

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1974 REPORTS**

**III. SAMPLE OF GROUP HOSPITAL AND
SURGICAL EXPENSE INSURANCE**

INTRODUCTION

THIS is the third report of the study of claim frequencies, charges, and claim costs for a sample of basic Group Hospital and Surgical Expense insurance plans. This report combines data with respect to experience during 1970, 1971, and 1972.

CONTRIBUTIONS

The following seven companies have submitted data included in this report, and the results are a composite of their procedures and experience.

Aetna Life Insurance Company
Connecticut General Life Insurance Company
Continental Assurance Company
Equitable Life Assurance Society
Metropolitan Life Insurance Company
New York Life Insurance Company
Washington National Insurance Company

The contribution rules and data-submission procedures are briefly outlined in the Appendix. The statistics shown in this report were calculated from 227 cases and 32,470 claim records in 1970, 264 cases and 38,027 claim records in 1971, and 232 cases and 33,696 claim records in 1972. The employee exposure in the current study is 72 per cent greater than the exposure in the 1967-69 study. Hospital and surgical claims for the same causes of disability are reported on one claim record; thus the claim record count is not a count of hospital or surgical claims. The same cases are not necessarily submitted each year, and it is not known how various tables of this report are influenced by this difference in exposure by year.

GENERAL COMMENTS

A number of general comments apply to the composition of the tables in this report. The exposures shown are the number of employee life years or the number of life years for employees with one or more dependents over the period 1970-72. Claims are those incurred during this same period. All tables refer to nonmaternity experience and show the compiled results without smoothing.

The geographic composition of the exposure can be seen in Tables 1 and 2 for hospital coverage and in Tables 3 and 4 for surgical coverage. The largest exposure for this report is in the North Central States. This distribution may not be representative of the group hospital and surgical business of many companies, and any use of information provided by this study should be with this knowledge. Tables separating data by state and metropolitan area have not been included, because exposure totals for many of these geographic subdivisions were relatively small. In addition to the geographic distribution of exposure, various tables indicate the age, female, and dependent unit composition of the cases.

Tables 1-4 use the work location of the employees as the location determinant for both exposures and claims, regardless of the treatment location. The experience for the few cases in which the work location of employees was scattered does not appear in any region but does appear in the total for all locations. The remaining tables which show geographical results refer to treatment locations.

The frequency tables (Tables 1-4) include exposure and claims for persons of all ages, but the claim tables (Tables 5-10) exclude claims on persons aged 65 and over. The effect on the experience attributable to persons over age 65 is quite small in the frequency tables, however, since those over age 65 account for only 1.3 per cent of the experience in the 1967-69 study and 1.2 per cent of the experience in the 1970-72 study. However, care should be taken when considering the data by region. The inclusion of one case in the southeastern region with a large over-65 exposure but few over-65 claims distorts the age data for this region, although its impact on the total frequency for all regions combined is small. From Table 2 it is possible to derive an employee frequency excluding employees 65 and over. Claims on newborn children during the first fourteen days of life are excluded from all tables. In the tables where employee claims are distributed by age, the few claims on employees whose age was unknown are included in the totals for all ages but obviously have not been distributed to the age groups.

It should be noted that the frequencies for persons over age 65 shown in Tables 2 and 4 are not consistent with the frequencies and trends shown for those persons under age 65 in the same tables. The understatement of data shown for persons over age 65 reflects the effect of coordination with Medicare payments. Consequently, these data should not be considered as a true indication of the total experience for this age group.

An average employee age factor was calculated for each location cell to

provide an indication of the age configuration of the cell. Additionally, an average employee age factor was calculated for each case, to be used in selected tables. The following factors were applied to the employee exposure by age group:

Age Group	Factor
Less than 40 . . . . .	.65
40-44	1.00
45-49	1.20
50-54	1.50
55-59	1.90
60-64	2.50
65 and over	3.20

Data are not available with respect to exposure for wife, husband, or children separately. The exposure for the total number of dependent units (employees with dependent coverages) has been split between cases with husbands eligible for coverage and cases with husbands ineligible for coverage, in order to facilitate interpretation of the data. However, in each dependent table the claim frequencies and days per unit exposed for wives, husbands, and children have been calculated on the basis of the total dependent unit exposure for all cases, regardless of the eligibility of husbands. If spouse experience is desired, the data for wives and husbands should be combined. Note, however, that this will produce a result based on mixed exposure of husbands eligible and ineligible. Additionally, because of population changes since the prior study, a decrease in both the percentage of dependent units with children and the average number of children per dependent unit would be anticipated. This would affect the children frequency of claim per dependent unit, which has decreased since the prior study. A brief table showing separate experience of cases with and without husbands eligible is shown in the text comments for Tables 1 and 3.

TABLES

Table 1 is an employee and dependent hospital frequency-duration table for all regions. Average duration and days per unit exposure are developed using a seventy-day truncation of inpatient days.

The inpatient frequencies reported in this study generally show a decrease from those of the 1967-69 study, while outpatient frequencies tend to be up for all claimant categories other than children. Average inpatient durations for all statuses are 6-10 per cent lower than those reported in the last study.

	HUSBANDS ELIGIBLE (DEPENDENT UNITS = 127,506)			HUSBANDS INELIGIBLE (DEPENDENT UNITS = 8,457)	
	Wives	Husbands	Children	Wives	Children
Inpatient claims:					
Number	11,902	1,476	11,533	864	765
Frequency per M.....	93	12	90	102	90
Days per dependent unit exposure .....	.73	.10	.40	.79	.42
Average duration.....	7.8	9.1	4.4	7.7	4.7
Outpatient claims:					
Number	3,608	426	16,044	220	1,051
Frequency per M.....	28	3	126	26	124

Separate dependent hospital experience is available for cases with husbands eligible and cases with husbands ineligible. The accompanying tabulation contains a summary of the experience for all regions combined.

The data for wives and children shown above are not directly comparable, since the percentage of dependent exposure attributable to wives and children would be different for cases with husbands eligible and for cases with husbands ineligible.

Table 2 reports employee hospital frequency and duration data by age group for each region. Inpatient claims have been truncated at seventy days.

Table 3 is an employee and dependent surgical frequency table for all regions. "Total claims" includes inpatient, outpatient, and out-of-hospital surgical claims and some claims where place performed was reported as unknown. For adults, Table 3 indicates very little change in inpatient surgical frequencies since the 1967-69 study; however, total surgical frequencies have increased. For children, the inpatient frequency is 15 per cent lower, and the total surgical frequency is 9 per cent lower.

The tabulation at the top of page 189 contains a summary of the total dependent surgical experience for cases where husbands are eligible compared with cases where husbands are ineligible, similar to that shown above for hospital experience.

Table 4 reports employee surgical frequency data by age group for each region. "Total claims" are surgical claims as explained for Table 3.

Tables 5A and 5B, for adults and children, respectively, are hospital claim summaries of duration, average room and board charge per day, average ancillary charge for inpatient claims, and average ancillary

	HUSBANDS ELIGIBLE (DEPENDENT UNITS = 127,506)			HUSBANDS INELIGIBLE (DEPENDENT UNITS = 8,457)	
	Wives	Husbands	Children	Wives	Children
Inpatient surgical claims:					
Number.....	6,917	673	6,583	453	409
Frequency per M.....	54	5	51	54	48
Total surgical claims:					
Number.....	13,546	1,350	20,029	844	1,290
Frequency per M.....	105	11	156	100	153

charge for outpatient claims. The information has been compiled by region separately for adults and children. Inpatient claims have been truncated at seventy days in producing the average duration, and ancillary charges exclude charges of outside anesthetists.

The data indicate substantial variation by area in the relationship between hospital room and board charges and total hospital charges (excluding outside anesthetists) for nonmaternity inpatient claims. By region, the relationships are shown in the following tabulation.

REGION	HOSPITAL ROOM AND BOARD CHARGE AS PER CENT OF TOTAL INPATIENT CHARGE	
	Adult	Child
New England.....	60.2%	57.1%
Middle Atlantic.....	55.7	50.4
North Central.....	54.3	53.5
Plains.....	52.6	55.8
Mountain.....	49.6	47.7
Pacific.....	51.5	53.7
Gulf.....	47.4	47.2
Southeastern.....	52.1	48.3
Total: all locations..	53.4%	51.5%

Table 6 is a hospital claim summary for all locations, by days of hospital confinement, showing the number of outpatient claims (denoted by 0 days of hospital confinement), the number of inpatient claims for each duration, and the average ancillary charge. The data are reported separately for male employee, female employee, spouse, and child. Outside anesthetists' charges are excluded.

Tables 7 and 8 are hospital claim summaries of inpatient and outpatient hospital ancillary charges by size of charge. Each of these tables shows number of claims and average charges if the maximum charge for any claim used in calculating each average is as indicated. Data are shown for male employee, female employee, spouse, and child. Charges by outside anesthetists are again excluded from the hospital ancillary charges.

Table 9 presents data showing number of claims and average surgical charges for single and multiple procedure claims separately for male employee, female employee, spouse, and child.

Tables 10A-10D present data on frequency of claim and average charge for selected common surgical procedures. The average duration of hospital confinement in connection with the procedure is also shown for inpatient claims. Multiple procedure statistics have been omitted from these tables because of the relatively small amount of data available on them. The accompanying tabulation compares single procedure totals shown in Tables 10A-10D with the multiple procedure totals that have been omitted.

TYPE OF CLAIM-ANT	SINGLE SURGICAL PROCEDURE CLAIMS				MULTIPLE SURGICAL PROCEDURE CLAIMS			
	All Claims		Inpatient Claims		All Claims		Inpatient Claims	
	Number of Claims	Average Surgical Charge	Number of Claims	Average Duration	Number of Claims	Average Surgical Charge	Number of Claims	Average Duration
Male...	13,774	104	4,501	6.5	1,676	286	1,070	12.4
Female...	8,032	126	3,719	6.1	1,343	292	981	11.0
Spouse...	13,228	130	6,261	6.5	2,380	297	1,728	10.7
Child...	19,507	75	6,113	3.4	1,421	174	826	6.1

Because of the lack of sufficient data, maternity claim frequencies by age and per cent female are not shown in this report.

SUMMARY

This report is a detailed study of both hospital and surgical claim utilization and charge information based on a sample of cases from several companies. In view of the relatively small number of companies contributing, the results shown in some experience cells could be attributable to one or two companies. The Committee therefore urges caution in the interpretation and use of the data in this report.

TABLE 1

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Employee and Dependent Hospital Nonmaternity Utilization by Region

REGION	DATA DISPLAYED	EMPLOYEES			DEPENDENT UNITS			WIVES*	HUS- BANDS*	CHIL- DREN*	AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Total	Husbands Eligible	Husbands Ineligible				
Total: all regions.....	Exposure	208,351	141,040	67,311	135,963	127,506	8,457				1.12
	Inpatient claims:										
	Number	19,887	11,798	8,089				12,766	1,476	12,298	
	Frequency per M	95	84	120				94	11	90	
	Days per unit exposure	.72	.64	.87				.78	.10	.40	
	Average duration	7.5	7.7	7.3				7.8	9.1	4.4	
	Outpatient claims:										
	Number	9,255	6,607	2,648				3,828	426	17,095	
	Frequency per M	44	47	39				28	3	126	
191 New England States.....	Exposure	15,112	7,888	7,224	7,119	6,809	310				1.27
	Inpatient claims:										
	Number	1,224	488	736				444	122	508	
	Frequency Per M	81	62	102				62	17	71	
	Days per unit exposure	.68	.54	.84				.57	.19	.31	
	Average duration	8.5	8.7	8.3				9.2	10.9	4.3	
	Outpatient claims:										
	Number	681	408	273				180	38	746	
	Frequency per M	45	52	38				25	5	105	
Middle Atlantic States....	Exposure	25,912	15,399	10,513	14,389	12,920	1,469				1.15
	Inpatient claims:										
	Number	2,178	1,238	940				1,238	84	1,236	
	Frequency per M	84	80	89				86	6	86	
	Days per unit exposure	.70	.69	.71				.67	.05	.39	
	Average duration	8.3	8.6	7.9				7.8	8.5	4.6	
	Outpatient claims:										
	Number	1,242	811	431				534	28	1,983	
	Frequency per M	48	53	41				37	2	138	

* Frequency per M and days per unit exposure are based on total dependent unit exposure.

TABLE 1--Continued

REGION	DATA DISPLAYED	EMPLOYEES			DEPENDENT UNITS			WIVES*	HUSBANDS*	CHILDREN*	AVERAGE EMPLOYEE AGE FACTOR
		Total	Male	Female	Total	Husbands Eligible	Husbands Ineligible				
192 North Central States.....	Exposure	69,417	49,837	19,580	48,981	45,785	3,196				1.12
	Inpatient claims:										
	Number	6,866	4,236	2,630				4,553	436	4,574	
	Frequency per M	.99	.85	.134				.93	.09	.93	
	Days per unit exposure	.79	.70	1.02				.78	.08	.44	
	Average duration	8.0	8.2	7.6				8.4	9.0	4.7	
	Outpatient claims:										
	Number	3,540	2,595	945				1,545	142	7,168	
	Frequency per M	.51	.52	.48				.32	.03	.146	
	Plains States.....	Exposure	10,617	6,585	4,032	6,877	6,365	512			
Inpatient claims:											
Number		1,139	642	497				615	97	752	
Frequency per M		.107	.097	.123				.89	.14	.109	
Days per unit exposure		.72	.65	.84				.68	.13	.55	
Average duration		6.7	6.7	6.8				7.6	9.0	5.1	
Outpatient claims:											
Number		549	361	188				190	44	943	
Frequency per M		.52	.55	.47				.28	.06	.137	
Mountain States.....		Exposure	17,084	12,587	4,497	10,997	10,997	0			
	Inpatient claims:										
	Number	1,697	1,000	697				1,196	136	1,216	
	Frequency per M	.99	.79	.155				.109	.12	.111	
	Days per unit exposure	.63	.52	.91				.67	.10	.41	
	Average duration	6.3	6.6	5.9				6.2	7.8	3.7	
	Outpatient claims:										
	Number	553	390	163				205	35	1,061	
	Frequency per M	.32	.31	.36				.19	.03	.096	

* Frequency per M and days per unit exposure are based on total dependent unit exposure.

TABLE 1—Continued

REGION	DATA DISPLAYED	EMPLOYEES			DEPENDENT UNITS			WIVES*	HUS- BANDS*	CHIL- DREN*	AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Total	Husbands Eligible	Husbands Ineligible				
Pacific States.....	Exposure	7,850	6,301	1,549	5,265	4,903	362				1.11
	Inpatient claims:										
	Number	563	400	163				488	33	462	
	Frequency per M	72	63	105				93	6	88	
	Days per unit exposure	.45	.40	.64				.60	.07	.32	
	Average duration	6.3	6.3	6.0				6.5	10.8	3.7	
	Outpatient claims:										
Number	298	240	58				124	14	639		
Frequency per M	38	38	37				24	3	121		
Gulf States.....	Exposure	12,672	10,325	2,347	9,897	8,023	1,874				1.03
	Inpatient claims:										
	Number	1,210	928	282				1,178	67	996	
	Frequency per M	95	90	120				119	7	100	
	Days per unit exposure	.58	.54	.73				.78	.04	.40	
	Average duration	6.1	6.1	6.0				6.6	6.5	4.0	
	Outpatient claims:										
Number	391	331	60				225	10	963		
Frequency per M	31	32	26				23	1	97		
Southeastern States.....	Exposure	49,423	31,921	17,502	32,293	31,559	734				1.11
	Inpatient claims:										
	Number	4,991	2,857	2,134				3,047	501	2,543	
	Frequency per M	101	90	122				94	16	79	
	Days per unit exposure	.75	.69	.86				.78	.15	.34	
	Average duration	7.4	7.7	7.0				8.2	9.3	4.3	
	Outpatient claims:										
Number	1,995	1,468	527				825	114	3,585		
Frequency per M	40	46	30				26	4	111		

* Frequency per M and days per unit exposure are based on total dependent unit exposure.

TABLE 2

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Employee Hospital Nonmaternity Utilization by Age and Region

REGION	DATA DISPLAYED	EMPLOYEES			EMPLOYEE AGE DISTRIBUTION							AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Less than 40	40-44	45-49	50-54	55-59	60-64	65 and Over	
Total: all regions.....	Exposure	208,351	141,040	67,311	99,912	23,837	25,973	22,824	19,457	13,911	2,437	1.12
	Inpatient claims:											
	Number	19,887	11,798	8,089	7,609	2,342	2,718	2,645	2,401	2,071	64	.....
	Frequency per M	95	84	120	76	98	105	116	123	149	26	.....
	Days per emp. exp.	.72	.64	.87	.45	.71	.82	.96	1.16	1.49	.27	.....
	Average duration	7.5	7.7	7.3	6.0	7.2	7.8	8.3	9.4	10.0	10.4	.....
	Outpatient claims:											
	Number	9,255	6,607	2,648	5,261	981	970	134	649	465	18	.....
	Frequency per M	44	47	39	53	41	37	29	33	33	7	.....
New England States.....	Exposure	15,112	7,888	7,224	5,494	1,690	2,005	2,188	2,093	1,505	137	1.27
	Inpatient claims:											
	Number	1,224	488	736	312	120	159	199	231	199	1	.....
	Frequency per M	81	62	102	57	71	79	91	110	132	7	.....
	Days per emp. exp.	.68	.54	.84	.32	.54	.66	.89	1.02	1.47	.04	.....
	Average duration	8.5	8.7	8.3	5.7	7.6	8.4	9.8	9.2	11.1	6.0	.....
	Outpatient claims:											
	Number	681	408	273	326	65	88	70	60	60	2	.....
	Frequency per M	45	52	38	59	38	44	32	29	40	15	.....
Middle Atlantic States....	Exposure	25,912	15,399	10,513	11,836	2,784	3,375	3,092	2,621	1,823	381	1.15
	Inpatient claims:											
	Number	2,178	1,238	940	745	233	328	316	288	241	17	.....
	Frequency per M	84	80	89	63	84	97	102	110	132	45	.....
	Days per emp. exp.	.70	.69	.71	.38	.66	.86	.94	1.11	1.54	.71	.....
	Average duration	8.3	8.6	7.9	6.0	7.9	8.8	9.2	10.1	11.6	15.9	.....
	Outpatient claims:											
	Number	1,242	811	431	633	144	150	133	99	58	7	.....
	Frequency per M	48	53	41	53	52	44	43	38	32	18	.....

TABLE 2—Continued

REGION	DATA DISPLAYED	EMPLOYEES			EMPLOYEE AGE DISTRIBUTION							AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Less than 40	40-44	45-49	50-54	55-59	60-64	65 and Over	
North Central States.....	Exposure	69,417	49,837	19,580	32,781	8,131	8,723	8,233	6,580	4,550	419	1.12
	Inpatient claims:											
	Number	6,866	4,236	2,630	2,643	828	985	904	799	688	15	.....
	Frequency per M	.99	.85	.134	.81	102	113	110	121	151	36	.....
	Days per emp. exp.	.79	.70	1.02	.52	.77	.90	.98	1.23	1.54	.29	.....
	Average duration	8.0	8.2	7.6	6.5	7.6	8.0	8.9	10.2	10.2	8.1	.....
Plains States.....	Outpatient claims											
	Number	3,540	2,595	945	1,998	369	371	367	239	176	5	.....
	Frequency per M	.51	.52	.48	.61	.45	.43	.45	.36	.39	12	.....
	Exposure	10,617	6,585	4,032	5,062	1,246	1,220	1,102	1,045	891	51	1.13
	Inpatient claims:											
	Number	1,139	642	497	447	115	153	166	132	117	5	.....
Mountain States.....	Frequency per M	107	97	123	88	92	125	151	126	131	98	.....
	Days per emp. exp.	.72	.65	.84	.47	.59	.95	1.23	1.06	.95	1.55	.....
	Average duration	6.7	6.7	6.8	5.3	6.4	7.6	8.1	8.4	7.2	15.8	.....
	Outpatient claims:											
	Number	549	361	188	313	58	57	54	36	29	1	.....
	Frequency per M	.52	.55	.47	.62	.47	.47	.49	.34	.33	20	.....
Mountain States.....	Exposure	17,084	12,587	4,497	8,589	1,767	2,765	1,619	1,239	981	124	1.07
	Inpatient claims:											
	Number	1,697	1,000	697	547	211	246	272	222	190	5	.....
	Frequency per M	.99	.79	.155	.64	119	89	168	179	194	40	.....
	Days per emp. exp.	.63	.52	.91	.31	.81	.61	1.08	1.30	1.51	.31	.....
	Average duration	6.3	6.6	5.9	4.9	6.8	6.8	6.4	7.2	7.8	7.6	.....
Mountain States.....	Outpatient claims:											
	Number	553	390	163	290	56	62	54	52	34	2	.....
	Frequency per M	.32	.31	.36	.34	.32	.22	.33	.42	.35	16	.....

TABLE 2—Continued

REGION	DATA DISPLAYED	EMPLOYEES			EMPLOYEE AGE DISTRIBUTION							AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Less than 40	40-44	45-49	50-54	55-59	60-64	65 and Over	
196 Pacific States.....	Exposure	7,850	6,301	1,549	3,735	954	979	871	740	514	57	1.11
	Inpatient claims:											
	Number	563	400	163	205	65	77	92	58	63	2	
	Frequency per M	72	63	105	55	68	79	106	78	123	35	
	Days per emp. exp.	.45	.40	.64	.28	.42	.41	.75	.64	.97	.26	
	Average duration	6.3	6.3	6.1	5.2	6.1	5.3	7.1	8.2	7.9	7.5	
	Outpatient claims:											
	Number	298	240	58	162	41	34	21	22	16		
	Frequency per M	38	38	37	43	43	35	24	30	31		
	Gulf States.....	Exposure	12,672	10,325	2,347	7,093	1,514	1,330	1,062	902	583	188	1.03
Inpatient claims:												
Number		1,210	928	282	536	154	133	130	138	109	10	
Frequency per M		95	90	120	76	102	100	140	153	187	53	
Days per emp. exp.		.58	.54	.73	.38	.58	.64	.93	1.13	1.64	.39	
Average duration		6.1	6.1	6.0	5.1	5.8	6.4	6.6	7.4	8.8	7.3	
Outpatient claims:												
Number		391	331	60	240	48	34	24	27	17		
Frequency per M		31	32	26	34	32	26	33	30	29		
Southeastern States.....		Exposure	49,423	31,921	17,502	25,221	5,729	5,546	4,621	4,195	3,040	1,071	1.11
	Inpatient claims:											
	Number	4,991	2,857	2,134	2,169	615	632	564	531	461	8	
	Frequency per M	101	90	122	86	107	114	122	127	152	7	
	Days per emp. exp.	.75	.69	.86	.52	.78	.90	.96	1.20	1.59	.05	
	Average duration	7.4	7.7	7.0	6.0	7.2	7.9	7.8	9.5	10.5	6.4	
	Outpatient claims:											
	Number	1,995	1,468	527	1,295	199	174	134	113	75	1	
	Frequency per M	40	46	30	51	35	31	29	27	25	1	

TABLE 3

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Employee and Dependent Surgical Nonobstetrical Utilization by Region

REGION	DATA DISPLAYED	EMPLOYEES			DEPENDENT UNITS			WIVES*	HUS- BANDS*	CHIL- DREN*	AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Total	Husbands Eligible	Husbands Ineligible				
Total: all regions	Exposure	208,138	140,897	67,241	136,990	128,533	8,457				1.12
	Inpatient claims:										
	Number	10,590	5,805	4,785				7,370	673	6,992	
	Frequency per M	51	41	71				54	5	51	
	Total claims:										
	Number	25,354	15,837	9,517				14,390	1,350	21,319	
	Frequency per M	122	112	142				105	10	156	
New England States	Exposure	15,078	7,860	7,218	7,093	6,783	310				1.27
	Inpatient claims:										
	Number	648	239	409				237	47	266	
	Frequency per M	43	30	57				33	7	38	
	Total claims:										
	Number	1,278	609	669				497	80	767	
	Frequency per M	85	77	93				70	11	108	
Middle Atlantic States	Exposure	25,912	15,399	10,513	14,389	12,920	1,469				1.15
	Inpatient claims:										
	Number	1,237	615	622				746	47	686	
	Frequency per M	48	40	59				52	3	48	
	Total claims:										
	Number	2,793	1,545	1,248				1,535	76	2,011	
	Frequency per M	108	100	119				107	5	140	
North Central States	Exposure	69,417	49,837	19,580	48,981	45,785	3,196				1.12
	Inpatient claims:										
	Number	3,653	2,112	1,541				2,621	194	2,556	
	Frequency per M	53	42	79				54	4	52	
	Total Claims:										
	Number	8,627	5,592	3,035				5,163	380	8,127	
	Frequency per M	124	112	155				105	8	166	

* Frequency per M and days per unit exposure are based on total dependent unit exposure.

TABLE 3-- Continued

REGION	DATA DISPLAYED	EMPLOYEES			DEPENDENT UNITS			WIVES*	HUS- BANDS*	CHILD- REN*	AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Total	Husbands Eligible	Husbands Ineligible				
Plains States.....	Exposure	10,617	6,585	4,032	6,877	6,365	512				1.13
	Inpatient claims:										
	Number	539	263	276				303	45	379	
	Frequency per M	51	40	68				44	7	55	
	Total claims:										
	Number	1,367	769	598				598	104	1,194	
Mountain States.....	Frequency per M	129	117	148				87	15	174	
	Exposure	17,084	12,587	4,497	12,201	12,201					1.07
	Inpatient claims:										
	Number	984	560	424				696	58	718	
	Frequency per M	58	44	94				57	5	59	
	Total claims:										
Pacific States.....	Number	2,651	1,717	934				1,438	152	2,253	
	Frequency per M	155	136	208				118	12	185	
	Exposure	7,850	6,301	1,549	5,265	4,903	362				1.11
	Inpatient claims:										
	Number	362	242	120				324	14	310	
	Frequency per M	46	38	77				62	3	59	
Gulf States.....	Total claims:										
	Number	1,232	893	339				707	52	1,061	
	Frequency per M	157	142	219				134	10	202	
	Exposure	12,672	10,325	2,347	9,897	8,023	1,874				1.03
	Inpatient claims:										
	Number	591	432	159				640	34	558	
Southeastern States.....	Frequency per M	47	42	68				65	3	56	
	Total claims:										
	Number	1,365	1,049	316				1,071	55	1,379	
	Frequency per M	108	102	135				108	6	139	
	Exposure	49,244	31,806	17,438	32,142	31,408	734				1.11
	Inpatient claims:										
Number	2,564	1,336	1,228				1,799	234	1,514		
Frequency per M	52	42	70				56	7	47		
Total claims:											
Number	6,025	3,654	2,371				3,372	451	4,517		
Frequency per M	122	115	136				105	14	141		

* Frequency per M and days per unit exposure are based on total dependent unit exposure.

TABLE 4

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Employee Surgical Nonobstetrical Utilization by Age and Region

REGION	DATA DISPLAYED	EMPLOYEES			EMPLOYEE AGE DISTRIBUTION							AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Less than 40	40-44	45-49	50-54	55-59	60-64	65 and Over	
Total: all regions.....	Exposure	208,138	140,897	67,241	99,797	23,806	25,954	22,809	19,444	13,902	2,426	1.12
	Inpatient claims:											
	Number	10,590	5,805	4,785	4,268	1,279	1,454	1,363	1,188	996	32	.....
	Frequency per M	51	41	71	43	54	56	60	61	72	13	.....
	Total claims:											
	Number	25,354	15,837	9,517	11,166	2,967	3,178	3,044	2,641	2,177	79	.....
	Frequency per M	122	112	142	112	125	122	133	136	157	33	.....
199 New England States.....	Exposure	15,078	7,860	7,218	5,483	1,686	2,000	2,184	2,089	1,501	135	1.27
	Inpatient claims:											
	Number	648	239	409	164	66	97	113	125	83	0	.....
	Frequency per M	43	30	57	30	39	49	52	60	55	0	.....
	Total claims:											
	Number	1,278	609	669	378	130	184	217	194	165	7	.....
	Frequency per M	85	77	93	69	77	92	99	93	110	52	.....
Middle Atlantic States....	Exposure	25,912	15,399	10,513	11,836	2,784	3,375	3,092	2,621	1,823	381	1.15
	Inpatient claims:											
	Number	1,237	615	622	444	138	193	176	153	123	8	.....
	Frequency per M	48	40	59	38	50	57	57	58	67	21	.....
	Total claims:											
	Number	2,793	1,545	1,248	1,103	296	413	382	333	235	18	.....
	Frequency per M	108	100	119	93	106	122	124	127	129	47	.....
North Central States.....	Exposure	69,417	99,837	19,580	32,781	8,131	8,723	8,233	6,580	4,550	419	1.12
	Inpatient claims											
	Number	3,653	2,112	1,541	1,497	463	529	439	375	338	11	.....
	Frequency per M	53	42	79	46	57	61	53	57	74	26	.....
	Total claims:											
	Number	8,627	5,592	3,035	3,907	1,030	1,102	996	855	686	17	.....
	Frequency per M	124	112	155	119	127	126	121	130	151	41	.....

TABLE 4—Continued

REGION	DATA DISPLAYED	EMPLOYEES			EMPLOYEE AGE DISTRIBUTION							AVERAGE EM- PLOYEE AGE FACTOR
		Total	Male	Female	Less than 40	40-44	45-49	50-54	55-59	60-64	65 and Over	
Plains States.....	Exposure	10,617	6,585	4,032	5,062	1,246	1,220	1,102	1,045	891	51	1.13
	Inpatient claims:											
	Number	539	263	276	209	51	77	83	64	52	2	
	Frequency per M	51	40	68	41	41	63	75	61	58	39	
	Total claims:											
	Number	1,367	769	598	617	136	175	154	126	146	4	
	Frequency per M	129	117	148	122	109	143	140	121	164	78	
Mountain States.....	Exposure	17,084	12,587	4,497	8,589	1,767	2,765	1,619	1,239	981	124	1.07
	Inpatient claims:											
	Number	984	560	424	339	129	132	157	120	102	3	
	Frequency per M	58	44	94	39	73	48	97	97	104	24	
	Total claims:											
	Number	2,651	1,717	934	1,106	308	326	363	279	248	11	
	Frequency per M	155	136	208	129	174	118	224	225	253	89	
Pacific States.....	Exposure	7,850	6,301	1,549	3,735	954	979	871	740	514	57	1.11
	Inpatient claims:											
	Number	362	242	120	135	56	53	60	39	38	0	
	Frequency per M	46	38	77	36	58	54	69	53	74	0	
	Total claims:											
	Number	1,232	893	339	472	157	167	178	139	104	0	
	Frequency per M	157	142	219	126	165	171	204	188	202	0	
Gulf States.....	Exposure	12,672	10,325	2,347	7,093	1,514	1,330	1,062	902	583	188	1.03
	Inpatient claims:											
	Number	591	432	159	288	72	60	52	61	57	1	
	Frequency per M	47	42	68	41	48	45	49	68	98	5	
	Total claims:											
	Number	1,365	1,049	316	665	177	140	117	148	112	4	
	Frequency per M	108	102	135	94	117	105	110	164	192	21	
Southeastern States.....	Exposure	49,244	31,806	17,438	25,117	5,702	5,532	4,610	4,186	3,035	1,062	1.11
	Inpatient claims:											
	Number	2,564	1,336	1,228	1,188	323	311	281	250	202	6	
	Frequency per M	52	42	70	47	57	56	61	60	67	6	
	Total claims:											
	Number	6,025	3,654	2,371	2,912	732	668	635	565	480	17	
	Frequency per M	122	115	136	116	128	121	138	135	158	16	

TABLE 5A

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Hospital Nonmaternity Claim Summary by Region—Adult

Region	Days of Hospital Confinement	Number of Claims	Per Cent of Total Inpatient	Average Duration	Average Room and Board Charge per Day	Average Ancillary Charge
Total: all regions	Inpatient claims:					
	1-3	11,363	33	2.2		153
	4-8	13,006	38	5.8		248
	9 and over	9,663	29	16.7		576
	Total	34,032	100	7.7	46.02	309
	Outpatient claims	13,465	40			34
New England States	Inpatient claims:					
	1-3	572	32	2.0		140
	4-8	602	34	5.9		234
	9 and over	592	34	17.9		599
	Total	1,766	100	8.7	56.64	326
	Outpatient claims	887	50			36
Middle Atlantic States	Inpatient claims:					
	1-3	1,018	31	2.2		168
	4-8	1,165	36	5.8		256
	9 and over	1,083	33	16.5		596
	Total	3,266	100	8.2	52.38	341
	Outpatient claims	1,692	52			35
North Central States	Inpatient claims:					
	1-3	3,670	31	2.2		156
	4-8	4,426	38	5.8		252
	9 and over	3,649	31	17.0		573
	Total	11,745	100	8.2	46.73	322
	Outpatient claims	5,162	44			34
Plains States	Inpatient claims:					
	1-3	703	37	2.2		145
	4-8	716	37	5.6		229
	9 and over	499	26	16.6		518
	Total	1,918	100	7.2	42.13	273
	Outpatient claims	796	42			32
Mountain States	Inpatient claims:					
	1-3	1,273	42	2.1		123
	4-8	1,133	37	5.7		214
	9 and over	648	21	15.9		523
	Total	3,054	100	6.3	37.74	242
	Outpatient claims	803	26			33
Pacific States	Inpatient claims:					
	1-3	441	41	2.1		182
	4-8	425	40	5.8		329
	9 and over	207	19	16.8		788
	Total	1,073	100	6.8	57.32	367
	Outpatient claims	435	41			38
Gulf States	Inpatient claims:					
	1-3	1,006	40	2.2		159
	4-8	987	39	5.7		266
	9 and over	545	21	15.4		604
	Total	2,538	100	6.4	41.68	296
	Outpatient claims	646	25			38
Southeastern States	Inpatient claims:					
	1-3	2,674	31	2.3		156
	4-8	3,547	41	5.7		242
	9 and over	2,439	28	16.7		566
	Total	8,660	100	7.8	42.86	307
	Outpatient claims	3,042	35			33

TABLE 5B

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Hospital Nonmaternity Claim Summary by Region—Child

Region	Days of Hospital Confinement	Number of Claims	Per Cent of Total Inpatient	Average Duration	Average Room and Board Charge per Day	Average Ancillary Charge
Total: all regions	Inpatient claims:					
	1-3	7,769	63	1.9		126
	4-8	3,331	27	5.3		190
	9 and over	1,197	10	18.1		479
	Total	12,297	100	4.4	43.04	178
New England States	Outpatient claims	17,083	139			26
	Inpatient claims:					
	1-3	328	63	1.9		123
	4-8	144	27	5.4		193
	9 and over	53	10	16.9		511
Total	525	100	4.4	54.65	181	
Middle Atlantic States	Outpatient claims	776	148			27
	Inpatient claims:					
	1-3	696	59	1.8		137
	4-8	351	30	5.6		183
	9 and over	129	11	16.3		474
Total	1,176	100	4.5	42.20	187	
North Central States	Outpatient claims	1,857	158			27
	Inpatient claims:					
	1-3	2,690	60	1.9		126
	4-8	1,313	29	5.4		188
	9 and over	492	11	18.2		482
Total	4,495	100	4.7	44.71	183	
Plains States	Outpatient claims	6,985	155			26
	Inpatient claims:					
	1-3	461	58	1.9		119
	4-8	238	30	5.5		169
	9 and over	95	12	19.3		388
Total	794	100	5.1	41.16	166	
Mountain States	Outpatient claims	1,005	127			25
	Inpatient claims:					
	1-3	877	72	1.7		99
	4-8	253	21	5.2		160
	9 and over	89	7	18.9		419
Total	1,219	100	3.7	33.29	135	
Pacific States	Outpatient claims	1,082	89			25
	Inpatient claims:					
	1-3	331	75	1.7		133
	4-8	80	18	5.1		232
	9 and over	33	7	20.8		523
Total	444	100	3.8	54.84	180	
Gulf States	Outpatient claims	629	142			32
	Inpatient claims:					
	1-3	707	68	1.9		133
	4-8	257	25	5.1		213
	9 and over	80	7	18.6		550
Total	1,044	100	4.0	41.32	185	
Southeastern States	Outpatient claims	1,021	98			31
	Inpatient claims:					
	1-3	1,675	65	1.9		135
	4-8	694	27	5.3		204
	9 and over	225	8	18.0		496
Total	2,594	100	4.2	41.22	185	
Southeastern States	Outpatient claims	3,724	144			25

TABLE 6
 SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
 1970-72 Employee and Dependent Hospital Nonmaternity
 Claim Summary by Days Confined
 All Regions Combined

DAYS OF HOSPITAL CONFINEMENT	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
	Number of Claims	Average Ancillary Charge	Number of Claims	Average Ancillary Charge	Number of Claims	Average Ancillary Charge	Number of Claims	Average Ancillary Charge
0 (O/P)	6,591	32	2,636	36	4,238	36	17,083	26
1	758	99	434	101	769	105	2,406	100
2	1,630	155	1,421	149	2,154	154	3,751	135
3	1,438	182	1,043	174	1,716	175	1,612	145
4	1,258	203	730	191	1,347	198	1,170	161
5	1,114	222	630	217	1,094	227	862	176
6	972	250	558	245	1,022	265	584	201
7	706	277	521	279	961	291	396	219
8	614	320	526	311	953	315	319	280
9	469	346	413	352	721	354	190	279
10	405	393	272	389	542	398	140	320
11	319	409	236	418	443	425	124	340
12	248	467	188	446	335	456	101	389
13	207	497	157	455	283	487	76	416
14	203	545	145	475	205	518	61	407
15	139	600	100	498	188	547	64	436
16	140	606	93	501	155	571	43	563
17	126	637	73	558	135	606	31	432
18	103	624	46	631	115	569	30	572
19	92	727	51	586	98	613	39	626
20	82	721	42	630	94	743	24	459
21	84	798	48	588	94	618	23	528
22	62	780	34	969	69	840	18	399
23	51	682	36	846	56	705	15	417
24	49	792	34	692	58	688	14	751
25	41	866	23	741	48	626	12	657
26	42	1,090	16	768	54	706	12	814
27	36	1,006	12	880	22	887	14	1,083
28	25	1,070	15	714	36	895	11	891
29	28	916	15	955	24	910	9	611
30	26	1,020	11	733	25	1,010	6	558
31	13	962	15	819	35	994	9	922
32	16	1,274	8	738	23	991	3	792
33	14	1,561	17	1,082	18	759	7	702
34	20	1,302	4	706	14	1,022	6	1,161
35	19	2,322	3	464	10	1,305	6	1,409

TABLE 6—Continued

DAYS OF HOSPITAL CONFINEMENT	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
	Number of Claims	Average Ancillary Charge	Number of Claims	Average Ancillary Charge	Number of Claims	Average Ancillary Charge	Number of Claims	Average Ancillary Charge
36.....	20	1,380	3	671	12	1,803	3	708
37.....	9	1,583	7	835	21	918	3	589
38.....	12	1,166	8	1,229	15	1,294	3	690
39.....	11	1,261	5	1,086	8	1,094	2	470
40.....	9	1,419	2	607	7	881	8	611
41.....	10	1,109	.....	.....	12	1,210	7	1,424
42.....	7	1,370	2	585	12	1,346	2	194
43.....	5	1,064	4	1,048	10	839	4	1,577
44.....	4	1,852	8	1,289	8	437	1	1,502
45.....	7	1,416	4	1,064	7	767	4	1,185
46.....	7	1,690	2	1,159	12	1,700	2	776
47.....	3	648	4	1,063	9	1,079	4	120
48.....	4	1,374	4	645	7	1,342	5	580
49.....	9	2,065	2	350	7	1,153	1	1,793
50.....	5	936	1	480	6	860	2	548
51.....	2	2,327	2	1,199	7	2,340	3	912
52.....	3	1,858	3	1,425	9	1,302	1	0
53.....	5	1,125	1	2,063	4	2,534	3	1,279
54.....	4	1,893	1	520	5	1,518	1	3,317
55.....	5	1,557	2	1,333	2	1,344	.....	.....
56.....	3	1,189	3	1,184	1	350	3	830
57.....	5	1,169	.....	.....	7	1,603	2	1,077
58.....	2	3,404	1	2,190	3	3,563	2	1,410
59.....	.....	.....	2	2,184	5	1,126	2	445
60.....	1	946	3	1,394	4	1,366	.....	.....
61.....	1	1,643	.....	.....	1	4,953	1	2,423
62.....	3	2,000	3	1,062	6	1,268	.....	.....
63.....	.....	.....	2	439	2	439	1	422
64.....	1	2,063	1	47	4	1,858	1	389
65.....	1	1,577	1	1,652	2	265	.....	.....
66.....	1	2,886	2	1,768	4	1,318	1	163
67.....	1	217	1	116	2	900	1	450
68.....	1	4,997	.....	.....	2	3,928	1	1,681
69.....	.....	.....	.....	.....	5	1,543	2	1,502
70 and over	39	1,460	22	2,547	65	1,257	33	967
Total (incl. outpa- tient).....	18,340	216	10,710	226	18,447	249	29,380	90
Total (excl. outpa- tient).....	11,749	319	8,074	288	14,209	313	12,297	179

TABLE 7

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Employee and Dependent Inpatient Hospital Nonmaternity Ancillary Claim Charges by Region

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
Total: all regions.....	\$ 0	11,711		8,041		14,125		12,243	
	25	11,635	25	7,990	25	14,006	25	11,915	25
	50	11,380	50	7,801	50	13,662	49	11,115	48
	100	10,155	96	6,942	96	12,435	96	8,416	89
	200	6,374	167	4,187	165	7,961	169	3,070	133
	300	3,734	209	2,474	205	4,837	213	1,345	150
	400	2,422	234	1,556	230	2,985	240	715	158
	500	1,706	252	996	245	1,965	257	454	163
	600	1,254	264	682	256	1,380	269	315	166
	700	967	274	468	263	967	277	220	168
	800	752	281	350	268	739	283	174	169
	900	599	287	266	271	559	288	144	171
	1,000	479	291	197	274	451	292	118	172
	1,500	202	305	74	282	184	302	48	175
	2,000	115	311	29	285	97	307	25	176
	2,500	59	315	16	286	61	309	13	177
	3,000	26	317	11	287	34	311	8	177
	Unlimited		319		289		314		178

TABLE 7—Continued

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
New England States.....	\$ 0	471	.....	740	.....	537	.....	524	.....
	25	463	25	737	25	534	25	502	25
	50	451	49	715	50	520	50	454	48
	100	386	94	606	95	462	82	306	84
	200	258	161	347	157	324	167	141	124
	300	155	203	197	192	219	217	76	144
	400	108	231	128	214	145	250	47	155
	500	70	249	88	229	104	273	27	162
	600	61	263	63	239	75	290	18	166
	700	53	275	36	245	59	302	13	169
	800	38	285	32	250	51	311	11	171
	900	33	292	28	254	42	321	9	173
	1,000	27	299	23	257	35	327	8	175
	1,500	9	316	10	268	12	346	2	180
	2,000	5	324	6	272	6	353	1	182
	2,500	2	329	4	276	3	358	0	182
	3,000	2	331	4	278	3	359	0	182
	Unlimited	.....	343	.....	290	.....	365	.....	182

TABLE 7—Continued

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
Middle Atlantic States.....	\$ 0	1,167	.....	815	.....	1,253	.....	1,169	.....
	25	1,162	25	814	25	1,239	25	1,134	25
	50	1,142	50	804	50	1,206	49	1,073	48
	100	1,049	97	756	98	1,101	96	824	90
	200	696	146	526	177	709	169	317	138
	300	446	219	351	231	433	213	141	156
	400	289	250	221	265	287	242	70	164
	500	208	271	133	287	182	260	47	169
	600	154	287	87	300	134	272	30	172
	700	116	298	62	309	84	281	20	175
	800	93	307	49	316	65	287	18	176
	900	76	314	41	321	52	291	17	178
	1,000	66	321	33	326	45	295	15	179
	1,500	24	338	14	339	23	308	4	183
	2,000	12	346	6	345	12	314	3	184
	2,500	8	350	2	347	7	319	2	185
	3,000	2	352	1	348	4	321	2	186
Unlimited	.....	356	.....	348	.....	327	.....	188	.....

TABLE 7--Continued

REGION	CHARGE <i>t</i>	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>
North Central States	\$ 0	4,176	.....	2,649	.....	4,877	.....	4,480	.....
	25	4,158	25	2,636	25	4,848	25	4,393	25
	50	4,108	50	2,589	50	4,758	50	4,130	49
	100	3,736	95	2,334	97	4,400	97	3,176	90
	200	2,404	171	1,462	168	2,865	172	1,132	135
	300	1,417	216	882	211	1,729	218	523	153
	400	927	243	571	239	1,100	247	280	161
	500	664	262	387	256	721	265	183	166
	600	485	276	253	268	504	278	138	170
	700	374	286	171	276	363	287	93	172
	800	287	294	130	282	273	293	72	174
	900	221	300	89	286	202	298	55	176
	1,000	176	305	64	289	155	302	43	177
	1,500	83	319	27	297	61	311	20	180
	2,000	49	327	10	300	37	316	11	182
	2,500	22	331	6	301	21	319	5	183
	3,000	8	333	5	302	8	320	3	183
	Unlimited	.....	335	.....	305	.....	322	.....	183

TABLE 7—Continued

REGION	CHARGE <i>t</i>	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>
Plains States.....	\$ 0	674	.....	496	.....	730	.....	783	.....
	25	668	25	492	25	721	25	759	25
	50	637	49	481	49	698	49	682	48
	100	538	94	422	96	614	95	495	86
	200	300	156	243	163	365	160	184	127
	300	169	190	134	201	221	200	82	143
	400	115	210	90	223	140	224	43	151
	500	76	224	59	238	94	240	30	155
	600	52	233	39	248	72	251	18	158
	700	38	240	25	254	48	259	11	160
	800	27	245	17	258	40	265	8	161
	900	21	248	12	263	30	270	8	162
	1,000	17	251	8	267	25	273	5	163
	1,500	8	260	1	268	8	283	3	165
	2,000	4	264	0	268	1	286	1	166
	2,500	2	266	0	268	0	287	1	167
	3,000	1	267	0	268	0	287	1	168
	Unlimited	.....	267	.....	268	.....	287	.....	169

TABLE 7—Continued

REGION	CHARGE <i>t</i>	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>
Mountain States	\$ 0	1,006		698		1,340		1,214	
	25	995	25	689	25	1,313	25	1,162	25
	50	931	49	647	49	1,237	49	1,025	47
	100	780	92	531	91	1,029	92	646	83
	200	407	150	263	144	544	148	171	114
	300	248	182	144	173	321	179	73	120
	400	151	201	74	188	176	197	38	125
	500	106	213	42	196	115	208	25	127
	600	75	222	35	201	76	215	16	129
	700	57	228	26	205	53	220	13	130
	800	44	235	22	209	43	224	11	131
	900	33	238	13	211	32	227	10	132
	1,000	26	241	11	213	29	229	8	133
	1,500	8	248	4	218	13	236	1	134
	2,000	5	252	0	219	4	239	1	134
	2,500	3	253	0	219	3	240	1	135
	3,000	0	254	0	219	3	241	0	135
	Unlimited		254		219		245		135

TABLE 7—Continued

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
Pacific States.....	\$ 0	393	.....	166	.....	511	.....	440	.....
	25	388	25	166	25	499	25	432	25
	50	380	49	165	50	485	49	402	49
	100	360	97	158	99	455	95	323	91
	200	241	174	113	183	316	172	113	136
	300	137	221	78	240	214	223	50	154
	400	97	249	53	280	137	256	30	163
	500	73	271	32	305	89	278	18	168
	600	49	286	24	322	59	292	12	172
	700	39	297	18	334	43	302	6	173
	800	32	305	11	342	39	310	5	175
	900	27	313	9	348	26	316	5	176
	1,000	23	319	5	348	21	321	4	177
	1,500	7	336	2	362	9	335	1	179
	2,000	5	344	1	365	6	344	1	180
	2,500	1	347	0	367	4	348	0	181
	3,000	0	348	0	367	4	352	0	181
	Unlimited	.....	348	.....	367	.....	361	.....	181

TABLE 7—Continued

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
Gulf States.....	\$ 0	943	.....	305	.....	1,285	.....	1,042	.....
	25	930	25	302	25	1,273	25	1,020	25
	50	910	49	297	49	1,231	49	963	49
	100	800	95	269	96	1,127	95	771	91
	200	506	165	157	165	724	169	288	140
	300	279	205	96	205	419	213	118	158
	400	176	228	63	231	237	238	61	166
	500	123	244	36	246	152	253	38	171
	600	91	256	24	255	101	262	29	174
	700	71	264	16	262	67	269	18	176
	800	54	270	12	266	48	274	14	178
	900	46	276	10	270	36	277	11	179
	1,000	31	280	6	273	26	279	8	180
	1,500	15	291	2	280	11	286	4	183
	2,000	7	296	0	280	7	290	1	184
	2,500	2	298	0	280	7	293	1	184
	3,000	2	299	0	280	2	294	1	185
	Unlimited	.....	302	.....	280	.....	296	.....	185

TABLE 7—Continued

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
Southeastern States.....	\$ 0	2,878	.....	2,170	.....	3,585	.....	2,585	.....
	25	2,869	25	2,152	25	3,572	25	2,507	25
	50	2,819	50	2,101	49	3,521	50	2,380	48
	100	2,505	96	1,865	96	3,241	97	1,869	90
	200	1,566	168	1,076	164	2,109	173	712	137
	300	882	209	592	201	1,277	219	281	155
	400	559	233	356	222	760	247	145	163
	500	386	249	219	235	507	264	87	167
	600	287	261	157	243	358	276	60	170
	700	219	269	114	250	249	285	45	172
	800	177	276	80	254	180	291	34	174
	900	142	282	64	257	139	295	28	175
	1,000	113	286	47	260	115	299	25	176
	1,500	48	300	14	266	47	309	12	179
	2,000	28	306	6	268	24	314	6	181
	2,500	19	310	4	269	17	317	3	182
	3,000	11	312	1	269	10	319	3	182
Unlimited	.....	316	.....	269	.....	322	.....	185	.....

TABLE 8

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Employee and Dependent Outpatient Hospital Nonmaternity Ancillary Claim Charges by Region

REGION	CHARGE t	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t	Number of Claims Greater than t	Average Charge, Maximizing Charges at t
214 Total: all regions.....	\$ 0	6,591	.....	2,635	.....	4,238	.....	17,082	.....
	5	6,493	5	2,602	5	4,161	5	16,670	5
	10	5,757	10	2,390	10	3,757	10	14,345	10
	15	4,738	14	2,039	14	3,235	14	11,155	14
	20	3,816	17	1,684	18	2,705	18	8,303	16
	25	3,042	20	1,403	21	2,179	21	6,235	19
	30	2,402	22	1,138	23	1,734	23	4,715	20
	35	1,899	24	914	25	1,420	25	3,549	22
	40	1,538	25	734	27	1,148	26	2,674	22
	45	1,266	26	599	28	928	28	2,008	23
	50	1,051	27	508	29	775	29	1,539	24
	100	192	31	106	34	200	33	232	26
	200	22	32	10	35	23	35	21	26
	Unlimited:	.....	32	.....	36	.....	36	.....	26

TABLE 8—Continued

REGION	CHARGE <i>t</i>	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>
New England States	\$ 0	406		271		210		776	
	10	346	10	247	10	185	10	645	10
	25	194	20	142	21	108	21	327	19
	50	52	27	43	29	38	29	75	25
	100	7	29	9	32	11	33	10	27
	Unlimited		36		35		36		27
Middle Atlantic States	\$ 0	782		390		520		1,857	
	10	673	10	359	10	447	10	1,530	10
	25	382	20	236	22	288	21	736	19
	50	117	27	93	31	113	30	208	24
	100	38	30	18	37	24	35	30	26
	Unlimited		31		39		38		27
North Central States	\$ 0	2,560		945		1,656		6,984	
	10	2,295	10	868	10	1,472	10	5,967	10
	25	1,175	20	479	21	836	20	2,382	18
	50	412	27	171	29	294	28	572	23
	100	79	31	43	33	79	33	85	25
	Unlimited		32		36		35		26
Plains States	\$ 0	370		185		241		1,005	
	10	305	10	161	10	209	10	794	10
	25	148	19	103	20	123	21	343	18
	50	46	25	38	29	42	28	89	23
	100	9	28	8	34	9	32	16	25
	Unlimited		29		36		34		25

TABLE 8—Continued

REGION	CHARGE <i>t</i>	MALE EMPLOYEE		FEMALE EMPLOYEE		SPOUSE		CHILD	
		Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>	Number of Claims Greater than <i>t</i>	Average Charge, Maximizing Charges at <i>t</i>
Mountain States	\$ 0	389	.....	165	.....	249	.....	1,082	.....
	10	319	10	144	10	218	10	853	9
	25	149	18	77	20	119	20	296	17
	50	79	26	34	28	45	27	80	21
	100	6	29	4	32	7	31	17	23
	Unlimited	31	.....	35	.....	34	.....	25	.....
Pacific States	\$ 0	239	.....	54	.....	142	.....	629	.....
	10	218	10	52	10	125	10	551	10
	25	138	21	38	22	73	20	296	20
	50	57	30	18	35	34	29	101	27
	100	9	36	3	43	7	36	17	31
	Unlimited	37	.....	45	.....	37	.....	32	.....
Gulf States	\$ 0	342	.....	66	.....	238	.....	1,021	.....
	10	300	10	61	10	212	10	889	10
	25	188	21	35	20	127	21	505	20
	50	75	30	15	29	55	30	115	27
	100	24	36	3	34	10	35	18	30
	Unlimited	39	.....	36	.....	38	.....	31	.....
Southeastern States	\$ 0	1,501	.....	559	.....	982	.....	3,724	.....
	10	1,299	10	498	10	889	10	3,114	10
	25	668	20	293	20	505	21	1,350	19
	50	213	26	96	29	157	28	299	23
	100	41	29	18	32	53	32	39	25
	Unlimited	31	.....	33	.....	35	.....	25	.....

TABLE 9
 SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
 1970-72 Employee and Dependent Surgical Nonobstetrical
 Claim Summary by Place Performed
 All Regions Combined

WHERE PERFORMED	SINGLE SURGICAL PROCEDURE CLAIMS		MULTIPLE SURGICAL PROCEDURE CLAIMS		SINGLE SURGICAL PROCEDURE CLAIMS		MULTIPLE SURGICAL PROCEDURE CLAIMS	
	Number of Claims	Average Surgical Charge	Number of Claims	Average Surgical Charge	Number of Claims	Average Surgical Charge	Number of Claims	Average Surgical Charge
	Male Employee				Female Employee			
Inpatient	4,623	231	1,155	412	3,762	223	1,015	376
Outpatient	2,772	44	138	91	952	51	55	76
Out of hospital	6,433	43	465	93	3,332	42	304	87
Total	13,828	106	1,758	302	8,046	128	1,374	300
Unknown	68	154	3	122	29	144	3	158
Grand total.	13,896	106	1,761	302	8,075	128	1,377	300
	Spouse				Child			
Inpatient	6,337	227	1,769	377	6,149	159	844	257
Outpatient	1,659	56	106	115	6,903	37	220	89
Out of hospital	5,232	40	538	94	6,436	35	366	61
Total	13,228	132	2,413	302	19,488	75	1,430	181
Unknown	76	169	8	239	55	93	9	105
Grand total.	13,304	132	2,421	302	19,543	75	1,439	181

TABLE 10A
 SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
 1970-72 Male Employee Surgical Nonobstetrical Summary by Procedure
 All Regions Combined

SELECTED PROCEDURES	SINGLE SURGICAL PROCEDURE CLAIMS				
	All Claims			Inpatient Claims	
	Number of Claims	Per Cent of Total	Average Surgical Charge	Number of Claims	Average Duration
Abscess, superficial; incision and drainage of one	178	1.29	21	6	5.2
Appendectomy, with/without incision and drainage of appendiceal abscess	180	1.30	235	176	6.3
Cataract, extraction of lens	79	.57	459	79	6.3
Cholecystectomy	113	.82	403	112	12.1
Cystoscopy, diagnostic, with/without biopsy, with ureteral catheterization	124	.90	86	112	6.3
Fracture or fracture-dislocation of finger or thumb; closed reduction of one	105	.76	34	0	0
Fracture or fracture-dislocation of radius; closed reduction	57	.41	92	7	4.0
Gastrectomy, with/without vagotomy; partial	12	.08	519	12	17.3
Hemorrhoidectomy, external and internal, or internal; without fistulectomy or fistulotomy	141	1.02	207	138	6.5
Herniotomy, unilateral; inguinal, femoral, or umbilical	399	2.89	233	396	6.1
Laceration of face, neck, genitalia, or hands: 1 inch or less	446	3.23	21	9	3.2
1-2 inches	209	1.51	27	5	8.4
Nasal septum, submucous resection of, with/without reconstruction of columella	83	.60	267	78	3.5
Pilonidal cyst, including any sinus or fistula tracts; excision	76	.55	164	73	5.9
Proctoscopy, with/without anoscopy, diagnostic, with/without biopsy	141	1.02	19	34	4.1
Proctosigmoidoscopy or sigmoidoscopy, diagnostic, with/without biopsy	439	3.18	20	94	5.7
Prostatectomy, one or more stages; transurethral by resectoscope	41	.29	468	40	10.0
Sebaceous cyst, excision of one	395	2.86	31	17	4.8
Strabismus, esotropia, exotropia, or squint; unilateral	3	.02	330	3	2.7
Thyroidectomy, total or subtotal, without neck dissection	11	.07	381	10	7.8
Tonsillectomy, with/without adenoidectomy	142	1.03	116	134	2.6
Tumor, benign, superficial; excision of one	1,014	7.36	39	80	3.3
Vasectomy, unilateral or bilateral	665	4.82	106	42	1.7
All other procedures	8,722	63.32	107	2,844	6.8
Grand total	13,774	100.00	104	4,501	6.5

TABLE 10B

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
1970-72 Female Employee Surgical Nonobstetrical Summary by Procedure
All Regions Combined

SELECTED PROCEDURES	SINGLE SURGICAL PROCEDURE CLAIMS				
	All Claims			Inpatient Claims	
	Number of Claims	Per Cent of Total	Average Surgical Charge	Number of Claims	Average Duration
Abscess, superficial; incision and drainage of one	65	.80	21	4	2.0
Appendectomy, with/without incision and drainage of appendiceal abscess	65	.80	257	65	6.6
Cataract, extraction of lens	30	.37	458	30	6.8
Cholecystectomy	134	1.66	380	133	10.3
Cystoscopy, diagnostic, with/without biopsy, with ureteral catheterization	68	.84	78	47	6.7
Dilation and curettage of uterus, non-puerperal	657	8.17	112	619	2.9
Fracture or fracture-dislocation of finger or thumb; closed reduction of one	28	.34	30	0	0
Fracture or fracture-dislocation of radius; closed reduction	49	.61	94	8	2.5
Gastrectomy, with/without vagotomy; partial	5	.06	505	5	22.2
Hemorrhoidectomy, external and internal, or internal; without fistulectomy or fistulotomy	55	.68	194	53	7.1
Herniotomy, unilateral; inguinal, femoral, or umbilical	39	.48	228	39	6.7
Hysterectomy, with/without D&C; complete or total, with/without adnexa	236	2.93	413	234	9.7
Laceration of face, neck, genitalia, or hands: 1 inch or less	118	1.46	20	1	3.0
1-2 inches	38	.47	23	1	1.0
Mastectomy, radical, with axillary node dissection and pectoral muscle	31	.38	566	30	10.8
Nasal septum, submucous resection of, with/without reconstruction of columella	33	.41	345	33	3.7
Pilonidal cyst, including any sinus or fistula tracts; excision	25	.31	158	21	6.0
Proctoscopy, with/without anoscopy, diagnostic, with/without biopsy	73	.90	17	24	4.3
Proctosigmoidoscopy or sigmoidoscopy, diagnostic, with/without biopsy	248	3.08	26	81	5.2
Sebaceous cyst, excision of one	110	1.36	31	8	4.8
Strabismus, esotropia, exotropia, or squint; unilateral	6	.07	325	6	2.5
Thyroidectomy, total or subtotal, without neck dissection	25	.31	375	24	6.5
Tonsillectomy, with/without adenoidectomy	154	1.91	123	153	2.3
Tumor, benign, superficial; excision of one	564	7.02	37	40	4.0
All other procedures	5,176	64.44	121	2,060	6.7
Grand total	8,032	100.00	126	3,719	6.1

TABLE 10C
 SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
 1970-72 Spouse Surgical Nonobstetrical Summary by Procedure
 All Regions Combined

SELECTED PROCEDURES	SINGLE SURGICAL PROCEDURE CLAIMS				
	All Claims			Inpatient Claims	
	Number of Claims	Per Cent of Total	Average Surgical Charge	Number of Claims	Average Duration
Abscess, superficial; incision and drainage of one	108	.81	22	3	2.7
Appendectomy, with/without incision and drainage of appendiceal abscess	106	.80	229	102	6.9
Cataract, extraction of lens	67	.50	434	65	6.3
Cholecystectomy	265	2.00	374	258	10.3
Cystoscopy, diagnostic, with/without biopsy, with ureteral catheterization	116	.87	81	83	5.5
Dilation and curettage of uterus, non-puerperal	1,067	8.06	109	984	2.9
Fracture or fracture-dislocation of finger or thumb; closed reduction of one	52	.39	32	4	3.2
Fracture or fracture-dislocation of radius; closed reduction	86	.65	102	14	2.5
Gastrectomy, with/without vagotomy; partial	13	.09	518	13	17.0
Hemorrhoidectomy, external and internal, or internal; without fistulectomy or fistulotomy	101	.76	186	100	7.0
Herniotomy, unilateral; inguinal, femoral, or umbilical	124	.93	232	121	6.8
Hysterectomy, with/without D&C; complete or total, with/without adnexa	423	3.19	408	417	9.3
Laceration of face, neck, genitalia or hands: 1 inch or less	260	1.96	21	6	5.8
1-2 inches	101	.76	31	7	3.1
Mastectomy, radical, with axillary node dissection and pectoral muscle	30	.22	449	29	10.2
Nasal septum, submucous resection of, with/without reconstruction of columella	43	.32	357	40	6.3
Pilonidal cyst, including any sinus or fistula tracts; excision	23	.17	153	20	5.9
Proctoscopy, with/without anoscopy, diagnostic, with/without biopsy	89	.67	19	29	7.0
Proctosigmoidoscopy or sigmoidoscopy, diagnostic, with/without biopsy	379	2.86	23	115	6.7
Prostatectomy, one or more stages, trans-urethral by resectoscope	6	.04	506	6	8.8
Sebaceous cyst, excision of one	171	1.29	33	9	3.4
Strabismus, esotropia, exotropia, or squint; unilateral	7	.05	313	6	3.0
Thyroidectomy, total or subtotal, without neck dissection	63	.47	373	63	6.9
Tonsillectomy, with/without adenoidectomy	152	1.14	124	151	2.6
Tumor, benign, superficial; excision of one	843	6.37	36	61	3.7
Vasectomy, unilateral or bilateral	32	.24	106	4	3.0
All other procedures	8,501	64.26	125	3,551	7.1
Grand total	13,228	100.00	130	6,261	6.5

TABLE 10D

SAMPLE OF GROUP HOSPITAL AND SURGICAL EXPENSE INSURANCE
 1970-72 Child Surgical Nonobstetrical Summary by Procedure
 All Regions Combined

SELECTED PROCEDURES	SINGLE SURGICAL PROCEDURE CLAIMS				
	All Claims			Inpatient Claims	
	Number of Claims	Per Cent of Total	Average Surgical Charge	Number of Claims	Average Duration
Abcess, superficial; incision and drainage of one	177	.90	19	9	4.0
Appendectomy, with/without incision and drainage of appendiceal abscess	447	2.29	225	443	5.5
Cataract, extraction of lens	9	.04	581	9	4.2
Cholecystectomy	5	.02	380	5	12.2
Cystoscopy, diagnostic, with/without biopsy, with ureteral catheterization	81	.41	83	74	2.8
Dilation and curettage of uterus, non-puerperal	41	.21	107	40	3.4
Fracture or fracture-dislocation of finger or thumb; closed reduction of one	345	1.76	35	1	2.0
Fracture or fracture-dislocation of radius; closed reduction	398	2.04	77	27	5.1
Gastrectomy, with/without vagotomy; partial	0	0	0	0	0
Hemorrhoidectomy, external and internal, or internal; without fistulectomy or fistulotomy	2	.01	273	2	4.0
Herniotomy, unilateral; inguinal, femoral, or umbilical	263	1.34	209	262	2.7
Laceration of face, neck, genitalia, or hands: 1 inch or less	2,066	10.59	20	10	1.6
1-2 inches	634	3.25	27	12	3.1
Nasal septum, submucous resection of, with/without reconstruction of columella	37	.18	307	33	3.1
Pilonidal cyst, including any sinus or fistula tracks; excision	51	.26	170	49	5.3
Proctoscopy, with/without anoscopy, diagnostic, with/without biopsy	15	.07	35	6	3.0
Proctosigmoidoscopy or sigmoidoscopy, diagnostic, with/without biopsy	49	.25	28	20	9.0
Sebaceous cyst, excision of one	83	.42	37	9	3.4
Strabismus, esotropia, exotropia, or squint: unilateral	93	.47	287	92	2.3
Thyroidectomy, total or subtotal, without neck dissection	6	.03	407	6	5.2
Tonsillectomy, with/without adenoidectomy	2,396	12.28	108	2,361	1.8
Tumor, benign, superficial; excision of one	831	4.26	31	62	2.1
All other procedures	11,478	58.84	74	2,581	4.5
Grand total	19,507	100.00	75	6,113	3.4

APPENDIX

INSTRUCTIONS FOR CONTRIBUTING COMPANIES

The following is a brief description of the instructions used by contributing companies for submitting data to this study.

1. GENERAL

Cases submitted must have accurate exposure information reported with respect to age, sex, area, number of employees, and number of dependent units. The plan of benefits must include hospital and surgical and may or may not include supplementary major medical. Hospital and surgical maternity benefits should also be included but are not mandatory. For cases without supplementary major medical, the basic hospital plan must provide at least seventy days' room and board and an ancillary benefit of twenty times the daily room and board benefit or more. For cases with supplementary major medical, the basic plan must provide at least thirty-one days' room and board and an ancillary benefit of ten times the daily room and board benefit or more, but all charges are reported for at least the first seventy days of hospital confinement.

Claims are on a calendar year incurred basis, although provision is made for submission on a twelve month period basis, which approximates the calendar year of study.

2. EXCLUSIONS

Exclusions from this study are similar to those of the weekly indemnity study included elsewhere in this report.

3. CLAIM INFORMATION

A claim card is submitted for each claim involving a different cause of disability in accordance with the company's definition. Generally, if successive periods of hospital confinement are treated as one period for purposes of payment, the successive periods of confinement would be combined and submitted as one claim. Two or more surgical procedures performed for the same cause of disability are reported on one claim card and coded for the major and second procedure.

The claim record contains the data indicated in this report as well as other data which the Committee hopes to set forth in future reports, including a very brief cause of disability code, intensive care charges and durations, and nursery charges.

4. EXPOSURE INFORMATION

An exposure card containing the data indicated in this report is submitted for each case.

5. PLAN INFORMATION

A plan card containing codes describing important benefit features of the hospital, surgical, and supplementary major medical coverage is submitted for each case.