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# Committee reports on experience study

by Edwin C. Hustead

**T**he latest report in a series published by the Retirement Plans Experience Committee presents five years of experience on uninsured pension plans. The current report analyzes mortality experience from 29 retirement systems between 1985 and 1989. The primary finding is that the rate of improvement in mortality was much lower in 1985 to 1989 than during the previous 15 years.

Actual-to-expected ratios (A/E) in the committee's reports are measured against the UP-84 Table (set forward one year for males and set back four years for females).

The previous reports in this series were "Mortality among Members of Self-Administered Pension Systems." The change from "self-administered" to "uninsured" was made to clearly distinguish this series of reports from those prepared from the experience of pension plans underwritten by insurers. Experience from insured pension plans appears in reports of the Group Annuity Experience Committee.

## Participants in report

Table 1 shows the groups included in the report. The participants in the study have varied over the years, but the United States Federal Civil Service Retirement System (CSRS) has participated in each study. Trends for that system provide an important historical perspective on mortality among pensioners in the United States. The Medicare data is included as a general population backdrop for pensioner mortality. As a national program, Medicare includes the experience of most of the 27 other United States retirement systems in this report.

## Trends in mortality

Table 5 compares the average annual improvement in mortality between 1975 and 1989 for each of the groups reported in two or more studies.

The data in this series of reports show that mortality improvement among the elderly slowed and in some cases stopped in the 1980s. The rate of improvement in mortality was much lower in 1985 to 1989 than during the previous 15 years. Similar trends have appeared in other studies.

Exposure 1985-1989	Number of Deaths 1985-1989	Description of Group	Experience Included
141,634,077	7,340,880	Medicare from Social Security System	Pensioner and disabled combined
20,066,316	390,137	Civil Service Retirement System	Pensioner, Disabled, Active, Survivor
7,639,897	134,455	U.S. Military	Pensioner, Disabled
1,049,113	13,661	Public Service of Canada - 1984 to 1986	Pensioner, Disabled, Active
7,326,400	91,119	24 Private Sector Systems and one Public Sector System	Pensioner for all systems. Disabled and Active for some systems.

CSRS data for 1990 through 1992 show that the rate of improvement may be increasing. Male mortality for 1990 through 1992 was 6% lower than for 1985 through 1989. Female mortality dropped 3% in the same period.

## Committee offers full report

A copy of the full report will be printed in the 1991-92 *Transactions Reports of Mortality, Morbidity and Other Experience*, expected to be printed in summer 1993. It also may be obtained for \$10 through Laura Kammeier at the Society of Actuaries, 708-706-3526.

The data will be included in the experience used to produce a successor to the Group Annuity Mortality-1983 (GAM-83) table. The Society is considering a committee recommendation that the experience also be used as the basis for a successor to the Uninsured Pensioner-1984 (UP-84) table. Please contact me if you have any questions or comments about the report or the proposed mortality tables.

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Period	CSRS	Medicare	Military
Males			
1975 - 1979	1.5%	2.1%*	N/A
1980 - 1984	1.6	1.0	
1985 - 1989	.7	.7	1.7%
Females			
1975 - 1979	1.8%	2.8%*	N/A
1980 - 1984	0	.8	
1985 - 1989	0	.2	

\* Medicare data for 1975 to 1979 is the annual rate of improvement between the 1972 and 1977 experience. All other data are for the annual rate of improvement between five-year groupings of experience. For instance, the male CSRS rate of 1.5% is the annual rate of improvement between 1970 to 1974 and 1975 to 1979.