	70.4	49.3	37.2	42.3
5th year	75.1†	57.0	61.9	47.9	38.8	57.5†
6th year	56.8*	73.4	69.8	31.1	29.5	115.9*
7th year	63.6*	22.0*	33.4†	37.9	43.9	29.4*
8th year	33.1*	33.0*	32.6*	36.5	53.7	75.4*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE AA-2

GROUP LONG-TERM DISABILITY INSURANCE
 NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
 (Six-Month Elimination Period; Calendar Years of Experience 1974-78)

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) . . .	485	580	1,065	1,030	1,492	431
2d year	258	367	625	672	1,050	373
3d year	108	170	278	325	552	174
4th year	26	59	85	144	330	89
5th year	11	32	43	101	280	23
6th year	11	24	35	66	209	15
7th year	9	16	25	49	148	6
8th year	3	9	12	48	82	6
	Male Only					
1st year (last 6 months) . . .	269	329	598	664	1,057	309
2d year	155	217	372	405	765	303
3d year	60	107	167	211	432	137
4th year	18	42	60	107	267	75
5th year	5	20	25	68	228	16
6th year	8	11	19	51	181	12
7th year	6	14	20	35	120	6
8th year	2	6	8	36	61	5
	Female Only					
1st year (last 6 months) . . .	216	251	467	366	435	122
2d year	103	150	253	267	285	70
3d year	48	63	111	114	120	37
4th year	8	17	25	37	63	14
5th year	6	12	18	33	52	7
6th year	3	13	16	15	28	3
7th year	3	2	5	14	28	0
8th year	1	3	4	12	21	1

TABLE AA-3

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

(Six-Month Elimination Period; Calendar Years of Experience 1974-78)

DURATION OF DISABLEMENT	ALL AGES OF DIS- ABLEMENT COMBINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 6 months) . . .	33.5%	58.1%	41.6%	47.8%	37.8%	29.5%	22.3%
2d year	68.6	101.6	81.6	88.9	69.7	60.2	66.6
3d year	60.4	114.4	84.3	94.3	64.0	51.0	52.8
4th year	49.7	63.8	59.1	60.7	50.6	46.1	53.7
5th year	53.4	42.0	53.8	50.3	52.5	56.2	34.1
6th year	61.3	72.3	63.0	66.1	54.5	61.9	80.3
7th year	66.8	87.5†	71.2	76.5	57.5	70.7	43.8†
8th year	65.0	49.9†	56.1†	54.2	70.7	65.3	50.2†
Male Only							
1st year (last 6 months) . . .	32.1%	58.1%	40.3%	46.8%	37.9%	28.9%	20.7%
2d year	67.4	105.5	81.6	90.1	66.2	60.0	68.9
3d year	61.0	111.6	86.3	94.5	63.9	54.4	53.0
4th year	53.8	71.9	67.8	69.2	55.1	50.0	56.9
5th year	55.3	32.7†	54.0	47.6	52.2	60.5	28.6
6th year	67.1	84.7†	47.8	59.3	60.1	69.8	76.2
7th year	71.5	102.5†	98.0	99.7	58.5	75.1	45.1†
8th year	66.2	59.9†	61.4†	61.5†	77.6	63.9	46.1†
Female Only							
1st year (last 6 months) . . .	36.7%	58.2%	43.4%	49.2%	37.6%	31.1%	27.4%
2d year	71.2	96.2	81.5	87.2	76.1	60.6	58.2
3d year	58.7	118.9	81.2	94.0	64.4	41.4	51.8
4th year	39.1	51.4†	44.6	46.8	41.6	34.8	39.5
5th year	48.3	55.8†	53.5	54.4	53.1	43.0	58.0†
6th year	45.0	52.1†	86.2	76.7	41.5	36.4	124.0†
7th year	53.4	68.3†	30.0†	42.5†	55.2	56.3	32.4†
8th year	61.8	39.7†	49.0†	45.4†	55.0	69.9	82.0†

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

† Involves fewer than ten terminations.

TABLE AA-4
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 AA-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table AA-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	\$24.28	\$16.59	146%	\$28.63	\$28.46	101%
35.5	31.90	18.44	173	34.47	30.86	112
45.5	36.92	21.71	170	38.82	33.50	116
55.5	42.68	26.85	159	42.40	36.68	116
62.5	20.65	14.91	138	16.41	15.77	104
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period					
25.5	\$51.82	\$32.62	159%	\$69.38	\$63.86	109%
35.5	74.63	38.72	193	89.74	73.54	122
45.5	80.99	42.87	189	93.05	73.57	126
55.5	64.80	38.40	169	67.69	55.60	122
62.5	20.65	14.91	138	16.41	15.77	104

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

TABLE AA-5

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 AA-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table AA-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only						
25.5	\$50.89	\$32.62	156%	\$68.04	\$63.86	107%
35.5	74.83	38.72	193	89.21	73.54	121
45.5	81.19	42.87	189	93.36	73.57	127
55.5	64.33	38.40	168	66.98	55.60	120
62.5	20.73	19.91	139	16.39	15.77	104
Female Only						
25.5	\$53.16	\$32.62	163%	\$71.35	\$63.86	112%
35.5	74.49	38.72	192	90.68	73.54	123
45.5	80.77	42.87	188	92.68	73.57	126
55.5	66.29	38.40	173	69.88	55.60	126
62.5	20.38	14.91	137	16.51	15.77	105

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

TABLE AAA

GROUP LONG-TERM DISABILITY INSURANCE
 ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1
 PAYABLE TO AGE 65, DISCOUNTED AT 3 PERCENT INTEREST
 (Six-Month Elimination Period; Males and Females Combined)

BASIS OF ANNUITY VALUES	AGE AT DISABLEMENT				
	25.5	35.5	45.5	55.5	62.5
Annuity Value as of End of Elimination Period					
1964 CDT	\$32.62	\$38.72	\$42.87	\$38.40	\$14.91
1962-68*	\$49.34	\$56.03	\$64.10	\$53.71	\$19.22
Ratio to 1964 CDT	151%	145%	150%	140%	129%
1969-73*	\$43.78	\$63.21	\$73.90	\$58.39	\$20.29
Ratio to 1964 CDT	134%	163%	172%	152%	136%
1974-78*	\$51.82	\$74.63	\$80.99	\$64.80	\$20.65
Ratio to 1964 CDT	159%	193%	189%	169%	138%
1962-78*	\$48.76	\$69.04	\$77.15	\$62.07	\$20.39
Ratio to 1964 CDT	149%	178%	180%	162%	137%
Annuity Value as of End of Twelfth Month of Disablement					
1964 CDT	\$63.86	\$73.54	\$73.57	\$55.60	\$15.77
1962-68*	\$68.35	\$79.15	\$77.93	\$57.00	\$15.68
Ratio to 1964 CDT	107%	108%	106%	103%	99%
1969-73*	\$60.52	\$77.66	\$85.54	\$61.36	\$16.22
Ratio to 1964 CDT	95%	106%	116%	110%	103%
1974-78*	\$69.38	\$89.74	\$93.05	\$67.69	\$16.41
Ratio to 1964 CDT	109%	122%	126%	122%	104%
1962-78*	\$66.12	\$85.02	\$89.58	\$65.18	\$16.29
Ratio to 1964 CDT	104%	116%	122%	117%	103%

* Annuity values are based on the crude, ungraduated, combined male and female termination rates for the respective restricted observation periods for the first six years and on the 1964 Commissioners Disability Table rates thereafter.

*Experience on Plans with Three-Month and Twelve-Month
Elimination Periods*

Tables B-1, B-2, B-3, B-4, B-5, B-6, BB-1, BB-2, BB-3, BB-4, BB-5, and BBB analyze the experience of terminations for plans with a three-month elimination period and are similar in form and content to the corresponding tables on plans with a six-month elimination period (that is, the A series) with two exceptions. The experience shown has been truncated at *six* years instead of the eight years that was used for plans with a six-month elimination period. Also, the crude termination rates from Table B-1 are used for *four* years (instead of six years as for plans with a six-month elimination period), with the 1964 CDT termination rates used thereafter, in calculating one of the two sets of illustrative values shown in Tables B-5 and B-6. The number of claims exposed to termination was 28,382, of which 4,405 and 4,543 emanated from the 1974–78 and 1962–73 portions, respectively, of 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.

As on plans with a six-month elimination period, the low first-year ratios shown for plans with a three-month elimination period in Table B-2 would seem to be due to the shorter elimination periods of the individual health insurance experience underlying the first-year termination rates of the 1964 CDT.

For plans with a twelve-month elimination period, the experience of terminations is analyzed in the C series of tables. These tables are similar in format to the corresponding tables of the B series. The number of claims exposed to termination was 4,759, of which 1,175 and 619 originated from the 1974–78 and 1962–73 portions, respectively, of the active lives experience, and the balance from experience units that were not included in the study of rates of disablement.

CONCLUSION

The overall termination rates shown in this report, which include one additional year of experience, are slightly lower (depending upon elimination period, 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 the annuity values shown in Tables A-5, B-5, and C-5 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 this year's report for actuarial purposes such as reserving.

TABLE B-1

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 1962-78)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
4th month	124.7	110.2	116.4	90.7	58.8	43.0
5th month	139.3	125.7	131.5	100.9	64.2	47.7
6th month	124.6	115.5	119.4	88.2	58.2	41.4
7th month	116.3	97.8	105.6	72.1	48.8	34.0
8th month	102.1	76.5	87.2	62.9	38.1	29.5
9th month	89.7	58.8	71.4	53.2	32.0	21.9
10th month	80.1	51.2	62.8	43.6	28.4	18.8
11th month	72.7	54.1	61.4	37.0	24.5	16.3
12th month	72.6	49.7	58.5	34.0	20.7	13.7
1st year (last 9 months)	623.2	539.9	575.7	454.0	318.1	237.4
13th month	64.0	40.1	49.2	30.5	17.4	12.9
14th month	55.3	30.7	39.9	25.6	15.3	12.0
15th month	51.7	34.4	40.7	23.8	14.7	11.8
16th month	43.2	33.8	37.1	23.1	15.1	9.9
17th month	39.2	30.6	33.6	19.4	14.0	9.0
18th month	40.3	27.7	32.1	16.9	11.3	7.1
19th month	27.7†	15.3	19.6	15.4	9.7	5.4
20th month	29.6	12.7	18.5	13.6	9.7	9.4
21st month	37.6	16.5	23.6	11.9	9.4	11.4
22d month	34.5	19.8	24.7	12.8	8.4	6.5†
23d month	27.8†	19.9	22.4	12.1	8.2	5.9
24th month	23.2†	23.7	23.5	12.2	8.1	6.1†
2d year	384.0	266.2	310.0	197.1	132.4	102.4
3d year	195.7	185.7	189.0	131.8	87.9	87.8
4th year	86.5	88.2	88.0	77.8	56.3	73.7
5th year	87.2†	78.6	80.9	44.7	60.6	74.4
6th year	43.9*	39.9†	40.6†	37.7	72.4	43.9*
Male Only						
1st year (last 9 months)	644.8	541.5	585.3	438.8	305.5	239.1
2d year	367.3	290.8	317.5	202.4	131.6	101.1
3d year	181.7	200.0	194.9	132.6	94.4	96.9
4th year	64.1†	101.5	91.2	90.4	62.9	71.2
5th year	96.1†	125.6	118.3	54.7	64.6	66.9
6th year	61.0*	71.8†	68.6†	36.5	78.4	16.9*
Female Only						
1st year (last 9 months)	595.9	537.5	563.1	478.0	348.2	232.0
2d year	401.8	231.4	299.9	187.9	134.3	106.2
3d year	212.8	166.6	181.4	130.4	70.0	59.2
4th year	115.7†	70.7	83.6	55.6	37.4	81.0
5th year	73.2*	15.3*	30.9*	27.4†	49.2	94.5†
6th year	18.5*	0.0*	4.6*	40.0†	54.9	126.9*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE B-2

GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Three-Month Elimination Period; Calendar Years of Experience 1962-78)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
1st year (last 9 months) ...	1,369	1,579	2,948	2,644	3,394	1,134
2d year	217	260	477	495	768	257
3d year	48	101	149	217	362	130
4th year	12	28	40	88	167	50
5th year	8	18	26	34	132	19
6th year	2	6	8	21	96	3
	Male Only					
1st year (last 9 months) ...	787	906	1,693	1,568	2,298	859
2d year	109	165	274	319	559	192
3d year	25	61	86	140	285	110
4th year	5	18	23	64	138	35
5th year	5	17	22	27	104	13
6th year	2	6	8	13	78	1
	Female Only					
1st year (last 9 months) ...	582	673	1,255	1,076	1,096	275
2d year	108	95	203	176	209	65
3d year	23	40	63	77	77	20
4th year	7	10	17	24	29	15
5th year	3	1	4	7	28	6
6th year	0	0	0	8	18	2

TABLE B-3

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

(Three-Month Elimination Period; Calendar Years of Experience 1962-78)

DURATION OF DISABLEMENT	ALL AGES OF DIS- ABLEMENT COMBINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 9 months)	48.7%	70.2%	61.3%	65.2%	54.0%	42.4%	35.8%
2d year	83.8	123.5	96.4	107.5	84.1	75.7	74.5
3d year	73.9	84.8	94.4	91.2	80.1	65.7	72.9
4th year	58.3	49.8	62.1	58.3	65.7	52.6	68.9
5th year	64.8	64.8†	73.8	70.9	49.6	67.1	75.1
6th year	74.0	40.3†	46.8†	44.8†	50.4	89.2	47.0†
Male Only							
1st year (last 9 months)	46.8%	72.6%	61.5%	66.3%	52.1%	40.7%	36.1%
2d year	83.2	118.1	105.3	110.3	86.4	75.3	73.5
3d year	77.1	78.7	101.6	94.2	80.5	70.5	80.4
4th year	63.7	36.9†	71.4	60.3	76.4	58.9	66.5
5th year	72.7	71.5†	117.8	103.6	60.6	71.5	67.6
6th year	81.5	56.0†	84.3†	75.5†	48.7	96.6	18.1†
Female Only							
1st year (last 9 months)	52.3%	67.1%	61.1%	63.7%	56.8%	46.4%	35.0%
2d year	85.0	129.2	83.8	103.7	80.2	76.8	77.3
3d year	66.8	92.2	84.7	87.4	79.2	52.3	49.1
4th year	46.1	66.7†	49.7	55.4	47.0	35.0	75.7
5th year	46.5	54.4†	14.4†	27.1†	30.3†	54.5	95.4†
6th year	56.1	17.0†	0.0†	5.1†	53.5†	67.7	135.9†

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

† Involves fewer than ten terminations.

TABLE B-4

GROUP LONG-TERM DISABILITY INSURANCE RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR RECOVERY
TO NUMBER OF TERMINATIONS EXPECTED FROM 1964 COMMISSIONERS DISABILITY TABLE*
(Three-Month Elimination Period; Calendar Years of Experience 1962-78)

ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1968 and Prior	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	All Years
	Male and Female Combined											
1st year (last 9 months) . . .	60.0%	56.9%	51.7%	54.0%	51.9%	47.8%	45.6%	42.8%	42.9%	47.0%	40.7%	48.7%
2d year	115.2	91.1	102.8	103.3	89.4	71.1	72.7	79.0	72.1	72.5	.....	83.8
3d year	105.7	107.9	95.3	83.7	63.4	65.6	62.0	67.4	62.3	.....	.....	73.9
4th year	98.3	92.8	74.3	52.9	54.7	43.7	47.9	37.8	.....	.....	.....	58.3
5th year	74.0	55.7	75.3	75.2	53.3	64.2	53.1	.....	.....	.....	.....	64.8
6th year	97.7	105.5	33.8†	68.0	66.9	60.6	.....	.....	.....	.....	.....	74.0
	Male Only											
1st year (last 9 months) . . .	59.9%	54.4%	49.1%	52.9%	49.8%	45.5%	43.1%	39.8%	41.1%	44.4%	37.8%	46.8%
2d year	118.7	95.8	98.1	95.9	89.4	69.2	69.4	76.7	74.1	74.9	.....	83.2
3d year	109.9	98.5	92.9	83.7	62.7	71.7	67.2	70.6	67.0	.....	.....	77.1
4th year	106.4	95.4	69.8	56.8	60.6	50.1	52.1	49.4	.....	.....	.....	63.7
5th year	90.1	64.6	68.2	84.5	59.9	75.1	60.1	.....	.....	.....	.....	72.7
6th year	100.9	106.7	42.4†	73.5	76.1	72.6	.....	.....	.....	.....	.....	81.5
	Female Only											
1st year (last 9 months) . . .	60.2%	63.1%	58.0%	56.7%	55.7%	51.9%	50.1%	48.3%	46.0%	51.5%	45.6%	52.3%
2d year	107.0	77.4	114.6	122.1	89.3	74.8	78.7	83.5	68.3	64.2	.....	85.0
3d year	95.9	133.7	101.5	83.2	64.6	52.1	51.8	60.6	54.0	.....	.....	66.8
4th year	79.8	85.4†	86.6	41.8†	40.7	29.8	39.7	14.7†	.....	.....	.....	46.1
5th year	37.1†	29.7†	94.9†	49.7†	37.8†	41.3	39.5†	.....	.....	.....	.....	46.5
6th year	90.3†	98.2†	8.3†	53.3†	47.3†	34.7†	.....	.....	.....	.....	.....	56.1

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

† Involves fewer than ten terminations.

TABLE B-5

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 DISABLEMENT		
	Based on Table B-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table B-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	\$15.05	\$ 5.43	277%	\$26.30	\$27.50	96%
35.5	19.64	5.95	330	30.83	29.72	104
45.5	24.81	7.82	317	34.69	32.18	108
55.5	32.80	12.25	268	38.52	35.19	109
62.5	19.66	9.67	203	16.22	15.77	103
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$28.89	\$ 9.41	307%	\$63.86	\$63.86	100%
35.5	41.18	11.09	371	78.70	73.54	107
45.5	50.00	14.23	351	81.86	73.57	111
55.5	48.71	17.24	283	62.37	55.60	112
62.5	19.66	9.67	203	16.22	15.77	103

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

TABLE B-6

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 B-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table B-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only						
25.5	\$28.68	\$ 9.41	305%	\$67.65	\$63.86	106%
35.5	39.12	11.09	353	74.38	73.54	101
45.5	50.57	14.23	355	80.49	73.57	109
55.5	49.19	17.24	285	61.84	55.60	111
62.5	19.63	9.67	203	16.22	15.77	103
Female Only						
25.5	\$29.13	\$ 9.41	310%	\$59.62	\$63.86	93%
35.5	44.16	11.09	398	84.91	73.54	115
45.5	49.16	14.23	345	84.28	73.57	115
55.5	47.70	17.24	277	63.92	55.60	115
62.5	19.76	9.67	204	16.20	15.77	103

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

TABLE BB-1

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 1974-78)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
4th month	124.3	110.6	116.9	88.5	53.1	39.1
5th month	131.8	119.7	125.2	94.5	57.0	39.4
6th month	113.1	107.1	109.9	79.5	50.2	32.8
7th month	112.8	92.0	101.5	61.4	42.7	26.1
8th month	102.2	71.1	85.1	52.3	33.2	24.4
9th month	86.1	59.7	71.1	45.4	28.4	22.2
10th month	74.8	50.4	60.8	37.3	25.6	18.7
11th month	66.5	48.8	56.3	27.9	21.7	13.9
12th month	65.0	42.3	51.8	27.2	17.3	12.2
1st year (last 9 months)	603.6	520.4	558.7	412.6	285.6	207.2
13th month	58.2	25.7	39.0	26.7	13.1	11.5
14th month	59.6	20.6	36.2	21.7	11.7	11.5
15th month	58.1	33.1	42.9	21.3	12.2	11.0
16th month	40.8	31.0	34.7	20.5	12.4	7.6
17th month	34.6	26.9	29.7	16.3	11.2	7.6
18th month	39.2	22.5†	28.6	14.7	10.3	6.6†
19th month	29.9†	9.1*	16.7	13.4	9.7	4.0*
20th month	28.2	8.3†	15.5	13.0	9.5	7.4
21st month	34.7	11.3†	19.6	10.8	8.5	11.2
22d month	29.1†	17.5	21.5	10.7	7.7	6.1*
23d month	23.0†	18.0†	19.7	11.5	7.8	3.9†
24th month	20.0*	17.7	18.5	9.9	7.6	3.2*
2d year	372.1	216.9	279.3	174.9	115.1	88.1
3d year	172.1	165.0	167.3	108.5	78.5	77.0
4th year	69.9†	71.9	71.4	68.9	46.9	61.8
5th year	91.0†	88.6	89.5	44.1	58.7	77.2
6th year	42.4*	42.0†	41.2†	34.3	66.7	34.3*
	Male Only					
1st year (last 9 months)	621.8	506.9	559.2	395.2	273.2	202.0
2d year	342.1	245.2	280.8	180.4	115.0	86.9
3d year	169.2	175.3	174.1	112.8	85.3	84.8
4th year	46.5*	83.6	72.8	80.5	53.4	59.4
5th year	110.4†	137.7	130.2	57.4	60.5	60.2†
6th year	69.6*	74.3†	72.1†	34.0	73.6	19.5*
	Female Only					
1st year (last 9 months)	582.9	536.0	558.2	437.0	313.2	221.5
2d year	400.6	178.2	277.0	166.5	115.3	91.1
3d year	177.5	150.8	159.3	101.7	60.3	52.6
4th year	100.8†	55.4†	69.0	48.9	29.5	68.7
5th year	63.6*	20.0*	33.0*	20.6†	53.4	122.9†
6th year	0.0*	0.0*	0.0*	34.8†	46.2	81.6*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE BB-2

GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Three-Month Elimination Period: Calendar Years of Experience 1974-78)

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) . . .	871	881	1,752	1,305	1,797	581
2d year	154	137	291	279	459	143
3d year	32	65	97	130	244	84
4th year	8	18	26	61	110	32
5th year	7	16	23	28	106	15
6th year	2	5	7	16	74	2
	Male Only					
1st year (last 9 months) . . .	472	465	937	735	1,192	418
2d year	69	89	158	173	328	106
3d year	17	39	56	84	192	71
4th year	3	12	15	45	91	22
5th year	5	15	20	23	81	9
6th year	2	5	7	10	61	1
	Female Only					
1st year (last 9 months) . . .	399	416	815	570	605	163
2d year	85	48	133	106	131	37
3d year	15	26	41	46	52	13
4th year	5	6	11	16	19	10
5th year	2	1	3	5	25	6
6th year	0	0	0	6	13	1

TABLE BB-3

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

(Three-Month Elimination Period; Calendar Years of Experience 1974-78)

DURATION OF DISABLEMENT	ALL AGES OF DIS- ABLEMENT COMBINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 9 months) . . .	44.8%	68.0%	59.1%	63.2%	49.0%	38.1%	31.2%
2d year	73.8	119.7	78.6	96.6	74.7	65.8	64.0
3d year	64.2	74.6	83.9	80.6	65.9	58.6	63.9
4th year	49.1	40.3†	50.6	47.2	58.2	43.9	57.8
5th year	64.2	67.7†	83.1	78.0	48.9	65.0	78.0
6th year	68.2	38.9†	49.3†	45.3†	45.9	82.2	36.7†
Male Only							
1st year (last 9 months) . . .	42.3%	70.0%	57.6%	63.3%	47.0%	36.4%	30.5%
2d year	72.9	110.0	88.8	97.4	77.0	65.8	63.2
3d year	68.2	73.3	89.1	84.1	68.5	63.7	70.4
4th year	54.1	26.8†	58.8	48.1	68.0	49.9	55.5
5th year	70.8	82.1†	129.2	113.6	63.6	67.0	60.8†
6th year	77.0	63.8†	87.3†	79.0†	45.4	90.8	20.9†
Female Only							
1st year (last 9 months) . . .	49.3%	65.7%	60.9%	63.2%	51.9%	41.8%	33.4%
2d year	75.4	128.9	64.6	95.4	71.0	66.0	66.3
3d year	56.0	76.9	76.6	76.4	61.8	45.1	43.7
4th year	38.0	58.1†	39.0†	45.6	41.3	27.6	64.2
5th year	48.7	47.3†	18.7†	28.8†	22.8†	59.2	124.2†
6th year	46.7	0.0†	0.0†	0.0†	46.6†	56.9	87.4†

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

† Involves fewer than ten terminations.

TABLE BB-4

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 DISABLEMENT		
	Based on Table BB-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table BB-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	\$16.02	\$ 5.43	295%	\$27.23	\$27.50	99%
35.5	21.46	5.95	361	33.26	29.72	112
45.5	27.27	7.82	349	36.19	32.18	112
55.5	34.97	12.25	285	39.60	35.19	113
62.5	20.46	9.67	212	16.39	15.77	104
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$31.58	\$ 9.41	336%	\$67.36	\$63.86	105%
35.5	46.47	11.09	419	86.58	73.54	118
45.5	56.14	14.23	395	86.45	73.57	118
55.5	52.32	17.24	303	64.43	55.60	116
62.5	20.46	9.67	212	16.39	15.77	104

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

TABLE BB-5

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 BB-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT	Based on Table BB-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only						
25.5	\$31.88	\$ 9.41	339%	\$71.88	\$63.86	113%
35.5	45.51	11.09	410	82.04	73.54	112
45.5	56.76	14.23	399	84.82	73.57	115
55.5	52.73	17.24	306	63.81	55.60	115
62.5	20.59	9.67	213	16.40	15.77	104
Female Only						
25.5	\$31.21	\$ 9.41	332%	\$62.61	\$63.86	98%
35.5	47.99	11.09	433	93.07	73.54	127
45.5	55.42	14.23	389	89.14	73.57	121
55.5	51.56	17.24	299	66.10	55.60	119
62.5	20.11	9.67	208	16.34	15.77	104

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

TABLE BBB

GROUP LONG-TERM DISABILITY INSURANCE
 ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1
 PAYABLE TO AGE 65, DISCOUNTED AT 3 PERCENT INTEREST
 (Three-Month Elimination Period; Males and Females Combined)

BASIS OF ANNUITY VALUES	AGE AT DISABLEMENT				
	25.5	35.5	45.5	55.5	62.5
	Annuity Value as of End of Elimination Period				
1964 CDT	\$ 9.41	\$11.09	\$14.23	\$17.24	\$ 9.67
1962-68*	\$17.83	\$28.11	\$32.49	\$37.95	\$17.52
Ratio to 1964 CDT	189%	253%	228%	220%	181%
1969-73*	\$23.79	\$33.76	\$42.66	\$43.30	\$18.73
Ratio to 1964 CDT	253%	304%	300%	251%	194%
1974-78*	\$31.58	\$46.47	\$56.14	\$52.32	\$20.46
Ratio to 1964 CDT	336%	419%	395%	303%	212%
1962-78*	\$28.89	\$41.18	\$50.00	\$48.71	\$19.66
Ratio to 1964 CDT	307%	371%	351%	283%	203%
	Annuity Value as of End of Twelfth Month of Disablement				
1964 CDT	\$63.86	\$73.54	\$73.57	\$55.60	\$15.77
1962-68*	\$46.03	\$57.24	\$59.28	\$54.64	\$15.63
Ratio to 1964 CDT	72%	78%	81%	98%	99%
1969-73*	\$54.46	\$65.03	\$74.01	\$57.72	\$15.92
Ratio to 1964 CDT	85%	88%	101%	104%	101%
1974-78*	\$67.36	\$86.58	\$86.45	\$64.43	\$16.39
Ratio to 1964 CDT	105%	118%	118%	116%	104%
1962-78*	\$63.86	\$78.70	\$81.86	\$62.37	\$16.22
Ratio to 1964 CDT	100%	107%	111%	112%	103%

* Annuity values are based on the crude, ungraduated, combined male and female termination rates for the respective restricted observation periods for the first four years and on the 1964 Commissioners Disability Table rates thereafter.

TABLE C-1

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 1962-78)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
13th month	14.8*	20.0†	18.2	13.2	11.6	13.9
14th month	22.8*	30.8†	28.0	17.3	13.3	15.7
15th month	27.7*	28.2†	28.1†	14.5†	11.1	14.9†
16th month	21.1*	15.8*	17.7*	12.4	9.3	11.8†
17th month	27.5*	12.5*	17.8†	15.0	11.3	10.0†
18th month	59.1†	23.2†	35.5	15.5	10.6	7.1†
19th month	46.0*	24.0*	31.6†	13.7†	8.2	4.1†
20th month	11.4*	19.4*	16.8*	13.4†	6.5	3.5*
21st month	11.7*	17.4*	15.5*	14.6†	6.1	7.3†
22d month	12.0*	15.1*	14.1*	17.6	8.1	12.3†
23d month	25.1*	19.1*	21.1†	15.5†	12.1	12.9†
24th month	25.9*	19.8*	21.9*	9.0*	13.1	15.0†
2d year	266.8	219.6	236.3	158.7	114.8	121.3
3d year	181.2	101.4	128.2	121.9	83.8	78.0
4th year	165.3†	81.6†	107.0	85.6	78.9	70.7
5th year	164.5*	53.6*	83.2†	40.5†	68.9	4.8*
6th year	180.8*	25.5*	59.3*	50.6†	67.1	35.7*
Male Only						
2d year	256.2	241.8	246.5	158.2	117.1	125.9
3d year	152.1†	91.0†	111.7	109.1	82.2	81.0
4th year	191.8†	82.9†	117.3	92.9	90.8	65.9
5th year	197.3*	73.3*	110.5†	33.0†	74.2	5.4*
6th year	221.8*	36.7*	82.5*	53.6†	74.1	38.5*
Female Only						
2d year	317.4†	121.8†	195.0	160.0	103.6	88.8†
3d year	318.0*	143.5*	198.3†	169.5	91.4	53.9*
4th year	0.0*	78.4*	62.1*	55.1*	20.5*	107.5*
5th year	0.0*	0.0*	0.0*	74.8*	43.8†	0.0*
6th year	0.0*	0.0*	0.0*	35.4*	33.3*	0.0*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE C-2

GROUP LONG-TERM DISABILITY INSURANCE
 NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
 (Twelve-Month Elimination Period; Calendar Years of Experience 1962-78)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined						
2d year	32	50	82	118	237	84
3d year	11	13	24	58	108	25
4th year	6	6	12	28	75	12
5th year	3	3	6	9	47	0
6th year	2	1	3	9	32	1
Male Only						
2d year	24	45	69	92	198	76
3d year	8	9	17	41	88	23
4th year	6	5	11	25	72	10
5th year	3	3	6	6	42	0
6th year	2	1	3	8	29	1
Female Only						
2d year	8	5	13	26	39	8
3d year	3	4	7	17	20	2
4th year	0	1	1	3	3	2
5th year	0	0	0	3	5	0
6th year	0	0	0	1	3	0

TABLE C-3

GROUP LONG-TERM DISABILITY INSURANCE
 RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
 RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM
 1964 COMMISSIONERS DISABILITY TABLE*
 (Twelve-Month Elimination Period; Calendar Years of Experience 1962-78)

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							
2d year	71.2%	85.8%	79.5%	82.0%	67.7%	65.7%	88.2%
3d year	65.6	78.5	51.5	61.9	74.1	62.6	64.7
4th year	72.3	95.2†	57.5†	70.7	72.3	73.8	66.1
5th year	65.3	122.3†	50.3†	73.1†	44.9†	76.3	4.9†
6th year	77.2	165.9†	29.9†	65.8†	67.6†	82.7	38.2†
Male Only							
2d year	73.0%	82.4%	87.6%	85.6%	67.5%	67.0%	91.6%
3d year	62.5	65.9†	46.3†	53.9	66.3	61.4	67.2
4th year	80.2	110.5†	58.3†	77.3	78.5	84.9	61.6
5th year	68.7	146.7†	68.8†	96.4†	36.5†	82.1	5.5†
6th year	85.7	203.5†	43.1†	91.0†	71.6†	91.4	41.2†
Female Only							
2d year	63.5%	102.1%†	44.1%†	67.5%	68.3%	59.3%	64.6%†
3d year	79.6	137.8†	72.9†	96.1†	103.0	68.2	44.7†
4th year	33.8†	0.0†	55.2†	41.8†	46.5†	19.1†	100.5†
5th year	49.1†	0.0†	0.0†	0.0†	82.9†	48.5†	0.0†
6th year	37.7†	0.0†	0.0†	0.0†	47.3†	41.1†	0.0†

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

† Involves fewer than ten terminations.

TABLE C-4

GROUP LONG-TERM DISABILITY INSURANCE RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR RECOVERY
TO NUMBER OF TERMINATIONS EXPECTED FROM 1964 COMMISSIONERS DISABILITY TABLE*
(Twelve-Month Elimination Period; Calendar Years of Experience 1962-78)

ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1968 and Prior	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	All Years
	Male and Female Combined											
2d year	70.4%	61.8%	109.9%	91.9%	78.0%	47.6%	73.7%	57.2%	76.0%	67.9%	.....	71.2%
3d year	75.0	118.1	104.5	45.0	62.3	43.0	59.7	54.4	25.1†	.....	.....	65.6
4th year	79.1	82.8	82.9	58.0	66.4	88.8	69.2	41.9†	.....	.....	.....	72.3
5th year	79.6	78.3	61.5†	44.2†	43.8†	91.1	16.8†	.....	.....	.....	.....	65.3
6th year	113.9	60.2†	43.1†	69.3†	68.3†	36.3†	.....	.....	.....	.....	.....	77.2
	Male Only											
2d year	69.3%	52.7%	116.7%	94.9%	82.3%	51.9%	79.8%	57.7%	73.0%	80.7%	.....	73.0%
3d year	74.1	100.1	111.6	50.7	56.3	43.6	55.1	44.7	27.0†	.....	.....	62.5
4th year	81.2	97.2	84.0	70.0	76.6	100.3	76.9	44.7†	.....	.....	.....	80.2
5th year	77.4	95.1	73.8†	26.6†	46.3†	108.4	20.6†	.....	.....	.....	.....	68.7
6th year	122.7	61.7†	34.7†	81.0†	85.8†	45.2†	.....	.....	.....	.....	.....	85.7
	Female Only											
2d year	75.9%	94.3%	73.4%†	77.9%†	55.9%†	26.1%†	45.4%†	54.1%	83.2%	20.0%†	.....	63.5%
3d year	78.5†	191.2	68.1†	16.3†	88.2†	40.0†	80.6†	93.4†	18.4†	.....	.....	79.6
4th year	68.6†	13.8†	77.0†	0.0†	21.2†	24.4†	30.7†	10.1†	.....	.....	.....	33.8†
5th year	88.7†	0.0†	0.0†	130.1†	33.2†	0.0†	0.0†	.....	.....	.....	.....	49.1†
6th year	69.2†	54.8†	71.8†	0.0†	0.0†	0.0†	.....	.....	.....	.....	.....	37.7†

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

† Involves fewer than ten terminations.

TABLE C-5

GROUP LONG-TERM DISABILITY INSURANCE
 ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1
 PAYABLE FOR VARIOUS BENEFIT PERIODS,
 DISCOUNTED 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 C-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	\$33.34	\$30.28	110%
35.5	38.81	33.03	117
45.5	41.01	36.02	114
55.5	44.12	39.53	112
62.5	16.04	15.77	102
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period		
25.5	\$71.78	\$63.86	112%
35.5	91.12	73.54	124
45.5	85.97	73.57	117
55.5	62.92	55.60	113
62.5	16.04	15.77	102

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

TABLE C-6

GROUP LONG-TERM DISABILITY INSURANCE
 ILLUSTRATIVE VALUES, UNDER PLANS WITH A
 TWELVE-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 DISABEMENT	VALUE AS OF END OF ELIMINATION PERIOD		
	Based on Table C-1 Rates of Termination*	Based on 1964 C/D1	Ratio to 1964 C/D1
Male Only			
25.5	\$73.02	\$63.86	114%
35.5	89.41	73.54	122
45.5	86.56	73.57	118
55.5	62.37	55.60	112
62.5	15.98	15.77	101
Female Only			
25.5	\$66.40	\$63.86	104%
35.5	98.20	73.54	134
45.5	84.01	73.57	114
55.5	65.62	55.60	118
62.5	16.44	15.77	104

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

TABLE CC-1

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 1974-78)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
13th month	15.4*	18.0†	17.0†	11.0†	8.7	7.8†
14th month	26.0*	27.7†	27.2†	13.6†	7.6†	16.0†
15th month	37.5*	25.7*	30.2†	10.1*	7.0†	17.9†
16th month	29.0*	13.6*	19.4*	7.8*	8.5	11.4*
17th month	38.0*	7.6*	19.1†	13.3†	10.5	8.9*
18th month	74.3†	19.9*	40.2	16.5†	9.0†	9.3*
19th month	56.4*	24.2*	36.0*	14.1*	5.6*	4.7*
20th month	7.8*	20.9*	16.4*	17.3†	3.3*	1.7*
21st month	8.1*	26.2*	20.0*	16.1*	3.9†	7.1*
22d month	16.3*	13.5*	14.6*	10.6*	6.5†	14.7†
23d month	33.6*	9.9*	18.6†	12.2*	10.9	11.4*
24th month	34.7*	15.1*	22.3*	9.3*	11.8†	10.7*
2d year	319.8	201.2	247.8	141.7	89.6	115.2
3d year	156.8†	73.6†	103.8	82.3	70.4	64.8
4th year	133.1*	67.4*	89.1†	66.9	77.5	54.9†
5th year	124.0*	48.5*	71.1*	44.7†	63.4	8.6*
6th year	108.0*	0.0*	26.8*	60.1†	52.4	50.0*
	Male Only					
2d year	326.1	204.4	252.0	147.8	92.0	121.8
3d year	123.9†	71.0†	90.0	74.9	66.7	64.9†
4th year	153.6*	61.8*	92.3†	75.8	91.5	58.4†
5th year	152.8*	61.3*	90.5*	39.5†	70.9	9.4*
6th year	137.8*	0.0*	38.1*	64.6†	60.0	50.0*
	Female Only					
2d year	312.9†	190.5†	237.0	123.2	78.9	54.8*
3d year	298.4*	97.5*	179.5*	108.8†	86.4	54.8*
4th year	0.0*	97.5*	70.2*	32.0*	9.8*	0.0*
5th year	0.0*	0.0*	0.0*	65.7*	26.3*	0.0*
6th year	0.0*	0.0*	0.0*	39.6*	14.9*	0.0*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE CC-2

GROUP LONG-TERM DISABILITY INSURANCE
 NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
 (Twelve-Month Elimination Period; Calendar Years of Experience 1974-78)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
2d year	29	30	59	56	107	41
3d year	7	6	13	24	54	10
4th year	4	4	8	14	48	5
5th year	2	2	4	7	29	0
6th year	1	0	1	9	18	1
	Male Only					
2d year	24	25	49	44	89	39
3d year	5	5	10	17	42	9
4th year	4	3	7	13	47	5
5th year	2	2	4	5	27	0
6th year	1	0	1	8	17	1
	Female Only					
2d year	5	5	10	12	18	2
3d year	2	1	3	7	12	1
4th year	0	1	1	1	1	0
5th year	0	0	0	2	2	0
6th year	0	0	0	1	1	0

TABLE CC-3

GROUP LONG-TERM DISABILITY INSURANCE
 RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
 RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM
 1964 COMMISSIONERS DISABILITY TABLE*
 (Twelve-Month Elimination Period; Calendar Years of Experience 1974-78)

DURATION OF DISABLEMENT	ALL AGES OF DIS-ABLEMENT COMBINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
		Male and Female Combined					
2d year	62.8%	102.9%	72.9%	85.7%	60.5%	51.3%	83.8%
3d year	51.9	68.0†	37.4†	49.8	50.0	52.6	53.8
4th year	65.5	76.7†	47.4†	58.5†	56.5	72.5	51.3†
5th year	61.8	92.2†	45.5†	62.0†	49.6†	70.2	8.7†
6th year	65.5	99.1†	0.0†	29.5†	80.4†	64.6	53.5†
		Male Only					
2d year	65.1%	104.9%	74.0%	87.2%	63.1%	52.6%	88.6%
3d year	48.6	53.7†	36.1†	43.3	45.5	49.8	53.8†
4th year	75.1	88.5†	43.5†	60.5†	64.0	85.6	54.6†
5th year	67.1	113.6†	57.5†	78.6†	43.8†	78.6	9.5†
6th year	74.3	126.4†	0.0†	41.6†	86.4†	74.0	53.5†
		Female Only					
2d year	52.6%	100.6%†	69.0%†	82.0%	52.6%	45.1%	39.8%†
3d year	67.0	129.3†	49.5†	85.6†	66.1†	64.5	45.5†
4th year	17.9†	0.0†	68.6†	46.6†	27.0†	9.1†	0.0†
5th year	36.1†	0.0†	0.0†	0.0†	72.8†	29.1†	0.0†
6th year	24.6†	0.0†	0.0†	0.0†	52.9†	18.3†	0.0†

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

† Involves fewer than ten terminations.

TABLE CC-4

GROUP LONG-TERM DISABILITY INSURANCE
 ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1
 PAYABLE FOR VARIOUS BENEFIT PERIODS,
 DISCOUNTED 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 CC-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	\$32.29	\$30.28	107%
35.5	40.62	33.03	123
45.5	43.29	36.02	120
55.5	45.70	39.53	116
62.5	16.13	15.77	102
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period		
25.5	\$70.41	\$63.86	110%
35.5	96.67	73.54	131
45.5	92.21	73.57	125
55.5	65.35	55.60	118
62.5	16.13	15.77	102

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

TABLE CC-5

GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES, UNDER PLANS WITH A
TWELVE-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		
	Based on Table CC-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
Male Only			
25.5	\$70.67	\$63.86	111%
35.5	96.90	73.54	132
45.5	91.56	73.57	124
55.5	64.77	55.60	116
62.5	16.07	15.77	102
Female Only			
25.5	\$68.55	\$63.86	107%
35.5	93.64	73.54	127
45.5	94.34	73.57	128
55.5	68.08	55.60	122
62.5	16.68	15.77	106

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

TABLE CCC

GROUP LONG-TERM DISABILITY INSURANCE
ILLUSTRATIVE VALUES OF A MONTHLY BENEFIT OF \$1
PAYABLE TO AGE 65, DISCOUNTED AT 3 PERCENT INTEREST
(Twelve-Month Elimination Period; Males and Females Combined)

BASIS OF ANNUITY VALUES	AGE AT DISABLEMENT				
	25.5	35.5	45.5	55.5	62.5
Annuity Value as of End of Elimination Period					
1964 CDT	\$63.86	\$73.54	\$73.57	\$55.60	\$15.77
1962-68*	\$86.55	\$76.92	\$79.13	\$62.71	\$16.22
Ratio to 1964 CDT	136%	105%	108%	113%	103%
1969-73*	\$66.76	\$82.79	\$77.67	\$58.96	\$15.91
Ratio to 1964 CDT	105%	113%	106%	106%	101%
1974-78*	\$70.41	\$96.67	\$92.21	\$65.35	\$16.13
Ratio to 1964 CDT	110%	131%	125%	118%	102%
1962-78*	\$71.78	\$91.12	\$85.97	\$62.92	\$16.04
Ratio to 1964 CDT	112%	124%	117%	113%	102%

*Annuity values are based on the crude, ungraduated, combined male and female termination rates for the respective restricted observation period for the first four years and on the 1964 Commissioners Disability Table rates thereafter.