

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1982 REPORTS**

II. GROUP LONG-TERM DISABILITY INSURANCE

This report presents the results of the continuing study of the morbidity experience relative to Group Long-Term Disability Insurance. The reader should be careful in analyzing the results of this study due in part to the elimination of the data of one company from both the analyses of the rates of disablement and termination. An examination of the data file indicated that the incorrect data were due to a problem in reporting claims. As a result of this problem, the claims experience of calendar years 1978 and 1979 was understated in the two prior Group LTD Studies. The Committee decided to exclude the questionable data file until the extent of the data problems had been adequately determined and the appropriate modifications made. The corrections have now been made, and future studies will include the revised claim data.

As in previous reports, the available experience included in this report is predominantly that of insured 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 the rates 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
 Hartford Life and Accident 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 generally reflect the composite experience of variations in company practices, administration, and claim procedures, as well as variations in the experience among the groups involved.

ANALYSIS OF RATES OF DISABLEMENT

In this year's report, the rates of disablement for plans with three-month and six-month elimination periods have changed significantly from last year's report. As previously stated, the reader should be careful in analyzing and comparing these results due to the elimination of the data of one company. The incorrect data caused an understatement in claims for the years 1978 and 1979 in the two prior Group LTD Studies.

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. 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 somewhat for some age and sex cells.

It should be noted that under plans with an offset provision, claims were

reported and included in rates of disablement, even though, the existence of social security or other disability income may have caused no benefit to be payable under the plan.

Experience on Plans with a Six-Month Elimination Period

Table I-1 Rates of Disablement 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, 1976-80. Crude rates of disablement based on the number of lives are shown by sex and age group. In the context of this report, the age group classification has been determined according to "age nearest birthday" as of the date of disablement. The corresponding experience on non-

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 1976-80
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.....	2,154,087	2,491	1.16
40-44.....	440,458	1,009	2.29
45-49.....	427,019	1,620	3.79
50-54.....	396,023	2,611	6.59
55-59.....	314,773	3,717	11.81
60-64.....	177,339	2,708	15.27
All ages.....	3,909,699	14,156	3.62
Male Experience Only			
Under 40.....	1,241,264	1,267	1.02
40-44.....	292,924	591	2.02
45-49.....	284,396	1,013	3.56
50-54.....	263,103	1,665	6.33
55-59.....	212,873	2,598	12.20
60-64.....	119,112	1,981	16.63
All ages.....	2,413,672	9,115	3.78
Female Experience Only			
Under 40.....	797,501	1,106	1.39
40-44.....	119,973	365	3.04
45-49.....	116,109	525	4.52
50-54.....	109,636	812	7.41
55-59.....	84,254	917	10.88
60-64.....	47,214	613	12.98
All ages.....	1,274,687	4,338	3.40

jumbo groups, defined as groups with fewer 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 about 6 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 the exposure which 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-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 1976-80
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	1,386,969	1,600	1.15
40-44	282,112	605	2.14
45-49	272,981	1,057	3.87
50-54	259,972	1,744	6.71
55-59	211,846	2,488	11.74
60-64	126,507	1,949	15.41
All Ages	2,540,387	9,443	3.72
Male Experience Only			
Under 40	873,414	922	1.06
40-44	199,255	385	1.93
45-49	191,776	699	3.64
50-54	179,604	1,193	6.64
55-59	145,652	1,816	12.47
60-64	87,999	1,456	16.55
All ages	1,677,700	6,471	3.86
Female Experience Only			
Under 40	459,665	604	1.31
40-44	70,316	195	2.77
45-49	68,592	307	4.48
50-54	68,309	465	6.81
55-59	56,717	553	9.75
60-64	32,203	416	12.92
All ages	755,802	2,540	3.36

Table I-2 Rates of Disablement by Calendar Year analyzes the crude rates of disablement shown in Tables I-1 and I-1A, respectively, by the underlying calendar years of experience, for all ages and for combined males, females, and sex-unknown exposures. Some portion of the variation in the overall rates of disablement from year to year is the result of changes in the distributions of the exposed to risk by age groups.

Table I-2 shows that, for plans with a six-month elimination period, accidents accounted for approximately 10 percent of the claims coded for a known cause of disablement.

As mentioned previously, the lag in claim reporting tends to understate the claim experience shown in the various tables containing the most recent calendar year of the study. 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, 1980, may be understated approximately 5-10 percent.

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 1962-80

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							
1962-65	499	268,784	37	522	737	2.74	76%
1966-70	4,273	1,630,569	414	3,946	5,262	3.23	86
1971-75	9,200	2,733,314	870	9,012	9,918	3.63	96
1976	2,006	719,319	237	2,452	2,694	3.75	102%
1977	2,056	811,181	337	2,545	2,886	3.56	97
1978	2,191	813,657	277	2,555	2,834	3.48	95
1979	1,969	741,289	295	2,511	2,807	3.79	105
1980	2,263	824,253	326	2,609	2,935	3.56	100
1976-80	10,485	3,909,699	1,472	12,672	14,156	3.62	100%
Nonjumbo Experience Units Only							
1962-65	488	116,902	8	185	238	2.04	56%
1966-70	4,213	1,059,759	259	2,261	3,182	3.00	78
1971-75	9,123	1,991,782	638	6,102	6,772	3.40	89
1976	1,983	464,321	160	1,672	1,837	3.96	105%
1977	2,025	488,751	201	1,610	1,814	3.71	98
1978	2,165	513,279	177	1,716	1,894	3.69	99
1979	1,946	495,576	180	1,647	1,828	3.69	100
1980	2,240	578,460	222	1,848	2,070	3.58	98
1976-80	10,359	2,540,387	940	8,493	9,443	3.72	100%

* 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-2 shows the ratios of actual claims to tabular claims. The tabular claims for each year were obtained by applying the rates of disablement of nonjumbo size groups from Table I-1A by sex category to the actual exposures for each age-sex group (male, female, and sex unknown). The tabulars, therefore, 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 Rates of Disablement by Size of Group subdivides the Table I-1 experience for all ages and for male, female, and sex-unknown exposures combined, by the size of the experience unit. Note that experience units containing fewer than 100 lives accounted for 57 percent of the total number of units. This explains the large number of units (about 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 that 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 mentioned previously, the tabulars adjust only for age and sex. However, caution should be used in interpreting the results, since the experience is not adjusted for other characteristics that might have a measurable impact on the rate of disablement. These characteristics include 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.

Table I-4 Rates of Disablement by Cause of Disability presents an analysis of the relative rates of disablement by cause of disability. The results are shown for each sex as well as both sexes combined. The number and percentage distribution by the cause of disability of the coded claims is shown for the various age groups. The number of claims in each cell has also been 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 indirect integration. (Indirect integration means that 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 I-5, I-5A, I-6, I-6A, I-6B, I-7, and I-8.

The portion of the Table I-5 Experience by Employee Class under units containing at least 75 percent salaried employees, the majority of whom were not executives (i.e. Code 2), was further analyzed to investigate the

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 1976-80
 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	1,662	24,187	169	6.99	173%	1,606	0	0	0	0	0	0	56
25-49	2,024	74,277	229	3.08	73	1,820	5	0	0	0	0	62	137
50-99	2,316	163,769	508	3.10	78	1,907	0	0	0	4	20	270	115
100-249	2,131	329,630	1,204	3.65	96	1,411	1	4	37	146	163	303	66
250-499	1,058	369,707	1,347	3.64	98	423	24	92	106	161	89	144	19
500-999	613	428,458	1,596	3.72	103	148	82	72	65	99	72	69	6
1,000-2,499	405	638,163	2,343	3.67	102	40	64	71	55	96	42	37	0
2,500-4,999	150	512,196	2,047	4.00	106	6	25	24	26	33	20	15	1
Under 5,000	10,359	2,540,387	9,443	3.72	100%	7,361	201	263	289	539	406	900	400
5,000 or more	126	1,369,312	4,713	3.44	99%	5	20	16	24	35	20	6	0
Total	10,485	3,909,699	14,156	3.62	100%	7,366	221	279	313	574	426	906	400

* 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 THE NUMBER OF CLAIMS BY DIAGNOSIS
(Six-Month Elimination Period; Calendar Year of Issue Excluded)
ALL EXPERIENCE UNITS COMBINED
ACTIVE LIVES EXPERIENCE ONLY

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	8	8	9	12	20	15	16	88	7	3	1	9	5	5	3	33	15	11	10	21	25	20	19	121	
Percent	1	0	1	0	1	0	0	0	1	0	0	1	0	0	0	0	1	0	0	1	0	0	0	0	
Malignant neoplasms (cancer):																									
Number	39	90	87	209	314	492	396	1,627	34	83	70	157	224	237	148	953	73	173	157	366	538	729	544	2,580	
Percent	4	5	6	8	8	9	8	8	4	7	8	13	13	13	12	11	4	6	7	10	10	9	9	9	
Benign and unspecified neoplasms:																									
Number	7	11	12	10	19	23	14	96	9	14	10	5	11	17	4	70	16	25	22	15	30	40	18	166	
Percent	1	1	1	0	0	0	0	0	1	1	1	0	1	1	0	1	1	1	1	0	1	1	0	1	
Allergic, endocrine-system, metabolic, and nutritional diseases:																									
Number	14	36	27	47	70	101	101	396	18	10	14	28	28	35	28	161	32	46	41	75	98	136	129	557	
Percent	1	2	2	2	2	2	2	2	2	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Diseases of the blood and blood-forming organs:																									
Number	13	17	27	39	52	83	86	317	14	10	18	22	30	46	22	162	27	27	45	61	82	129	108	479	
Percent	1	1	2	2	1	1	2	2	2	1	2	2	2	2	2	2	2	1	2	2	1	2	2	2	
Mental, psychoneurotic, and personality disorders:																									
Number	66	121	74	124	167	202	123	877	85	139	76	97	117	74	43	631	151	260	150	221	284	276	166	1,508	
Percent	7	7	5	5	4	4	3	4	11	12	9	8	7	4	3	7	8	9	6	6	5	4	3	5	
Diseases of the nervous system and sense organs:																									
Number	59	148	114	157	247	341	313	1,379	84	101	74	90	111	126	93	626	143	249	188	247	358	467	403	2,055	
Percent	6	9	8	6	6	6	6	7	10	9	8	7	6	7	7	8	8	9	8	7	6	6	7	7	
Diseases of the circulatory system:																									
Number	38	214	380	827	1,415	2,378	2,109	7,361	34	85	118	208	375	512	384	1,716	72	299	498	1,035	1,790	2,890	2,493	9,077	
Percent	4	12	26	33	37	41	44	35	4	7	13	17	21	27	30	19	4	10	21	28	32	38	41	30	

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 1976-80

EMPLOYEE CODE	EMPLOYEE CLASS	TABLE-1A EXPERIENCE--NONJUNIOR UNITS ONLY				TABLE-1 EXPERIENCE--ALL UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
1	At least 75% salaried, majority executive	466	102,916	280	72%	473	171,741	430	71%
2	At least 75% salaried, majority nonexecutive	4,747	1,305,442	4,560	93	4,838	2,270,409	7,155	88
3	50%-75% salaried	2,373	553,026	2,153	104	2,390	792,682	3,337	113
7	At least 50% salaried (exact percentage unknown)	89	11,803	61	132	89	11,803	61	132
	Subtotal (majority salaried)	7,675	1,973,187	7,054	96%	7,790	3,246,635	10,983	95%
6	At least 50% hourly (exact percentage unknown)	29	17,767	72	111	29	17,767	72	111
4	50%-75% hourly	242	72,931	401	151	246	118,064	625	155
5	At least 75% hourly	590	173,677	858	138	595	210,403	1,386	167
	Subtotal (majority hourly)	861	264,375	1,331	140%	870	346,234	2,083	161%
9	Indeterminate	1,823	302,825	1,058	97%	1,825	316,830	1,090	96%
	Total	10,359	2,540,387	9,443	100%	10,485	3,909,699	14,156	100%

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

effect of three variables on disablement rates: (a) the relationship between the long-term disability benefit (before integration with other income sources) and salary at a time of disablement, (b) the plans' integration provision, and (c) the extent to which a disability income is provided under employer-sponsored plans prior to qualification for long-term disability benefits. The several classifications are somewhat broad. The various parameters may not be mutually exclusive. The respective subanalyses are shown in portions of Table I-5A, 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 in Table I-5 for Employee Class Code 2.

In examining Tables I-5 through I-8, 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 portion of the Table I-6 Experience by Industry under units with "the majority salaried" and "the majority hourly" as defined in Table I-5 were, therefore, analyzed further 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 units 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 ratios shown by industry in Tables I-6 and I-6A have been compared separately for nonjumbo units and for all experience units combined. A summary of the comparison of Tables I-6 and I-6A are shown in Table I-6B Industry Experience by Employee Class.

Table I-7 Experience by Contributory Status separates the experience among plans where the employee pays the entire cost, plans where the employer pays the entire cost, and plans where the employee and employer share the cost. Table I-8 Experience by Plan Indirect Integration Provision examines the experience by nonduplication level for plans having an indirect integration provision.

Table IA examines the interrelationships among various parameters whose effect on rates of disablement may not be mutually exclusive. The analysis was based on those nonjumbo units (all employee classes combined) whose plans provide for the direct integration of the long-term disability benefit with either the total primary and family social security benefits or with such social security benefits plus income from other sources. The parameters selected for study were: (a) the disability income provided by the employer-sponsored, short-term plans during the benefit elimination period; (b) the proportion of salary represented by the long-term disability benefit (before

TABLE I-5A
 GROUP LONG-TERM DISABILITY INSURANCE
 SUPPLEMENTAL ANALYSIS OF TABLE I-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 1976-80

	NONJUMBO UNITS ONLY				ALL EXPERIENCE UNITS			
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of A/T Claims*	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of A/T Claims*
I. Relationship between Long-Term Disability Benefit and Salary								
<i>Ratio of gross benefit (before reduction of integration) to salary:</i>								
Always less than 50%	67	23,754	70	66%	75	89,662	233	69%
Generally less than 50%	22	4,499	5	43	22	4,499	5	43
Subtotal (less than 50%)	89	28,253	75	64%	97	94,161	238	68%
50% (exactly or approximately)	983	404,217	1,277	81%	1,022	749,872	2,202	76%
Always more than 50%, exact % unknown	45	17,233	88	112	45	17,233	88	112
Generally more than 50%, exact % unknown	132	26,387	200	180	134	39,862	296	174
More than 50%, but less than or equal to 60%	2,781	662,095	2,254	94	2,803	927,150	2,927	91
More than 60%, but less than or equal to 70%	600	149,132	531	100	615	370,573	1,237	106
More than 70%	17	2,885	8	71	17	2,885	8	71
Subtotal (greater than 50%)	3,575	857,732	3,081	101%	3,614	1,357,703	4,892	94%
Other, including not determinable	100	15,240	127	190%	105	68,673	159	54%
Total salaried, nonexecutive	4,747	1,305,442	4,560	93%	4,838	2,270,409	7,155	88%

* 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 UNITS ONLY				ALL EXPERIENCE UNITS			
	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of A/T Claims*	Number of Experience Units	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>								
Social security primary benefit only or in combination with income from other sources	574	189,278	707	98	585	295,333	784	72
Social security primary and family benefit only or in combination with income from other sources	2,687	692,955	2,149	81	2,706	809,545	2,524	81
Other integration bases	225	68,267	290	131	232	141,404	400	77
Nonintegrated	1,261	354,942	1,414	109	1,315	1,024,127	3,447	100
Total salaried, nonexecutive	4,747	1,305,442	4,560	93	4,838	2,270,409	7,155	88
III. Extent to Which a Disability Income is Provided During Elimination Period								
<i>Disability income benefit provided during elimination period:</i>								
Full salary	93	36,415	131	96	107	232,638	610	92
Less than full salary but generally more than 50%	763	200,950	757	98	803	627,101	1,771	84
Generally less than 50% of salary	171	25,227	137	128	176	56,603	371	124
None	497	111,330	400	94	497	111,330	400	94
Noncodable or unknown	3,223	931,520	3,135	91	3,255	1,242,737	4,003	86
Total salaried, nonexecutive	4,747	1,305,442	4,560	93	4,838	2,270,409	7,155	88

* 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-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 1976-80

INDUSTRY CODE(S)	INDUSTRY	NONUMBO UNITS ONLY				ALL EXPERIENCE 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	52	5,710	14	65%	54	44,902	46	25%
10-14	Mining	261	101,177	601	153	261	101,177	601	153
15-17	Contract construction	260	73,428	305	104	260	73,428	305	104
19-27	Food, tobacco, textile and wood products	1,198	327,999	1,521	118	1,213	450,474	2,425	131
28-32	Chemical, petroleum, rubber, leather and stone products	772	219,902	840	103	789	380,032	1,371	97
33-37	Metal, machinery, and transportation equipment	2,050	497,080	1,744	91	2,078	732,976	2,279	82
38-39	Instruments and miscellaneous manufacturing	315	69,768	320	113	315	69,768	320	113
40-49	Transportation, communication, electric, gas, and sanitary services	515	155,996	668	113	529	308,446	1,204	106
50-59	Wholesale and retail trade	1,628	318,310	1,243	108	1,628	318,310	1,243	108
60-67	Finance, insurance, and real estate	1,370	407,104	1,149	84	1,388	777,915	2,075	90
70-89	Services	1,799	322,321	906	78	1,831	610,679	2,155	95
91-97	Public administration	100	39,386	130	92	100	39,386	130	92
	All other classifiable	9	827	0	0	9	827	0	0
99	Nonclassifiable	30	1,379	2	30	30	1,379	2	30
	Total	10,359	2,540,387	9,443	100%	10,485	3,909,699	14,156	100%

* 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 1976-80

I. GROUPS CONTAINING A MAJORITY OF HOURLY EMPLOYEES

INDUSTRY CODE(S)	INDUSTRY	NONJUMBO UNITS ONLY				ALL EXPERIENCE 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	1	32	0	0%	1	32	0	0%
10-14	Mining	23	23,713	166	168	23	23,713	166	168
15-17	Contract construction	38	6,105	39	185	38	6,105	39	185
19-27	Food, tobacco, textile and wood products	155	40,661	326	185	160	77,387	854	223
28-32	Chemical, petroleum, rubber, leather and stone products	62	22,150	110	171	62	22,150	110	171
33-37	Metal, machinery, and transportation equipment	180	49,422	209	134	180	49,422	209	134
38-39	Instruments and miscellaneous manufacturing	11	886	1	34	11	886	1	34
40-49	Transportation, communication, electric, gas, and sanitary services	49	19,272	101	134	53	64,405	325	153
50-59	Wholesale and retail trade	182	56,096	213	106	182	56,096	213	106
60-67	Finance, insurance, and real estate	53	21,805	59	99	53	21,805	59	99
70-89	Services	86	20,698	84	102	86	20,698	84	102
91-97	Public administration	21	3,535	23	157	21	3,535	23	157
	All other classifiable	0	0	0	0	0	0	0	0
99	Nonclassifiable	0	0	0	0	0	0	0	0
	Total	861	264,375	1,331	140%	870	346,234	2,083	161%

* 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	NON-EXPERIENCE UNITS ONLY				ALL EXPERIENCE UNITS			
		Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims ^a	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims ^a
01-09	Agriculture, forestry, and fisheries	41	5,005	12	62%	43	44,197	44	24%
10-14	Mining	234	77,359	435	149	234	77,359	435	149
15-17	Contract construction	205	65,945	171	64	205	65,945	171	64
19-27	Food, tobacco, textile and wood products	892	262,192	1,089	107	902	347,941	1,465	108
28-32	Chemical, petroleum, rubber, leather and stone products	616	183,433	677	98	633	343,563	1,208	93
33-37	Metal, machinery, and transportation equipment	1,652	389,010	1,345	86	1,680	624,906	1,880	78
38-39	Instruments and miscellaneous manufacturing	222	61,803	302	121	222	61,803	302	121
40-49	Transportation, communication, electric, gas, and sanitary services	380	120,143	509	111	390	227,460	821	95
50-59	Wholesale and retail trade	1,211	231,768	931	113	1,211	231,768	931	113
60-67	Finance, insurance, and real estate	948	291,523	779	78	964	648,329	1,673	89
70-89	Services	1,186	249,769	702	78	1,218	538,127	1,951	97
91-97	Public administration	69	33,794	102	85	69	33,794	102	85
	All other classifiable	5	529	0	0	5	529	0	0
99	Nonclassifiable	14	914	0	0	14	914	0	0
	Total	7,675	1,973,187	7,054	95%	7,790	3,246,635	10,983	93%

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

TABLE 1-6B
GROUP LONG-TERM DISABILITY INSURANCE
COMPARISON OF TABLES 1-6 AND 1-6A 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 1976-80

INDUSTRY CODE(S)	INDUSTRY	TABLE 1A EXPERIENCE--NONJUMBO UNITS ONLY				TABLE 1 EXPERIENCE--ALL UNITS			
		All	Majority Salaried	Majority Hourly	Indetermi- nate	All	Majority Salaried	Majority Hourly	Indetermi- nate
01-09	Agriculture, forestry, and fisheries	65%	62%	0%	97%	25%	24%	0%	97%
10-14	Mining	153	149	168	0	153	149	168	0
15-17	Contract construction	104	64	185	1,388	104	64	185	1,388
19-27	Food, tobacco, textile and wood products	118	107	185	107	131	108	223	107
28-32	Chemical, petroleum, rubber, leather and stone products	103	98	171	96	97	93	171	96
33-37	Metal, machinery, and transportation equipment	91	86	134	97	82	78	134	97
38-39	Instruments and miscellaneous manufacturing	113	121	34	57	113	121	34	57
40-49	Transportation, communication, electric, gas, and sanitary services	113	111	134	102	106	95	153	102
50-59	Wholesale and retail trade	108	113	106	78	108	113	106	78
60-67	Finance, insurance, and real estate	84	78	99	98	90	89	99	95
70-89	Services	78	78	102	63	95	97	102	63
91-97	Public administration	92	85	157	70	92	85	157	70
	All other classifiable	0	0	0	0	0	0	0	0
99	Nonclassifiable	30	0	0	83	30	0	0	83
	Total	100%	95%	140%	97%	100%	93%	161%	96%

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

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 1976-80

	TABLE I-1A EXPERIENCE—NONRMIHO 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 ^a	Number of Experience Units	Life Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims ^a
Employee-pay-all.....	573	190,317	852	112%	594	463,925	1,594	99%
Employer-pay-all.....	5,949	1,143,455	4,104	100	5,985	1,610,585	5,011	91
Contributory, employer, and employee share cost.....	3,694	1,125,261	4,211	99	3,763	1,753,835	7,275	108
Unknown.....	143	81,354	276	85	143	81,354	276	85
Total.....	10,359	2,540,387	9,443	100%	10,485	3,909,699	14,156	100%

* 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 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 1976-80

	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*
No indirect integration	7,131	1,634,408	5,637	93%	7,174	2,093,738	7,116	91%
Indirect integration—Nonduplication level:								
Less than 50%	15	13,895	31	53	15	13,895	31	53
50-59%	326	154,919	683	115	345	363,311	1,238	105
60-69%	1,022	264,938	1,204	124	1,062	651,140	2,440	98
70-79%	1,703	406,659	1,669	109	1,723	693,314	2,950	124
80-89%	111	39,318	135	105	115	68,051	297	132
Greater than 89%	24	9,861	34	104	24	9,861	34	104
Integrated but noncodable	27	16,389	50	116	27	16,389	50	116
Total	10,359	2,540,387	9,443	100%	10,485	3,909,699	14,156	100%

* 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 1976-80

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 Exposed Units	Late Years Exposed	Number of Claims	Ratio of Actual Claims to Tabular Claims*
Nonduplication level less than 60%	50% or less	50% or less	38	10,739	30	89%
		Greater than 50%	39	14,299	64	110
		Subtotal	77	25,038	94	102%
	Greater than 50%	50% or less	49	19,805	124	135%
		Greater than 50%	44	10,419	59	131
		Subtotal	93	30,224	183	133%
Subtotal		170	55,262	277	121%	
Nonduplication level greater than or equal to 60%	50% or less	50% or less	56	14,838	148	246%
		Greater than 50%	14	1,794	5	80
		Subtotal	70	16,632	153	231%
	Greater than 50%	50% or less	239	55,437	264	120%
		Greater than 50%	329	81,321	237	81
		Subtotal	568	136,758	501	97%
Subtotal		638	153,390	654	113%	
None	50% or less	50% or less	1,013	326,847	971	77%
		Greater than 50%	36	11,370	35	97
		Subtotal	1,049	338,217	1,006	77%
	Greater than 50%	50% or less	4,861	914,478	3,247	95%
		Greater than 50%	127	48,894	184	101
		Subtotal	4,988	963,372	3,431	96%
Subtotal		6,037	1,301,589	4,437	91%	
Total			6,845	1,510,241	5,368	94%

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

integration); and (c) the point at which the long-term disability benefit is reduced, if at all, when total income for all sources exceeds a certain percentage of salary (i.e., the nonduplication level), or otherwise.

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

Tables II-1 and III-1 Rates of Disablement for the most recent five-year period are similar to Table I-1 but are based on the experience of plans with a three-month and twelve-month elimination period, respectively. (The "II" series is for three-month elimination periods, and the "III" series of tables

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 1976-80

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	552,098	1,153	2.09
40-44	103,139	390	3.78
45-49	92,824	584	6.29
50-54	83,973	722	8.60
55-59	66,678	970	14.55
60-64	40,471	805	19.89
All ages	939,183	4,624	4.92
Male Experience Only			
Under 40	322,763	550	1.70
40-44	66,798	228	3.41
45-49	59,118	340	5.75
50-54	52,954	442	8.35
55-59	41,923	646	15.41
60-64	26,336	560	21.26
All ages	569,892	2,766	4.85
Female Experience Only			
Under 40	199,496	565	2.83
40-44	30,154	146	4.84
45-49	27,918	214	7.67
50-54	25,588	243	9.50
55-59	20,896	278	13.30
60-64	11,853	209	17.63
All ages	315,905	1,655	5.24

is for twelve-month elimination.) 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. One percent of the experience on plans with a three-month elimination period and about 4 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

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 1976-80
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	227,169	235	1.03
40-44	44,584	82	1.84
45-49	47,314	142	3.00
50-54	48,847	282	5.77
55-59	39,610	369	9.32
60-64	19,773	203	10.27
All ages	427,297	1,313	3.07
Male Experience Only			
Under 40	174,733	161	0.92
40-44	33,675	48	1.43
45-49	35,376	99	2.80
50-54	36,756	188	5.11
55-59	29,205	272	9.31
60-64	15,085	172	11.40
All ages	324,830	940	2.89
Female Experience Only			
Under 40	43,578	65	1.49
40-44	8,901	31	3.48
45-49	9,657	35	3.62
50-54	9,768	83	8.50
55-59	8,408	83	9.87
60-64	3,518	25	7.11
All ages	83,830	322	3.84

other disability income, no benefit may have been payable under plans with an offset provision.

Tables II-2 and III-2 Rates of Disablement by Calendar Year analyze the crude rates of disablement shown in Tables II-1 and III-1 by the 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 rates of disablement from year to year is the result of changes in the distributions of the 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—only about 14 percent on plans with a three-month elimination period and about 10 percent on plans with a twelve-month elimination period for calendar years 1962-80.

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 somewhat due to 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, and sex unknown). These tabulars, therefore, adjust only for age and sex. No adjustments are made for any other factors that might influence the ratio of disablement.

Tables II-3 and III-3 analysis by Size of Experience Unit 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 the experience unit. Experience units containing fewer than 100 lives accounted for almost 75 percent of the total number of units on plans with a three-month elimination period and 41 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 rates 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 characteristics that might have a measurable impact on the rate of disablement, caution should be used by the reader in interpreting the results.

To illustrate the variance among the study's contributors, the respective experience shown in Table I-1A, Table II-1, and Table III-1 has been examined by contributing company. The results, along with the relative exposure, are displayed in Exhibit I in the form of actual-to-tabular ratios. In

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 1962-80
ALL EXPERIENCE UNITS COMBINED

CALENDAR YEAR OF INCURRAL	NUMBER OF EXPERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS			RATE OF DISABLE- MENT PER 1,000 LIVES	RATIO OF ACTUAL CLAIMS TO TABULAR CLAIMS*
			Accident	Sickness	Total (Incl. Unknown)		
1962-65	238	18,658	10	62	73	3.91	80%
1966-70	2,285	342,194	239	1,416	1,678	4.90	100
1971-75	7,266	775,133	616	3,460	4,084	5.27	113
1976	1,264	164,656	110	824	934	5.67	116%
1977	1,337	190,714	113	822	936	4.91	101
1978	1,581	192,988	120	760	881	4.57	90
1979	1,381	174,982	109	784	901	5.15	105
1980	1,692	215,843	137	835	972	4.50	92
1976-80	7,255	939,183	589	4,025	4,624	4.92	100%

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

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 1962-80
ALL EXPERIENCE UNITS COMBINED

CALENDAR YEAR OF INCURRAL	NUMBER OF EXPERIENCE UNITS	LIFE YEARS EXPOSED	NUMBER OF CLAIMS			RATE OF DISABLE- MENT PER 1,000 LIVES	RATIO OF ACTUAL CLAIMS TO TABULAR CLAIMS*
			Accident	Sickness	Total (Incl. Unknown)		
1962-65	33	11,236	0	28	30	2.67	91%
1966-70	223	105,503	19	163	221	2.09	66
1971-75	408	270,735	66	676	744	2.75	94
1976	123	66,789	19	188	207	3.10	102%
1977	128	72,540	19	228	247	3.41	111
1978	135	99,145	34	269	303	3.06	100
1979	136	98,057	44	232	276	2.81	92
1980	145	90,766	20	260	280	3.08	101
1976-80	667	427,297	136	1,177	1,313	3.07	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 1976-80
 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	1,600	23,883	109	4.56	80	1,502	0	0	0	0	0	5	93
25-49	2,014	71,994	314	4.36	81	1,742	0	0	0	0	1	116	155
50-99	1,827	126,514	545	4.31	85	1,429	0	0	2	7	44	269	76
100-249	1,118	166,710	729	4.37	90	649	1	10	34	110	113	176	25
250-499	337	119,834	597	4.98	102	97	18	50	40	51	36	40	5
500-999	215	144,063	734	5.09	108	34	28	28	19	48	24	32	2
1,000-2,499	118	175,770	987	5.62	115	12	13	15	19	24	17	18	0
2,500-4,999	18	59,363	257	4.33	110	1	5	2	2	3	4	1	0
Under 5,000	7,247	888,131	4,272	4.81	99	5,466	65	105	116	243	239	657	356
5,000 or more	8	51,052	352	6.89	119	0	0	2	3	1	1	1	0
Total	7,255	939,183	4,624	4.92	100	5,466	65	107	119	244	240	658	356

* 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 1976-80
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 OF RATIO BY ACTUAL TO TABULAR CLAIMS*							
						0%	1% - 50%	50% - 75%	75% - 100%	100% - 150%	150% - 200%	200% - 500%	500% or More
Under 25 lives	55	627	2	3.19	91	53	0	0	0	0	0	0	2
25-49	94	3,394	10	2.95	77	85	0	0	0	0	0	1	8
50-99	122	8,744	17	1.94	60	106	0	0	0	0	0	10	6
100-249	162	26,771	67	2.50	72	113	0	0	1	13	8	26	1
250-499	83	30,378	93	3.06	91	33	0	8	10	13	6	13	0
500-999	64	46,326	141	3.04	92	13	7	9	8	16	4	7	0
1,000-2,499	47	76,028	277	3.64	106	4	3	6	6	16	6	6	0
2,500-4,999	20	73,837	169	2.29	84	2	8	2	0	3	4	1	0
Under 5,000	647	266,105	776	2.92	91	409	18	25	25	61	28	64	17
5,000 or more	20	161,192	537	3.33	118	1	0	2	1	8	6	2	0
Total	667	427,297	1,313	3.07	100	410	18	27	26	69	34	66	17

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

EXHIBIT I

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

CONTRIBUTING COMPANY	TABLE I-1A		TABLE II-1		TABLE III-1	
	% of Total Exposure	Ratio A:T	% of Total Exposure	Ratio A:T	% of Total Exposure	Ratio A:T
I.....	8%	105%	2%	63%	8%	117%
II.....	2	74	2	45	3	14
III.....	13	124	33	108	24	117
IV.....	2	121	8	107	1	35
V.....	2	63	4	94	1	15
VI.....	1	99	5	104	0	122
VII.....	9	111	12	111	4	107
VIII.....	0	0	0	0	0	0
IX.....	46	97	0	0	52	99
X.....	0	0	0	0	0	0
XI.....	12	80	27	80	3	38
XII.....	2	118	2	263	2	133
XIII.....	1	96	4	104	1	119
All.....	100%	100%	100%	100%	100%	100%

comparing the differences between the companies, one should be reminded of the various caveats noted throughout this paper.

ANALYSIS OF RATES OF TERMINATION

Experience on Plans with a Six-Month Elimination Period

As previously stated, the reader should be careful in comparing the results of this study to previous studies due to the elimination of the data of one company. Even though the disablement experience was understated, the rates of termination were not directly affected by the data problems. However, the Committee decided to exclude the entire questionable data file from further analyses until the extent of the problems could be determined and the appropriate corrections made.

Table A-1 shows, for plans with a six-month elimination period, the crude rates of termination from death or recovery based on number of lives, by sex and by age groups, for the period 1962-1980. Because of the small number of terminations at the later durations, the experience has been truncated at the end of eight years of disablement. It should be noted that the termination rates for the first year of disablement relate to the six-month period following the end of the elimination period.

There were 61,077 claims exposed to termination, of which 14,156 and 15,917 originated from the 1976-80 and the 1962-75 portions, respectively, of the active lives experience (all experience units combined), with the remaining 31,004 claims from experience units that were not included in the

study of rates of disablement. The Committee conducted a subanalysis of the termination rates of only the 30,073 claims that were also included in the rates of disablement portion of the study. The rates of termination for these claims were found to be generally 5-15 percent higher than those shown in Table A-1 for the combined experience.

Table A-2 displays the actual number of claims that terminated by death or recovery, while Table A-3 presents the ratios of the actual number of terminations to the number of terminations that would have been produced by application of termination rates from the 1964 Commissioners Disability Table (CDT) 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 1962-80, the ratio (for all ages combined) of the actual number of 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 illustrates the value 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.

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 42,950 male and 18,127 female claims in this analysis. As was done in Table A-5, illustrative values are shown on two alternate bases. In making any comparisons by sex, however, the reader is reminded that the 1964 CDT is a unisex table.

Tables AA-1, AA-2, AA-3, AA-4, and AA-5 also 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, 1976-80. 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 rates over various restricted observation periods for the

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 1962-80)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
7th month	62.8	44.1	50.8	36.0	23.6	17.5
8th month	70.7	51.0	58.0	39.2	24.0	17.0
9th month	67.1	50.3	56.2	35.9	22.6	16.3
10th month	60.2	43.7	49.4	31.5	20.3	13.9
11th month	54.4	39.4	44.5	28.0	18.7	11.8
12 month	55.6	41.1	46.0	28.1	17.8	13.0
1st year (last 6 months)	318.1	241.1	268.7	183.0	120.5	86.3
13th month	51.3	39.4	43.4	26.0	16.6	11.3
14th month	45.9	34.3	38.1	22.0	14.8	9.5
15th month	44.8	29.5	34.5	19.9	12.7	10.5
16th month	35.6	27.5	30.1	18.0	11.0	9.9
17th month	30.1	27.4	28.2	17.2	9.8	8.4
18th month	29.2	23.8	25.5	16.4	11.1	8.6
19th month	30.8	19.7	23.2	12.8	10.8	8.8
20th month	30.6	15.4	20.2	11.3	8.4	9.2
21st month	26.5	15.6	19.0	11.7	8.4	8.2
22d month	21.2	19.6	20.1	10.7	7.8	6.4
23d month	22.7	20.7	21.3	10.9	7.6	6.8
24th month	32.9	21.0	24.6	12.8	8.0	7.2
2d year	335.8	257.5	283.3	174.2	119.8	99.8
3d year	255.0	159.0	187.4	108.0	76.5	71.3
4th year	133.6	86.9	99.3	60.3	57.1	57.9
5th year	80.5	62.0	66.7	47.0	53.1	43.6
6th year	74.1	53.5	58.4	41.6	55.0	50.6
7th year	71.9	59.3	62.3	42.1	54.0	29.9 [†]
8th year	18.6*	31.9	28.9	43.7	48.7	27.2 [†]
	Male Only					
1st year (last 6 months)	313.8	241.7	266.7	177.0	118.2	83.8
2d year	337.6	262.6	286.6	162.2	117.4	99.7
3d year	256.2	163.4	190.1	105.3	76.2	71.4
4th year	153.4	101.1	114.7	61.9	61.0	63.3
5th year	66.5	63.1	63.9	49.4	57.4	42.2
6th year	77.7	43.2	51.5	44.4	61.7	48.5
7th year	79.9 [†]	72.1	74.1	45.1	58.5	31.6 [†]
8th year	14.4*	33.5 [†]	29.0 [†]	51.6	51.0	23.8*
	Female Only					
1st year (last 6 months)	323.6	240.1	271.5	193.9	126.9	95.7
2d year	333.0	249.7	278.1	196.6	126.5	100.1
3d year	253.4	152.0	183.2	113.2	77.2	70.7
4th year	104.8	64.8	75.8	56.8	45.6	35.4
5th year	100.8	60.3	70.8	42.0	40.4	49.0
6th year	68.0 [†]	69.3	69.0	35.7	34.5	68.3*
7th year	59.1*	39.4 [†]	44.2	35.6	40.3	15.2*
8th year	24.8*	30.0 [†]	28.9 [†]	26.1	41.3	54.8*

* Involves fewer than five terminations.

† Involves fewer than ten terminations.

TABLE A-2
GROUP LONG-TERM DISABILITY INSURANCE
NUMBER OF CLAIMS TERMINATED BY DEATH OR RECOVERY
(Six-Month Elimination Period; Calendar Years of Experience 1962-80)

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 6 months)	949	1,294	2,243	2,207	3,145	1,001
2d year	511	799	1,310	1,382	2,254	781
3d year	202	301	503	609	1,118	355
4th year	63	113	176	261	661	149
5th year	25	60	85	161	479	49
6th year	17	38	55	110	372	16
7th year	12	31	43	85	234	7
8th year	2	13	15	72	136	5
	Male Only					
1st year (last 6 months)	530	780	1,310	1,380	2,254	771
2d year	303	489	792	832	1,629	619
3d year	116	189	305	401	825	286
4th year	44	80	124	180	529	129
5th year	12	37	49	115	388	38
6th year	11	18	29	79	316	13
7th year	8	24	32	63	189	7
8th year	1	8	9	58	107	4
	Female Only					
1st year (last 6 months)	419	514	933	827	891	230
2d year	208	310	518	550	625	162
3d year	86	112	198	208	293	69
4th year	19	33	52	81	132	20
5th year	13	23	36	46	91	11
6th year	6	20	26	31	56	3
7th year	4	7	11	22	45	0
8th year	1	5	6	14	29	1

TABLE A-3
 GROUP LONG-TERM DISABILITY INSURANCE
 RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
 RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
 1964 COMMISSIONERS DISABILITY TABLE*
 (Six-Month Elimination Period; Calendar Years of Experience 1962-80)

DURATION OF DISABILITY	ALL AGES OF DIS- ABLEMENT COMBINED	AGE AT DISABILITY					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 6 months)	35.9%	58.9%	46.6%	51.1%	39.4%	31.7%	25.3%
2d year	76.0	108.0	93.3	98.6	74.3	68.6	72.6
3d year	64.3	110.5	80.8	90.8	65.6	57.1	59.2
4th year	54.4	76.9	61.2	66.0	50.9	53.4	54.1
5th year	56.6	59.8	58.1	58.8	52.1	58.8	44.1
6th year	64.1	68.0	62.8	64.3	55.6	67.8	54.2
7th year	66.9	77.2	80.7	79.9	61.2	69.3	32.9 [†]
8th year	60.4	22.3 [†]	47.5	40.6	65.9	63.4	29.6 [†]
Male Only							
1st year (last 6 months)	34.3%	58.1%	46.7%	50.8%	38.1%	31.1%	24.5%
2d year	73.5	108.6	95.1	99.8	69.2	67.2	72.5
3d year	63.2	111.0	83.0	92.3	64.0	56.9	59.3
4th year	58.2	88.4	71.2	76.4	52.3	57.0	59.1
5th year	59.7	49.4	59.2	56.4	54.8	63.5	42.7
6th year	69.7	71.3	50.7	56.7	59.4	76.1	51.9
7th year	72.6	85.8 [†]	98.3	94.9	65.5	75.1	34.8 [†]
8th year	65.1	17.3 [†]	49.7 [†]	40.7 [†]	77.9	66.5	25.8 [†]
Female Only							
1st year (last 6 months)	39.4%	59.9%	46.4%	51.6%	41.8%	33.4%	28.0%
2d year	81.7	107.1	90.4	96.7	83.9	72.4	72.8
3d year	67.0	109.8	77.2	88.6	68.8	57.6	58.7
4th year	44.7	60.4	45.6	50.3	48.0	42.6	33.1
5th year	48.6	74.9	56.5	62.3	46.6	44.8	49.5
6th year	49.2	62.4 [†]	81.3	75.9	47.8	42.5	73.1 [†]
7th year	51.9	63.4 [†]	53.6 [†]	56.6	51.8	51.7	16.7 [†]
8th year	47.7	29.8 [†]	44.5 [†]	40.8 [†]	39.4	53.7	59.5 [†]

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

TABLE A-4

GROUP LONG-TERM DISABILITY INSURANCE RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR RECOVERY
 TO NUMBER OF TERMINATIONS EXPECTED FROM THE 1964 COMMISSIONERS DISABILITY TABLE*
 (Six-Month Elimination Period; Calendar Years of Experience 1962-80)
 ALL AGES OF DISABLEMENT COMBINED

DURATION OF DISABLEMENT	YEAR OF DISABLEMENT											
	1970 and Prior	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	All Years
	Male and Female Combined											
1st year (last 6 months)	41.3%	33.4%	34.0%	32.8%	31.1%	34.0%	31.5%	35.9%	35.9%	40.2%	31.0%	35.9%
2d year	88.5	82.0	78.2	69.7	66.5	65.6	67.6	73.7	75.2	68.9	.....	76.0
3d year	81.1	70.5	64.2	55.1	58.4	50.8	52.3	60.1	54.3	.....	.....	64.3
4th year	68.9	50.0	54.1	48.7	42.3	50.6	44.3	53.6	.....	.....	.....	54.4
5th year	67.0	61.8	45.7	50.7	49.3	50.7	50.5	.....	.....	.....	.....	56.6
6th year	78.4	65.7	48.6	59.7	47.9	42.0	.....	.....	.....	.....	.....	64.1
7th year	74.1	59.2	53.3	72.8	58.2	.....	.....	.....	.....	.....	.....	66.9
8th year	66.4	54.3	48.5	54.5	.....	.....	.....	.....	.....	.....	.....	60.4
	Male Only											
1st year (last 6 months)	39.9%	31.1%	35.7%	31.0%	28.1%	32.4%	30.3%	34.7%	34.5%	36.4%	28.3%	34.3%
2d year	83.9	76.5	75.6	71.0	63.7	65.5	67.0	71.6	72.9	61.6	.....	73.5
3d year	77.2	69.2	62.3	55.0	61.7	49.9	51.7	57.6	49.0	.....	.....	63.2
4th year	70.5	54.2	55.4	53.4	47.5	56.4	48.4	55.8	.....	.....	.....	58.2
5th year	69.2	66.2	51.3	46.6	52.3	55.8	56.8	.....	.....	.....	.....	59.7
6th year	80.7	75.8	58.3	62.0	58.7	41.3	.....	.....	.....	.....	.....	69.7
7th year	79.4	64.9	52.7	80.5	78.0	.....	.....	.....	.....	.....	.....	72.6
8th year	67.6	59.6	58.8	75.6	.....	.....	.....	.....	.....	.....	.....	65.1
	Female Only											
1st year (last 6 months)	45.0%	39.4%	30.0%	37.0%	37.6%	37.5%	34.3%	38.5%	38.8%	47.5%	36.7%	39.4%
2d year	100.2	97.2	84.5	66.6	72.9	65.8	68.9	78.0	80.1	83.9	.....	81.7
3d year	92.3	74.6	68.9	55.4	50.7	52.7	53.8	64.8	66.6	.....	.....	67.0
4th year	64.2	37.5	50.8	37.6	30.3	38.0	34.5	49.2	.....	.....	.....	44.7
5th year	60.3	48.8	31.8	59.8	47.2	34.8	34.6	.....	.....	.....	.....	48.6
6th year	71.4	35.7 [†]	25.1 [†]	54.3	23.4 [†]	43.3 [†]	49.2
7th year	58.7	42.9 [†]	54.7	54.9	15.1 [†]	51.9
8th year	63.2	39.7 [†]	24.3 [†]	12.2 [†]	47.7

* As published by the Health Insurance Association of America, Table B1, Volume 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	\$23.58	\$16.59	142%	\$27.78	\$28.46	98%
35.5	30.09	18.44	163	33.31	30.86	108
45.5	36.21	21.71	167	38.32	33.50	114
55.5	41.44	26.85	154	41.40	36.68	113
62.5	20.34	14.91	136	16.29	15.77	103
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period					
25.5	\$49.27	\$32.62	151%	\$66.02	\$63.86	103%
35.5	69.70	38.72	180	86.29	73.54	117
45.5	79.14	42.87	185	91.65	73.57	125
55.5	62.48	38.40	163	65.67	55.60	118
62.5	20.34	14.91	136	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.

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	\$49.02	\$32.62	150%	\$65.24	\$63.86	102%
35.5	68.58	38.72	177	84.87	73.54	115
45.5	80.57	42.87	188	92.72	73.75	126
55.5	62.38	38.40	162	65.38	55.60	118
62.5	20.40	14.91	137	16.30	15.77	103
	Female Only					
25.5	\$49.67	\$32.62	152%	\$67.15	\$63.86	105%
35.5	71.47	38.72	185	88.51	73.54	120
45.5	76.61	42.87	179	89.74	73.57	122
55.5	62.85	38.40	164	66.59	55.60	120
62.5	20.15	14.91	135	16.29	15.77	103

* Annuity values are based on the crude, ungraduated, male or female termination rates from 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 1976-80)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
7th month.....	61.0	44.6	50.7	38.6	24.5	16.9
8th month.....	67.7	45.5	53.7	38.5	24.2	15.3
9th month.....	64.9	45.7	52.7	34.4	23.0	13.5
10th month.....	57.5	41.2	47.1	30.5	19.4	13.7
11th month.....	54.2	35.1	41.9	26.5	17.6	12.4
12th month.....	58.3	37.7	44.9	27.7	18.7	12.2
1st year (last 6 months).....	312.8	225.2	258.0	180.8	102.8	81.1
13th month.....	50.5	34.8	40.2	25.7	17.2	10.4
14th month.....	36.6	31.3	33.1	19.0	14.8	8.9
15th month.....	33.9	29.2	30.8	15.7	12.5	10.9
16th month.....	34.9	24.7	28.1	15.6	10.2	9.4
17th month.....	31.3	22.5	25.4	14.9	9.3	7.5
18th month.....	27.3	21.2	23.2	13.3	9.7	8.3
19th month.....	27.9	17.1	20.6	10.5	9.3	7.7
20th month.....	25.9	13.8	17.7	11.5	7.1	8.6
21st month.....	22.3	15.3	17.5	12.4	6.8	8.2
22d month.....	19.0 [†]	16.5	17.3	10.2	6.8	6.6
23d month.....	20.8	17.4	18.4	10.7	7.5	6.9
24th month.....	30.5	20.1	23.3	11.0	7.5	6.1
2d year.....	307.0	234.3	259.0	157.9	112.6	95.1
3d year.....	231.0	138.2	166.6	87.6	67.5	59.4
4th year.....	146.4	77.0	95.8	51.3	49.6	44.8
5th year.....	72.8	54.4	59.1	44.1	46.1	42.3
6th year.....	63.3	51.8	54.5	36.9	47.7	20.2*
7th year.....	54.7 [†]	54.2	54.5	39.1	52.3	19.4*
8th year.....	11.1*	16.3 [†]	15.2 [†]	40.9	43.5	22.8*
	Male Only					
1st year (last 6 months).....	299.7	210.4	241.8	175.5	119.9	78.2
2d year.....	303.3	239.0	259.8	153.3	109.6	93.9
3d year.....	217.6	147.6	167.8	85.8	68.8	61.0
4th year.....	182.0	90.7	114.9	54.7	54.4	49.5
5th year.....	63.2 [†]	57.7	59.1	47.4	49.8	39.0
6th year.....	74.5 [†]	46.7	53.1	43.5	54.6	23.6*
7th year.....	64.7 [†]	65.8	65.7	39.9	57.2	22.0*
8th year.....	17.5*	27.2 [†]	25.0 [†]	50.1	45.9	25.6*
	Female Only					
1st year (last 6 months).....	326.8	244.9	277.9	190.4	123.1	90.3
2d year.....	310.7	227.5	257.7	166.4	120.4	98.9
3d year.....	247.1	123.7	164.7	91.0	64.1	53.9
4th year.....	95.8	56.1	67.3	44.9	36.8	27.4 [†]
5th year.....	87.8 [†]	49.5	59.0	37.6	36.4	55.8 [†]
6th year.....	45.6*	59.0	55.8	23.3	28.3	0.0*
7th year.....	38.3*	35.5 [†]	36.3 [†]	37.3	38.4	0.0*
8th year.....	0.0*	0.0*	0.0*	20.6 [†]	35.9	0.0*

* 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 1976-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	LT 30	30-39	LT 40	40-49	50-59	60-64
	Male and Female Combined					
1st year (last 6 months)	483	583	1,066	918	1,433	395
2d year	249	375	624	552	996	332
3d year	107	144	251	249	515	146
4th year	43	60	103	122	327	62
5th year	14	34	48	93	252	27
6th year	10	25	35	63	213	3
7th year	7	22	29	55	164	3
8th year	1	5	6	49	91	3
	Male Only					
1st year (last 6 months)	241	314	555	576	1,019	291
2d year	134	224	358	348	703	253
3d year	55	94	149	160	379	117
4th year	32	42	74	86	260	53
5th year	7	22	29	66	197	20
6th year	7	14	21	50	182	3
7th year	5	17	22	39	132	3
8th year	1	5	6	41	71	3
	Female Only					
1st year (last 6 months)	242	269	511	342	414	104
2d year	115	151	266	204	293	79
3d year	52	50	102	89	136	29
4th year	11	18	29	36	67	9
5th year	7	12	19	27	55	7
6th year	3	11	14	13	31	0
7th year	2	5	7	16	32	0
8th year	0	0	0	8	20	0

TABLE AA-3
 GROUP LONG-TERM DISABILITY INSURANCE
 RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
 RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
 1964 COMMISSIONERS DISABILITY TABLE*

Exactly (Six-Month Elimination Period; Calendar Years of Experience 1976-80)

DURATION OF DISABLEMENT	1962-80 CLAIMS ONLY						
	ALL AGES OF DIS- ABLEMENT COMBINED	AGE AT DISABLEMENT					
		LT 30	30-39	LT 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 6 months)	35.5%	57.9%	43.5%	49.0%	38.9%	31.8%	23.8%
2d year	70.8	98.8	84.9	90.0	67.4	64.4	69.1
3d year	55.7	100.1	70.2	80.6	53.2	50.4	49.3
4th year	47.4	84.3	54.2	63.7	43.3	46.4	41.9
5th year	50.5	54.1	51.1	52.1	48.9	51.0	42.7
6th year	55.6	58.1	60.7	60.0	49.3	58.8	21.6 [†]
7th year	63.3	58.7 [†]	73.9	69.7	56.8	67.1	21.4 [†]
8th year	53.2	13.3 [†]	24.2 [†]	21.3 [†]	61.7	56.6	24.8 [†]
Male Only							
1st year (last 6 months)	33.6%	55.5%	40.6%	46.0%	37.8%	31.5%	22.9%
2d year	68.7	97.6	86.6	90.4	65.4	62.7	68.3
3d year	55.5	94.3	75.0	81.4	52.1	51.4	50.6
4th year	52.1	104.9	63.9	76.5	46.2	50.9	46.3
5th year	53.3	47.0 [†]	54.2	52.1	52.6	55.1	39.4
6th year	63.1	68.3 [†]	54.8	58.5	58.2	67.3	25.3 [†]
7th year	68.6	69.5 [†]	89.6	84.0	58.0	73.4	24.2 [†]
8th year	60.2	21.0 [†]	40.4 [†]	35.0 [†]	75.5	59.8	27.8 [†]
Female Only							
1st year (last 6 months)	39.3%	60.5%	47.3%	52.8%	41.0%	32.4%	26.5%
2d year	75.2	99.9	82.4	89.4	71.0	68.9	71.9
3d year	56.2	107.1	62.9	79.4	55.3	47.9	44.8
4th year	36.4	55.2	39.5	44.6	37.9	34.4	25.6 [†]
5th year	43.6	65.3 [†]	46.4	52.0	41.7	40.3	56.4 [†]
6th year	37.0	41.9 [†]	69.2	61.3	31.2	34.9	0.0 [†]
7th year	49.7	41.1 [†]	48.4 [†]	46.4 [†]	54.2	49.3	0.0 [†]
8th year	34.6	0.0 [†]	0.0 [†]	0.0 [†]	31.1 [†]	46.7	0.0 [†]

* As published by the Health Insurance Association of America, Table B1, Volume 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 DISABILITY		
	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	\$24.70	\$16.59	149%	\$29.18	\$28.46	103%
35.5	31.85	18.44	173	34.87	30.86	113
45.5	37.40	21.71	172	39.70	33.50	119
55.5	42.06	26.85	157	42.13	36.68	115
62.5	20.51	14.91	138	16.37	15.77	104
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$52.72	\$32.62	162%	\$70.55	\$63.86	110%
35.5	75.48	38.72	195	92.02	73.54	125
45.5	83.08	42.87	194	96.30	73.57	127
55.5	63.96	38.40	167	67.41	55.60	121
62.5	20.51	14.91	138	16.37	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 DISABILITY	VALUE AS OF END OF ELIMINATION PERIOD			VALUE AS OF END OF TWELFTH MONTH OF DISABILITY		
	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	\$53.11	\$32.62	163%	\$69.78	\$63.86	109%
35.5	75.09	38.72	194	89.73	73.54	122
45.5	83.45	42.87	195	96.12	73.57	131
55.5	63.69	38.40	166	67.02	55.60	121
62.5	20.59	14.91	138	16.39	15.77	104
	Female Only					
25.5	\$52.63	\$32.62	161%	\$71.90	\$63.86	113%
35.5	76.32	38.72	197	95.63	73.54	130
45.5	82.49	42.87	192	96.74	73.57	131
55.5	64.72	38.40	169	68.46	55.60	123
62.5	20.26	14.91	136	16.30	15.77	103

* 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 DISABILITY				
	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
1976-80*	\$52.72	\$75.48	\$83.08	\$63.96	\$20.51
Ratio to 1964 CDT	162%	195%	194%	167%	138%
1962-80*	\$49.27	\$69.70	\$79.14	\$62.48	\$20.34
Ratio to 1964 CDT	151%	180%	185%	163%	136%
	Annuity Value as of End of Twelfth Month of Disablement				
1964 CDT	\$63.86	\$73.54	\$73.57	\$55.60	\$15.77
1976-80*	\$70.55	\$92.02	\$96.30	\$67.41	\$16.37
Ratio to 1964 CDT	110%	125%	127%	121%	104%
1962-80*	\$66.02	\$86.29	\$91.65	\$65.67	\$16.29
Ratio to 1964 CDT	103%	117%	125%	118%	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.

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.

Experience on Plan 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, AA, and AAA 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 the 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 33,826 of which 4,624 and 5,835 emanated from the 1976-80 and 1962-75 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, CC, and CCC series of tables. These tables are similar in format to the corresponding tables of the A and B series. The number of claims exposed to termination was 7,540 of which 1,313 and 995 originated from the 1976-80 and 1962-75 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 the elimination period, plan, age group, 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, once again, underscores the need to exercise caution and judgment when using the disabled life annuity values shown in the 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 1962-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
4th month	129.9	107.8	117.4	91.5	56.7	40.5
5th month	145.4	122.0	132.1	97.7	61.2	44.9
6th month	128.4	111.4	118.7	85.0	55.9	40.2
7th month	110.2	94.6	101.1	69.2	47.0	33.5
8th month	92.8	76.8	83.5	61.7	37.1	28.7
9th month	85.2	58.6	69.4	53.1	31.4	21.7
10th month	79.4	48.8	61.1	43.4	27.3	18.7
11th month	69.4	51.4	58.4	37.0	22.7	15.9
12th month	65.7	47.4	54.5	32.6	20.2	12.8
1st year (last 9 months)	616.9	529.2	567.3	447.2	307.9	229.9
13th month	57.3	45.8	50.2	30.1	17.1	12.4
14th month	54.0	37.6	43.7	25.5	14.0	11.7
15th month	51.3	32.3	39.3	23.0	13.7	11.2
16th month	41.4	33.1	36.1	22.4	14.5	9.7
17th month	38.6	29.1	32.5	19.0	13.7	8.5
18th month	39.9	24.0	29.7	16.4	11.2	7.6
19th month	32.1	17.0	22.3	15.5	9.0	6.0
20th month	37.2	14.1	22.1	15.1	9.0	8.8
21st month	40.4	14.6	23.4	12.8	9.5	10.5
22d month	30.3	17.2	21.5	12.3	8.7	7.0
23d month	24.0	16.6	19.0	12.2	8.4	6.1
24th month	23.9	20.9	21.9	11.9	8.0	5.3†
2d year	381.6	264.0	307.7	196.1	128.7	99.8
3d year	197.6	181.5	186.6	121.5	80.2	83.9
4th year	79.3	75.3	76.6	70.3	53.1	67.3
5th year	75.5	72.3	73.2	39.6	58.6	70.0
6th year	24.2*	53.8	45.6	31.6	60.6	28.1*
	Male Only					
1st year (last 9 months)	631.0	534.8	575.9	431.9	297.1	229.8
2d year	370.3	286.9	316.9	201.4	130.6	99.2
3d year	181.4	182.2	182.4	120.3	85.5	92.5
4th year	68.7‡	83.7	79.5	81.3	58.2	63.0
5th year	66.4‡	105.9	94.3	49.8	65.8	71.4
6th year	31.6*	82.7	67.1	30.4	67.0	0.0*
	Female Only					
1st year (last 9 months)	599.9	521.8	556.4	471.4	333.5	230.0
2d year	394.3	233.1	295.6	186.8	123.8	101.4
3d year	215.0	180.1	191.8	123.7	65.9	57.2
4th year	91.8‡	64.3	72.8	50.8	39.1	79.6
5th year	88.9‡	31.3*	46.2‡	21.6‡	38.4	66.5‡
6th year	12.8*	19.5*	17.9*	33.8	42.9	116.1*

* 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 1962-80)

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)	1,717	1,920	3,637	2,992	3,908	1,316
2d year	280	331	611	583	912	311
3d year	63	126	189	244	419	159
4th year	14	31	45	103	212	62
5th year	10	23	33	42	184	25
6th year	2	12	14	26	127	2
	Male Only					
1st year (last 9 months)	954	1,086	2,040	1,775	2,648	986
2d year	147	207	354	379	675	233
3d year	33	71	104	156	324	133
4th year	6	19	25	75	170	42
5th year	5	19	24	34	152	19
6th year	2	10	12	16	104	0
	Female Only					
1st year (last 9 months)	763	834	1,597	1,217	1,260	330
2d year	133	124	257	204	237	78
3d year	30	55	85	88	95	26
4th year	8	12	20	28	42	20
5th year	5	4	9	8	32	6
6th year	0	2	2	10	23	2

TABLE B-3
GROUP LONG-TERM DISABILITY INSURANCE
RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
1964 COMMISSIONERS DISABILITY TABLE*

(Three-Month Elimination Period; Calendar Years of Experience 1962-80)

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)	47.7%	69.5%	60.1%	64.2%	53.1%	41.0%	34.7%
2d year	82.6	122.8	95.6	106.6	83.7	73.6	72.6
3d year	69.0	85.6	92.2	90.0	73.8	59.9	69.6
4th year	53.7	45.7	53.0	50.7	59.4	49.7	62.9
5th year	61.2	56.1	67.8	64.0	43.9	64.9	70.7
6th year	63.6	22.2 [‡]	63.1	49.6	42.3	74.7	30.1 [‡]
Male Only							
1st year (last 9 months)	45.8%	71.1%	60.8%	65.2%	51.3%	39.6%	34.7%
2d year	82.8	119.1	103.9	109.8	86.0	74.7	72.2
3d year	70.8	78.6	92.6	88.1	73.1	63.9	76.7
4th year	57.8	39.5 [‡]	58.9	52.6	68.6	54.5	58.9
5th year	70.9	49.4 [‡]	99.4	82.0	55.3	72.9	72.1
6th year	70.8	29.0 [‡]	97.0	72.6	40.7	82.6	0.0 [‡]
Female Only							
1st year (last 9 months)	51.4%	67.6%	59.3%	63.0%	56.0%	44.5%	34.7%
2d year	82.1	126.8	84.4	102.3	79.7	70.8	73.7
3d year	64.9	93.1	91.5	92.3	75.1	49.2	47.4
4th year	44.3	52.9 [‡]	45.3	48.1	42.9	36.6	74.4
5th year	39.3	66.1 [‡]	29.4 [‡]	40.6 [‡]	24.0 [‡]	42.6	67.1 [‡]
6th year	47.2	11.8 [‡]	22.9 [‡]	19.6 [‡]	45.2	52.8	124.3 [‡]

* As published by the Health Insurance Association of America, Table B1, Volume 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 THE 1964 COMMISSIONERS DISABILITY TABLE*
(Three-Month Elimination Period, Calendar Years of Experience 1962-80)
ALL AGES OF DISABILITY COMBINED

DURATION OF DISABILITY	YEAR OF DISABILITY											
	1970 and Prior	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	All Years
	Male and Female Combined											
1st year (last 9 months)	56.7%	54.4%	51.3%	47.5%	45.6%	42.3%	42.0%	46.5%	43.5%	46.4%	42.1%	47.7%
2d year	106.6	102.8	87.0	71.2	71.7	78.0	70.2	69.0	82.8	88.8	.....	82.6
3d year	101.5	86.9	63.2	63.2	60.3	66.5	54.1	57.4	64.3	.....	.....	69.0
4th year	88.1	48.6	55.2	43.7	48.4	39.7	45.3	38.3	.....	.....	.....	53.7
5th year	67.2	73.7	55.3	61.6	57.4	62.9	37.8	.....	.....	.....	.....	61.2
6th year	78.4	68.9	65.2	59.3	44.7	49.9	.....	.....	.....	.....	.....	63.6
	Male Only											
1st year (last 9 months)	55.4%	53.1%	48.9%	45.3%	43.3%	39.5%	40.4%	43.7%	42.1%	44.1%	36.4%	45.8%
2d year	108.3	97.2	86.8	70.0	68.8	76.6	72.6	68.2	86.3	87.7	.....	82.8
3d year	100.1	87.5	62.1	69.4	64.3	70.6	60.6	50.4	66.0	.....	.....	70.8
4th year	89.4	51.8	60.9	50.1	52.5	45.7	46.8	42.2	.....	.....	.....	57.8
5th year	72.6	84.0	62.5	71.1	63.6	79.1	53.5	.....	.....	.....	.....	70.9
6th year	81.4	74.9	73.3	72.4	55.2	41.8	.....	.....	.....	.....	.....	70.8
	Female Only											
1st year (last 9 months)	59.6%	57.4%	56.0%	51.4%	49.6%	47.6%	44.8%	51.5%	46.1%	50.3%	51.0%	51.4%
2d year	102.1	117.0	87.5	73.4	76.8	80.8	65.7	70.6	75.6	90.9	.....	82.1
3d year	104.8	85.1	65.6	49.5	52.6	57.8	41.1	73.1	60.1	.....	.....	64.9
4th year	84.6	39.6	41.4	30.2	40.4	26.5	42.2	29.0	.....	.....	.....	44.3
5th year	53.1	46.5	38.4	41.9	44.8	26.0	5.4	.....	.....	.....	.....	39.3
6th year	70.5	53.4	47.9	32.5	22.0	65.5	.....	.....	.....	.....	.....	47.2

* As published by the Health Insurance Association of America, Table B1, Volume 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	\$15.25	\$ 5.43	281%	\$26.46	\$27.50	96%
35.5	20.13	5.95	338	31.05	29.72	104
45.5	25.29	7.82	323	35.06	32.18	109
55.5	33.52	12.25	274	38.92	35.19	111
62.5	19.86	9.67	205	16.25	15.77	103
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period					
25.5	\$29.45	\$ 9.41	313%	\$64.38	\$63.86	101%
35.5	42.65	11.09	385	79.98	73.54	109
45.5	51.33	14.23	361	83.23	73.57	113
55.5	49.93	17.24	290	63.16	55.60	114
62.5	19.86	9.67	205	16.25	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	VALUES AS OF END OF ELIMINATION PERIOD			VALUES 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	\$29.46	\$ 9.41	313%	\$67.19	\$63.86	105%
35.5	40.88	11.09	369	77.10	73.54	105
45.5	52.05	14.23	366	82.11	73.57	112
55.5	50.25	17.24	291	62.57	55.60	113
62.5	19.85	9.67	205	16.25	15.77	103
	Female Only					
25.5	\$29.47	\$ 9.41	313%	\$61.34	\$63.86	96%
35.5	45.13	11.09	407	83.98	73.54	114
45.5	50.25	14.23	353	85.24	73.57	116
55.5	49.26	17.24	286	64.76	55.60	116
62.5	19.89	9.67	206	16.28	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 1976-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
4th month	132.2	100.0	114.8	91.3	49.7	35.7
5th month	142.9	113.9	127.1	89.5	54.0	38.0
6th month	120.8	105.4	112.3	78.2	49.1	34.4
7th month	103.7	89.3	95.6	60.8	41.7	27.8
8th month	87.4	73.0	79.3	51.1	32.9	22.2
9th month	77.8	56.0	65.3	46.8	28.3	19.9
10th month	75.8	44.7	57.9	40.6	24.9	18.7
11th month	66.4	46.9	54.9	31.0	20.2	13.3
12th month	53.6	41.8	46.6	26.7	18.3	9.4
1st year (last 9 months)	597.2	503.9	546.8	413.7	278.0	199.6
13th month	44.8	42.3	43.3	28.4	15.6	10.1
14th month	47.0	36.1	40.4	23.8	12.7	10.4
15th month	46.8	30.4	36.8	23.4	12.5	8.7
16th month	40.9	29.4	33.9	23.5	12.3	6.9
17th month	38.8	27.2	31.6	15.5	11.3	6.8
18th month	38.1	24.0	29.4	12.1	10.1	7.6
19th month	32.0	17.4	22.9	14.5	8.2	6.2 [‡]
20th month	42.2	14.3 [‡]	24.5	15.5	8.7	7.4
21st month	42.6 [‡]	8.2 [*]	20.6	12.3	9.1	9.5
22d month	24.5 [‡]	11.2 [‡]	15.9	10.9	8.4	6.2 [‡]
23d month	22.0 [‡]	14.2 [‡]	16.9	11.7	8.9	4.8 [‡]
24th month	20.6 [*]	15.7	17.4	10.7	8.1	3.1 [*]
2d year	361.7	239.9	287.4	184.8	118.9	84.2
3d year	179.5	167.0	171.4	105.8	69.4	69.4
4th year	77.2	64.9	68.9	63.8	44.2	50.8
5th year	81.0 [‡]	75.0	76.8	42.8	53.4	63.7
6th year	14.2 [*]	58.8	46.1	27.9	53.4	0.0 [*]
	Male Only					
1st year (last 9 months)	597.8	506.6	547.9	394.2	270.8	192.1
2d year	345.3	266.5	295.8	190.4	123.2	84.2
3d year	179.4	161.1	167.8	104.9	76.0	77.1
4th year	65.6 [*]	70.6	69.0	72.9	50.9	48.7
5th year	70.4 [*]	102.7	92.8	58.2	61.6	70.5
6th year	23.1 [*]	86.8 [‡]	67.0 [‡]	28.2	60.2	0.0 [*]
	Female Only					
1st year (last 9 months)	596.2	500.1	545.2	443.1	294.2	219.9
2d year	380.2	204.8	276.1	175.9	108.6	84.2
3d year	177.6	174.5	175.9	107.2	52.2	47.1
4th year	89.6 [‡]	57.6 [‡]	68.5	49.3	26.6	56.0
5th year	93.9 [*]	42.0 [*]	56.7 [‡]	16.8 [‡]	31.8	46.7 [*]
6th year	0.0 [*]	25.1 [*]	18.8 [*]	27.3 [‡]	35.5	0.0 [*]

* 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 1976-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 31	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
1st year (last 9 months)	899	892	1,791	1,160	1,676	555
2d year	160	165	325	267	460	144
3d year	39	70	109	121	222	81
4th year	10	19	29	63	119	31
5th year	8	17	25	34	127	15
6th year	1	10	11	17	90	0
	Male Only					
1st year (last 9 months)	467	482	949	664	1,128	392
2d year	81	105	186	173	341	107
3d year	22	37	59	76	174	67
4th year	4	11	15	44	99	21
5th year	4	13	17	29	106	12
6th year	1	8	9	11	74	0
	Female Only					
1st year (last 9 months)	432	410	842	496	548	163
2d year	79	60	139	94	119	37
3d year	17	33	50	45	48	14
4th year	6	8	14	19	20	10
5th year	4	4	8	5	21	3
6th year	0	2	2	6	16	0

TABLE BB-3
GROUP LONG-TERM DISABILITY INSURANCE
RATIOS OF ACTUAL CLAIMS TERMINATED BY DEATH OR
RECOVERY TO NUMBER OF TERMINATIONS EXPECTED FROM THE
1964 COMMISSIONERS DISABILITY TABLE*

(Three-Month Elimination Period; Calendar Years of Experience 1976-80)

DURATION OF DISABILITY	ALL AGES OF DIS- ABILITY COMBINED	AGE AT DISABILITY					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
1st year (last 9 months)	44.2%	67.3%	57.3%	61.9%	49.2%	37.1%	30.1%
2d year	76.1	116.4	86.9	99.3	78.9	68.0	61.2
3d year	60.0	77.8	84.8	82.3	64.3	51.8	57.6
4th year	45.5	44.5	45.7	45.4	53.9	41.4	47.5
5th year	58.2	60.3 [†]	70.3	66.9	47.5	59.2	64.4
6th year	56.5	13.1 [†]	69.0	50.0	37.4	65.9	0.0 [†]
Male Only							
1st year (last 9 months)	41.8%	67.3%	57.6%	62.0%	46.8%	36.1%	29.0%
2d year	76.9	111.1	96.5	102.3	81.3	70.5	61.2
3d year	62.2	77.7	81.8	80.7	63.7	56.7	63.9
4th year	50.0	37.8 [†]	49.7	45.5	61.6	47.6	45.5
5th year	69.2	52.3 [†]	96.3	80.5	64.5	68.2	71.2
6th year	64.9	21.2 [†]	101.9 [†]	72.1 [†]	37.8	74.2	0.0 [†]
Female Only							
1st year (last 9 months)	48.4%	67.2%	56.8%	61.7%	52.7%	39.2%	33.2%
2d year	74.6	122.3	74.2	95.4	75.1	62.1	61.3
3d year	55.4	77.0	88.7	84.3	65.1	39.0	39.1
4th year	35.8	51.6 [†]	40.5	45.1	41.6	24.9	52.4
5th year	34.4	69.8 [†]	39.4 [†]	49.6 [†]	18.6 [†]	35.2	47.2 [†]
6th year	37.8	0.0 [†]	29.5 [†]	20.7 [†]	36.5 [†]	43.8	0.0 [†]

* As published by the Health Insurance Association of America, Table B1, Volume 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 DISABILITY	VALUES AS OF END OF ELIMINATION PERIOD			VALUES AS OF END OF TWELFTH MONTH OF DISABILITY		
	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	\$16.27	\$ 5.43	300%	\$27.56	\$27.50	100%
35.5	21.66	5.95	364	32.32	29.72	109
45.5	27.10	7.82	347	35.93	32.18	112
55.5	35.40	12.25	289	39.72	35.19	113
62.5	20.68	9.67	214	16.46	15.77	104
Benefit Payable to Age 65 with First Payment Due at End of Elimination Period						
25.5	\$32.07	\$ 9.41	341%	\$67.66	\$63.86	106%
35.5	46.90	11.09	423	84.34	73.54	115
45.5	55.81	14.23	392	86.01	73.57	117
55.5	53.09	17.24	308	64.75	55.60	116
62.5	20.68	9.67	214	16.46	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	\$32.94	\$ 9.41	350%	\$70.03	\$63.86	110%
35.5	45.38	11.09	409	81.66	73.54	111
45.5	56.94	14.23	400	84.97	73.57	115
55.5	52.91	17.24	307	63.85	55.60	115
62.5	20.82	9.67	215	16.46	15.77	104
Female Only						
25.5	\$31.19	\$ 9.41	331%	\$65.22	\$63.86	102%
35.5	48.94	11.09	441	87.84	73.54	119
45.5	54.10	14.23	380	87.68	73.57	119
55.5	53.63	17.24	311	67.11	55.60	121
62.5	20.31	9.67	210	16.49	15.77	105

* 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 DISABEMENT				
	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
1976-80*	\$32.07	\$46.90	\$55.81	\$53.09	\$20.68
Ratio to 1964 CDT	341%	423%	392%	308%	214%
1962-80*	\$29.45	\$42.65	\$51.33	\$49.93	\$19.86
Ratio to 1964 CDT	313%	385%	361%	290%	205%
	Annuity Value as of End of Twelfth Month of Disability				
1964 CDT	\$63.86	\$73.54	\$73.57	\$55.60	\$15.77
1976-80*	\$67.66	\$84.34	\$86.01	\$64.75	\$16.46
Ratio to 1964 CDT	106%	115%	117%	116%	104%
1962-80*	\$64.38	\$79.98	\$83.23	\$63.16	\$16.25
Ratio to 1964 CDT	101%	109%	113%	114%	103%

* Annuity values are based on 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 1962-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
13th month	10.5 [†]	11.5	11.1	13.1	11.2	12.8
14th month	20.3 [†]	21.3	20.9	17.3	14.3	12.8
15th month	26.4 [†]	22.1	23.7	16.7	13.3	12.9
16th month	24.8 [†]	18.6 [†]	21.0	13.7	10.5	11.6 [†]
17th month	27.4 [†]	16.6 [†]	20.7	16.0	10.9	9.6 [†]
18th month	43.9	16.3 [†]	26.4	15.6	9.7	5.7 [†]
19th month	38.1*	20.6 [†]	27.0	14.2	7.3	6.4 [†]
20th month	25.4 [†]	20.9 [†]	22.5	13.8	6.2	7.4*
21st month	18.1*	14.9*	16.1 [†]	12.6 [†]	6.9	7.7 [†]
22d month	10.4*	14.3*	13.0 [†]	16.8	8.3	11.3 [†]
23d month	35.5 [†]	20.1 [†]	25.5	15.9 [†]	11.8	13.7 [†]
24th month	42.9*	17.5*	26.1 [†]	10.0 [†]	13.9	14.6 [†]
2d year	280.3	194.9	226.6	162.3	117.3	120.3
3d year	165.6	113.1	129.6	123.5	84.4	76.2
4th year	177.0 [†]	72.7 [†]	103.6	71.9	77.2	62.0
5th year	132.4*	41.6*	66.1 [†]	39.7	63.3	18.5*
6th year	43.0*	60.5*	57.8*	55.4	72.2	31.3*
	Male Only					
2d year	296.1	220.6	248.3	170.0	120.3	122.9
3d year	162.9	103.4	121.8	111.7	83.4	79.7
4th year	192.6 [†]	76.1 [†]	111.2	80.7	86.6	58.2
5th year	166.7*	52.0*	83.1 [†]	36.9 [†]	70.0	20.9*
6th year	54.8*	79.6*	75.1*	63.3	81.1	33.3*
	Female Only					
2d year	233.8	108.5	157.4	136.9	104.3	102.3
3d year	173.2*	150.0 [†]	158.2 [†]	163.4	88.4	48.6*
4th year	108.0*	56.7*	69.8*	40.0*	35.5 [†]	95.4*
5th year	0.0*	0.0*	0.0*	49.6*	32.7*	0.0*
6th year	0.0*	0.0*	0.0*	23.7*	28.4*	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 1962-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
2d year	70	84	154	159	295	98
3d year	12	20	32	68	127	29
4th year	9	8	17	28	89	13
5th year	4	4	8	11	51	1
6th year	1	3	4	12	42	1
	Male Only					
2d year	56	74	130	128	245	88
3d year	10	14	24	48	103	27
4th year	8	7	15	25	82	11
5th year	4	4	8	8	47	1
6th year	1	3	4	11	39	1
	Female Only					
2d year	14	10	24	31	50	10
3d year	2	6	8	20	24	2
4th year	1	1	2	3	7	2
5th year	0	0	0	3	4	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 THE
1964 COMMISSIONERS DISABILITY TABLE*

(Twelve-Month Elimination Period: Calendar Years of Experience 1962-80)

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	71.8%	90.2%	70.6%	78.4%	69.3%	67.1%	87.5%
3d year	65.8	71.7	57.5	62.7	75.0	63.0	63.2
4th year	67.7	101.9 [†]	51.1 [†]	68.7	60.7	72.2	58.0
5th year	60.5	98.5 [†]	39.0 [†]	58.0 [†]	44.0	70.1	18.7 [†]
6th year	82.2	39.5 [†]	71.0 [†]	63.6 [†]	74.0	89.0	33.5 [†]
Male Only							
2d year	75.2%	95.2%	79.9%	86.0%	72.5%	68.8%	89.4%
3d year	63.6	70.6	52.5	58.9	67.9	62.3	66.1
4th year	74.4	110.9 [†]	53.6 [†]	73.6	68.2	81.0	54.4
5th year	66.1	124.0 [†]	48.8 [†]	73.0 [†]	40.9 [†]	77.5	21.1 [†]
6th year	93.8	50.3 [†]	93.4 [†]	82.7 [†]	84.6	100.0	35.7 [†]
Female Only							
2d year	58.1%	75.2%	39.3%	54.4%	58.4%	59.7%	74.4%
3d year	75.1	75.0 [†]	76.2 [†]	76.4 [†]	99.2	66.0	40.3 [†]
4th year	38.2	62.2 [†]	39.9 [†]	46.4 [†]	33.8 [†]	33.2 [†]	89.2 [†]
5th year	35.7 [†]	0.0 [†]	0.0 [†]	0.0 [†]	55.0 [†]	36.2 [†]	0.0 [†]
6th year	29.9 [†]	0.0 [†]	0.0 [†]	0.0 [†]	31.6 [†]	35.0 [†]	0.0 [†]

* As published by the Health Insurance Association of America, Table B1, Volume 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 THE 1964 COMMISSIONERS DISABILITY TABLE*
(Twelve-Month Elimination Period; Calendar Years of Experience 1962-80)

ALL AGES OF DISABILITY COMBINED

DURATION OF DISABILITY	YEAR OF DISABILITY											
	1970 and Prior	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	All Years
	Male and Female Combined											
2d year	79.6%	92.3%	80.0%	46.8%	73.1%	56.7%	74.2%	72.6%	83.2%	64.0%	.....	71.8%
3d year	94.4	46.1	64.2	43.7	59.7	52.0	52.1	57.3	94.6	.....	.....	65.8
4th year	82.2	59.7	68.7	90.3	71.1	25.7 [†]	35.5	74.6	.....	.....	.....	67.7
5th year	74.6	38.5 [†]	45.8 [†]	85.1	45.1	55.6 [†]	22.0 [†]	60.5
6th year	82.5	72.2 [†]	72.3 [†]	84.8 [†]	72.6 [†]	172.4 [†]	82.2
	Male Only											
2d year	78.4%	97.7%	83.8%	53.1%	79.9%	58.5%	72.3%	79.6%	81.7%	75.8%	.....	75.2%
3d year	91.4	52.7	57.5	44.5	55.5	45.4	50.7	50.8	108.3	.....	.....	63.6
4th year	87.1	73.4	78.3	103.0	80.5	21.6 [†]	36.7 [†]	57.1	.....	.....	.....	74.4
5th year	82.2	28.4 [†]	47.6 [†]	104.1	56.2	56.1 [†]	30.6 [†]	66.1
6th year	89.0	87.4 [†]	88.8 [†]	110.7 [†]	72.2	194.0 [†]	93.8
	Female Only											
2d year	85.1%	68.6%	59.6%	15.9%	44.0%	48.4%	78.2%	50.7%	87.0%	28.2%	.....	58.1%
3d year	108.0	15.6 [†]	94.9	39.2 [†]	77.2 [†]	77.9	56.6 [†]	77.9	33.6	.....	.....	75.1
4th year	58.3 [†]	0.0 [†]	23.2	24.0 [†]	28.8	39.5	30.6 [†]	114.8	.....	.....	.....	38.2
5th year	38.2 [†]	81.4 [†]	37.3	0.0 [†]	0.0 [†]	51.6	0.0 [†]	35.7 [†]
6th year	51.1 [†]	0.0 [†]	0.0 [†]	0.0 [†]	73.3 [†]	0.0 [†]	29.9 [†]

* As published by the Health Insurance Association of America, Table B1, Volume 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	VALUES 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	\$33.18	\$30.28	110%
35.5	39.79	33.03	120
45.5	41.06	36.02	114
55.5	44.02	39.53	111
62.5	16.09	15.77	102
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period		
25.5	\$71.08	\$63.86	111%
35.5	93.57	73.54	127
45.5	86.43	73.57	117
55.5	62.78	55.60	113
62.5	16.09	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 DISABILITY	VALUES AT END OF ELIMINATION PERIOD		
	Based on Table C-1 Rates of Termination*	Based on 1964 CDT	Ratio to 1964 CDT
	Male Only		
25.5	\$68.85	\$63.86	108%
35.5	91.31	73.54	124
45.5	86.01	73.57	117
55.5	62.26	55.60	112
62.5	16.05	15.77	102
	Female Only		
25.5	\$79.32	\$63.86	124%
35.5	100.76	73.54	137
45.5	87.72	73.57	119
55.5	65.15	55.60	117
62.5	16.34	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 1976-80)

DURATION OF DISABLEMENT	AGE AT DISABLEMENT					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
13th month	7.8*	7.0 [†]	7.3	12.8	10.2	8.1 [†]
14th month	22.0 [†]	15.7 [†]	18.1	16.2	12.4	10.8 [†]
15th month	31.7 [†]	17.1 [†]	22.7	16.1 [†]	12.7	13.5 [†]
16th month	26.9*	19.1 [†]	22.1	12.8 [†]	11.9	13.0 [†]
17th month	27.8 [†]	15.7*	20.3	14.5 [†]	11.3	11.3*
18th month	51.3	12.0*	26.8	14.4 [†]	7.5 [†]	9.3*
19th month	43.4*	20.8 [†]	29.3	16.6 [†]	3.9*	10.1*
20th month	26.3*	23.0*	24.2 [†]	18.0 [†]	3.7*	9.0*
21st month	20.3*	16.7*	18.0*	11.5*	6.2 [†]	6.3*
22d month	14.3*	13.0*	13.5*	11.3 [†]	7.9 [†]	11.7 [†]
23d month	51.6 [†]	18.9*	30.6	14.8*	11.0	14.1*
24th month	64.4*	17.1*	33.7*	12.8*	13.6	11.7*
2d year	326.8	179.4	236.6	159.1	106.6	121.6
3d year	143.9 [†]	102.0	115.9	109.0	71.9	50.4 [†]
4th year	163.7 [†]	48.9*	86.1	33.4 [†]	81.4	60.1 [†]
5th year	118.4*	28.3*	56.4 [†]	41.1 [†]	52.6	35.4*
6th year	0.0*	65.3*	46.3*	77.8	67.3	0.0*
	Male Only					
2d year	356.0	196.9	258.0	174.1	109.1	124.1
3d year	136.3 [†]	93.1 [†]	105.6	90.5	71.3	55.7 [†]
4th year	157.2 [†]	44.9*	83.4 [†]	33.8 [†]	92.0	65.9 [†]
5th year	149.6*	33.1*	67.5 [†]	37.7 [†]	58.1	39.6*
6th year	0.0*	80.8*	56.9*	88.5	79.0	0.0*
	Female Only					
2d year	243.1	124.8 [†]	174.6	115.5	96.3	101.7*
3d year	209.2*	142.3*	158.5*	166.9	73.7	0.0*
4th year	234.4*	65.6*	96.5*	32.0*	42.0 [†]	0.0*
5th year	0.0*	0.0*	0.0*	52.3*	29.1*	0.0*
6th year	0.0*	0.0*	0.0*	34.2*	16.1*	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 1976-80)

DURATION OF DISABILITY	AGE AT DISABILITY					
	Under 30	30-39	Under 40	40-49	50-59	60-64
	Male and Female Combined					
2d year	61	54	115	84	141	49
3d year	6	11	17	28	52	8
4th year	6	4	10	6	49	5
5th year	3	2	5	7	22	1
6th year	0	2	2	11	23	0
	Male Only					
2d year	50	46	96	69	115	45
3d year	5	8	13	18	41	8
4th year	5	3	8	5	44	5
5th year	3	2	5	5	20	1
6th year	0	2	2	10	22	0
	Female Only					
2d year	11	8	19	15	26	4
3d year	1	3	4	10	11	0
4th year	1	1	2	1	5	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 THE
1964 COMMISSIONERS DISABILITY TABLE*
(Twelve-Month Elimination Period; Calendar Years of Experience 1976-80)

DURATION OF DISABLEMENT	ALL AGES OF DISABLEMENT COMBINED	AGE AT DISABLEMENT					
		Under 30	30-39	Under 40	40-49	50-59	60-64
Male and Female Combined							
2d year	69.9%	105.1%	65.0%	81.8%	67.9%	61.0%	88.4%
3d year	55.6	62.4 [†]	51.8	56.0	66.2	53.7	41.8 [†]
4th year	61.3	94.3 [†]	34.4 [†]	56.7	28.2 [†]	76.2	56.2 [†]
5th year	53.2	88.0 [†]	26.6 [†]	49.0 [†]	45.5 [†]	58.3	35.8 [†]
6th year	82.4	0.0 [†]	76.6 [†]	50.3 [†]	104.1	83.0	0.0 [†]
Male Only							
2d year	74.4%	114.5%	71.3%	89.3%	74.3%	62.4%	90.2%
3d year	52.4	59.0 [†]	47.3 [†]	51.1	55.0	53.3	46.2 [†]
4th year	67.0	90.6 [†]	31.6 [†]	54.9	28.6 [†]	86.1	61.6 [†]
5th year	57.5	111.2 [†]	31.1 [†]	58.9 [†]	41.8 [†]	64.3	40.0 [†]
6th year	95.6	0.0 [†]	94.8 [†]	61.8 [†]	118.4	97.4	0.0 [†]
Female Only							
2d year	54.0%	78.2%	45.2% [†]	60.1%	49.3%	55.1%	74.0% [†]
3d year	68.4	90.6 [†]	72.3 [†]	76.3 [†]	101.4	55.0	0.0 [†]
4th year	37.9 [†]	135.0 [†]	46.1 [†]	64.3 [†]	27.1 [†]	39.3 [†]	0.0 [†]
5th year	35.7 [†]	0.0 [†]	0.0 [†]	0.0 [†]	58.0 [†]	32.3 [†]	0.0 [†]
6th year	24.8 [†]	0.0 [†]	0.0 [†]	0.0 [†]	45.7 [†]	19.8 [†]	0.0 [†]

* As published by the Health Insurance Association of America, Table B1, Volume 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 DISABILITY	VALUES AT END OF ELIMINATION PERIOD		
	Based on Table CC-1 Rates of Termination*	Based on 1964 CDI	Rate to 1964 CDI
	Benefit Payable for a Maximum of 60 Months but Not beyond Age 65 with First Payment Due at End of Elimination Period		
25.5	\$32.19	\$30.28	106%
35.5	41.24	33.03	125
45.5	42.36	36.02	118
55.5	44.78	39.53	113
62.5	16.12	15.77	102
	Benefit Payable to Age 65 with First Payment Due at End of Elimination Period		
25.5	\$69.14	\$63.86	108%
35.5	98.17	73.54	133
45.5	90.58	73.57	123
55.5	63.94	55.60	115
62.5	16.12	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 DISABILITY	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	\$67.18	\$63.86	105%
35.5	97.29	73.54	132
45.5	90.49	73.57	123
55.5	63.37	55.60	114
62.5	16.09	15.77	102
	Female Only		
25.5	\$68.20	\$63.86	107%
35.5	99.12	73.54	135
45.5	90.10	73.57	122
55.5	66.19	55.60	119
62.5	16.34	15.77	104

* 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 DISABILITY				
	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
1976-80*	\$69.14	\$98.17	\$90.58	\$63.94	\$16.12
Ratio to 1964 CDT	108%	133%	123%	115%	102%
1962-80*	\$71.08	\$93.57	\$86.43	\$62.78	\$16.09
Ratio to 1964 CDT	111%	127%	117%	113%	102%

* 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.