



2009-2017 Group LTD Data Request – Revised 11/26/2018

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Request for Data Contributions

The SOA Group Long-Term Disability Experience Committee (GLTDEC) is requesting Group LTD experience data for the years 2009 to 2013. A detailed description of the data being requested can be found in Appendix A.

Purpose of the Study

The SOA GLTDEC plans to complete an update to the 2012 study which was reported in 2018. The goals of this update are to:

- compare recent LTD claim termination experience with experience from the prior study (2004 – 2012 experience);
- compare recent LTD claim termination experience with the 2012 GLTD valuation table;
- analyze LTD claim experience with regard to the impact of Social Security approval on claim termination rates, as well as Social Security offset approval rates and benefit amounts
- provide LTD insurers with updated data for use in benchmarking their own experience and in setting pricing and valuation assumptions;
- support research for the development of predictive and other models that can be used for financial projections and analysis

Scope of Study

The study includes experience from insurance companies on Group LTD policies.

- The study period is 1/1/2009 through 12/31/2017.
- The Valuation Date for the study is 9/30/2018.

Please include all fully insured group long term disability claims that were open for any time during this study period and had at least one benefit payment.

- This should include claims that were still open as of 9/30/2018 as well as those claims that were incurred prior to 1/1/2009 but open as of 1/1/2017.
- However, please exclude all claims that were part of a reserve buyout.

Important Dates

Your timely voluntary data submission is a valuable contribution to this Study. We request your data, as described in the following section, no later than **December 15, 2018**.

Please reply to Erika Schulty (ESchulty@soa.org) with your decision to supply data for this study by **October 31, 2018**.

Data Transmission Instructions

The SOA has engaged MIB as the data compiler for this study. When you are ready to submit your data, please send an email to data@mib.com and they will send you a secure link to facilitate the transmission. Please do not send your data submission to the SOA.

Study Outputs

The outputs of this study may include one or more of the following, all of which may be made publicly available:

- a detailed experience study report with analysis and commentary;
- dataset(s) containing claim termination experience collected for the purpose of this study. This experience data will not contain confidential contributor level information. It may be made available in excel files, text files or other formats;
- models or other tools developed to support the analyses completed in the study; and
- other outputs as determined by the SOA and/or GLTDEC.

Benefits to Data Contributors

Data contributors whose data is retained for inclusion in the study¹, will receive the following benefits in exchange for their data submissions:

- their experience data be part of an notable study that will benefit the Group LTD industry;
- their contributions will be acknowledged in any final, published report;
- an advance copy of any final, published report; and
- confidential dataset(s) of their contributed data in the same format as any final, published dataset(s).

¹ The SOA and the data compiler will make reasonable efforts to cleanse, validate and include all contributors' data into the study. In situations, where it is deemed to be too costly, in terms of time and resources, to get a data submission into an acceptable state to be included in the study, the data will be excluded from the study. Contributors will be notified of any decision to exclude their data submission from the study.

Data Access, Ownership and Retention

Original data contributions will remain the property of the data contributor. Only the data compiler will have access to any original data contributions. SOA volunteers working on the study will not have access to original data. The data compiler will not use the data for any purpose other than to produce and provide aggregated datasets as described in the following paragraph. Unless the SOA requests otherwise, all original data files received from data contributors will be destroyed by the data compiler 24 months after publication of the final outputs.

The data compiler will create de-identified, aggregated datasets from the original data contributions for the purpose of completing this study. These aggregated datasets will not contain any personal identifiable information. All aggregated datasets compiled by the data compiler from the original data contributions will be the property of the SOA. These aggregated datasets may include a version that contains a de-identified contributor level indicator. Any aggregated dataset with a contributor level indicator will only be accessible by SOA staff or contracted independent consultants. SOA staff will receive a mapping of the contributor names to the identification codes in the de-identified contributor level aggregated datasets and the mapping will not be shared with anyone outside of SOA staff. With the exception of any aggregated dataset with a contributor level indicator, the SOA retains the right to publish, sell, or distribute any aggregated datasets produced for the purpose of this study.

Data Compilers, Contracted Researchers and Data Confidentiality

The SOA contracts with third party vendors for the data compilation portion of the study. The SOA may also utilize independent researchers to complete certain areas of study. The SOA has previously contracted with MIB for the Group LTD data compilation of prior Group LTD studies. Any compilers or researchers that the SOA hires will be required to follow strict data confidentiality requirements. The data that you submit to the SOA Data Coordinator will be passed to the data compilers and researchers. Only SOA staff and the contracted data compilers and researchers will have access to the data you submit. Any data that is published as part of the resultant study or distributed to SOA volunteers for analysis and development of an experience study report or valuation table will be aggregated at a level that protects individual and company level confidential information.

Contact Erika Schulty (ESchulty@soa.org) for any questions you have regarding data compilers, researchers or confidentiality.

11/26/2018 Revisions

Item 16 – Limited Own Occ Claim Indicator

Description

- OLD: Indication as to whether claim is subject to limited Own Occ period ~~(includes SS definition)~~.
- NEW: Indication as to whether claim is subject to limited Own Occ period.

Requirement

- OLD: All Claims
- NEW: All Claims *(Note: claims with definitions of disability based on SS or ADL's should be excluded)*

Item 28 – Current SS Status

Description

- OLD: SS Status as of Data Collection Date (9/30/2018)
- NEW: SS Status as of Data Collection Date (9/30/2018) *if Open, or as of the Termination Date, if Closed*

Requirement

- OLD: All Claims
- NEW: All Claims *(Note: We prefer that blocks of business that are ineligible for SS offsets be coded with "U", rather than "N")*

Item 29 – SS Award Date

Requirement

- OLD: All Claims
- NEW: All Claims *(Note: we are looking for the date when you found out about the award as opposed to the effective date.)*

APPENDIX A – Data Request Description

ITEM	COLUMN	LENGTH	DATA ELEMENT	DESCRIPTION	REQUIREMENT
1	1-3	3	Carrier Code	Assigned by Vendor (assigned by MIB)	All Claims
2	4-23	20	Claim Number	A unique identifier for the claim. The format of the Claim Number is specific to each participating company.	All Claims
3	24	1	Claim Status	The most recent status code for the claim. Valid values include: <ul style="list-style-type: none"> • 1 = Open • 2 = Closed 	All Claims
4	25	1	Termination Code	The reason that the claim was terminated: If Claim Status = 1, leave BLANK. Otherwise, valid values include: <ul style="list-style-type: none"> • 1 = Death • 2 = Maximum contractual duration (e.g. age 65) reached (this does not include claims reaching internal limits such as Mental & Nervous) • 3 = Termination due to expiration of benefits subject to internal limits such as Mental & Nervous • 4 = Recovery • 5 = Settlement (considered a settlement if the amount paid is in excess of 6 months of monthly benefit) 	Required on closed claims
5	26-33	8	Date of Birth	The claimant's date of birth - MMDDYYYY	All Claims
6	34-41	8	Date of Disability	The date that the claimant became disabled - MMDDYYYY	All Claims
7	42-49	8	Benefit Commencement Date	The effective date of the first payment - MMDDYYYY	All Claims
8	50-57	8	First Paid Date	The date the first disability payment was made (check cutting date) - MMDDYYYY	All Claims
9	58-65	8	Liability Termination Date	The date specifying the end of the liability (not the calendar date of the action) - MMDDYYYY	Required on closed claims
10	66-73	8	Claim Maximum Date	The date that the contractual maximum duration was, or will be, reached <u>not</u> including any internal limits (i.e., Mental & Nervous, Self-reported, etc.) - MMDDYYYY	All Claims
11	74	1	Gender	Valid values include: <ul style="list-style-type: none"> • 0 = Unknown • 1 = Male • 2 = Female Companies should make every attempt to determine gender for each claim.	All Claims
12	75-84	10	Diagnosis Code	The original primary ICD9 or ICD10 code of the sickness or accident that caused the disability. If not available, current diagnosis code is acceptable.	All Claims

ITEM	COLUMN	LENGTH	DATA ELEMENT	DESCRIPTION	REQUIREMENT
13	85-92	8	Gross Benefit Amount	The base contractual amount of the monthly gross benefit that the claimant is entitled to. If only the current gross benefit amount, including COLA impact, is available, that is acceptable. Integer (e.g. 100000, 45000, etc.)	All Claims
14	93	1	COLA Benefit Indicator	Indication as to whether a claim has a COLA benefit of any kind. Valid values include: <ul style="list-style-type: none"> 0 = Unknown 1 = Yes 2 = No 	All Claims
15	94-96	3	Claimant Elimination Period	The elimination period for the claim expressed in days.	All Claims
16	97	1	Limited Own Occ Claim Indicator	Indication as to whether claim is subject to limited Own Occ period. Valid values include: <ul style="list-style-type: none"> 0 = Unknown 1 = Yes 2 = No 	All Claims <i>(Note: claims with definitions of disability based on SS or ADL's should be excluded)</i>
17	98-99	2	Length of Own Occupation Period	The length of time expressed in months that the claimant is entitled to receive benefits while being unable to perform their own occupation, as specified in the plan.	Required if Limited Own Claim = "Yes"
18	100	1	Mental & Nervous Benefit Limit Indicator	Indication as to whether the policy for this claim contains a Mental & Nervous benefit period limit. Valid values include: <ul style="list-style-type: none"> 0 = Unknown 1 = Yes 2 = No 	All Claims
19	101-102	2	Mental & Nervous Benefit Period Limit	The length of time expressed in months that the claimant is entitled to receive benefits with a Mental & Nervous diagnosis	Required if Mental & Nervous Benefit Limit Indicator = "Yes"
20	103	1	Other Diagnoses Benefit Limit Indicator	Indication as to whether the policy for this claim contains a benefit period limit for diagnoses other than Mental & Nervous. Valid values include: <ul style="list-style-type: none"> 0 = Unknown 1 = Yes 2 = No 	All Claims
21	104-105	2	Other Diagnoses Benefit Period Limit	The length of time expressed in months that the claimant is entitled to receive benefits subject to benefit period limit for diagnoses other than Mental & Nervous	Required if Other Diagnoses Benefit Limit Indicator = "Yes"
22	106-110	5	Case Size	The number of LTD <u>covered</u> lives associated with the group policy (as of most recent date is acceptable). Leave BLANK if unknown.	All Claims

ITEM	COLUMN	LENGTH	DATA ELEMENT	DESCRIPTION	REQUIREMENT
23	111	1	Integration with STD	This variable should identify LTD claims that are accompanied by a front-end STD claim from your company (including ASO). If the only way to capture this type of information is at the policy level, then assume that the policy level characteristics apply to the claims (i.e. assume STD and LTD claims are integrated if the group had both STD and LTD insurance in force with your company as of the date of disability. Valid Values: <ul style="list-style-type: none"> • I = Integrated with ASO or Fully-Insured STD • N = Not Integrated with STD • U = Unknown 	All Claims
24	112-115	4	Standard Industrial Classification (SIC) Code	This variable should identify the industry that a claimant's employer group was operating in as of the LTD date of disability, as defined by the Standard Industrial Classification system. Most recent SIC code is acceptable. 4 Digit numerical character (e.g. 0111, 8211, etc.) Unknown SIC's should be coded as "0000"	All Claims
25	116	1	Taxability of Benefits	This variable should indicate the tax status of LTD benefits. <ul style="list-style-type: none"> • T = 100% Taxable • N = Non-Taxable • P = Partial Taxability • U = Unknown 	All Claims
26	117-124	8	Monthly Salary	This variable should show the claimants' pre-disability monthly earnings based on the earnings definitions in the LTD contracts. Integer (e.g. 100000, 45000, etc.) Unknown salaries should be coded as "0"	All Claims
27	125-126	2	State of Residence	This variable should indicate claimants' states of residence as of the most recent valuation date. 2-digit alphabetical character (e.g. ME, CA, etc.) Unknown states of residence should be coded as "UU"	All Claims
<i>New Fields for the 2009-2017 Study</i>					
28	127	1	Current SS Status	SS Status as of Data Collection Date (9/30/2018) if Open, or as of the Termination Date, if Closed <ul style="list-style-type: none"> • Y = Yes • N = No • U = Unknown 	All Claims <i>(Note: We prefer that blocks of business that are ineligible for SS offsets be coded with "U", rather than "N")</i>
29	128-135	8	SS Award Date	The date the SS award was found out - MMDDYYYY. If item 28 is <ul style="list-style-type: none"> • N or U, leave this field BLANK. • Coded Y and the SS Award Date is unknown, code this field "00000000". 	All Claims <i>(Note: we are looking for the date when you found out about the award as opposed to the effective date.)</i>

About the Society of Actuaries

The Society of Actuaries (SOA), formed in 1949, is one of the largest actuarial professional organizations in the world dedicated to serving 24,000 actuarial members and the public in the United States, Canada and worldwide. In line with the SOA Vision Statement, actuaries act as business leaders who develop and use mathematical models to measure and manage risk in support of financial security for individuals, organizations and the public.

The SOA supports actuaries and advances knowledge through research and education. As part of its work, the SOA seeks to inform public policy development and public understanding through research. The SOA aspires to be a trusted source of objective, data-driven research and analysis with an actuarial perspective for its members, industry, policymakers and the public. This distinct perspective comes from the SOA as an association of actuaries, who have a rigorous formal education and direct experience as practitioners as they perform applied research. The SOA also welcomes the opportunity to partner with other organizations in our work where appropriate.

The SOA has a history of working with public policymakers and regulators in developing historical experience studies and projection techniques as well as individual reports on health care, retirement, and other topics. The SOA's research is intended to aid the work of policymakers and regulators and follow certain core principles:

Objectivity: The SOA's research informs and provides analysis that can be relied upon by other individuals or organizations involved in public policy discussions. The SOA does not take advocacy positions or lobby specific policy proposals.

Quality: The SOA aspires to the highest ethical and quality standards in all of its research and analysis. Our research process is overseen by experienced actuaries and non-actuaries from a range of industry sectors and organizations. A rigorous peer-review process ensures the quality and integrity of our work.

Relevance: The SOA provides timely research on public policy issues. Our research advances actuarial knowledge while providing critical insights on key policy issues, and thereby provides value to stakeholders and decision makers.

Quantification: The SOA leverages the diverse skill sets of actuaries to provide research and findings that are driven by the best available data and methods. Actuaries use detailed modeling to analyze financial risk and provide distinct insight and quantification. Further, actuarial standards require transparency and the disclosure of the assumptions and analytic approach underlying the work.

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