Session 42WS, Group Life and Disability Discussion Group

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Group Life & Disability Discussion Group
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Note that this session (42) is not being recorded today.
Housekeeping Items

• Introductions
• Today’s Goals / Workshop Format
• Polling Devices – what you need to know
To Participate, look for Polls in the SOA Event App or visit [health.cnf.io](http://health.cnf.io) in your browser.

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Choose your session

Respond to Polls when they appear
Polling Questions: Agenda

- Introduction Questions
- Credibility / Experience Rating
- Mortality Improvement / Aging
- Disability Claim Management
- Premium Waiver

- Retiree Risk
- Societal Trends
- Experience Trends
- General Rating Trends
- Predictive Modeling
Introduction Questions
a.k.a. “Getting to Know You”
Question 1

What is your primary area of expertise? Select one:

a. Group Life
b. Group Disability
c. Both Group Life and Disability
d. Other

(note: polling will start when we progress to the next slide)
Question 1 Results

What is your primary area of expertise? Select one:

- 38% Group Life
- 35% Group Disability
- 17% Both Group Life and Disability
- 10% Other
Question 2

Which of the following describes your job function? Select ALL that apply:

a. Pricing / Underwriting
b. Product Development
c. Financial Reporting / Valuation
d. Investments
e. Sales / Marketing
f. Other
Question 2 Results

Which of the following describes your job function? Select ALL that apply:
Question 3

What type of employer do you currently work for? Select one:

a. Insurance Company
b. Reinsurance Company
c. Broker / Intermediary
d. Government / Regulator
e. Consulting Firm
f. Other
Question 3 Results

What type of employer do you currently work for? Select one:

- Insurance Company: 32%
- Reinsurance Company: 29%
- Broker Intermediary: 0%
- Government Regulator: 7%
- Consulting Firm: 0%
- Other: 0%
Credibility and Experience Rating
Credibility – General Approaches

- Limited Fluctuation / Square Root
  - More commonly used in the U.S.
  - Also referred to as the “Classical” or American approach
  - \[ Z = \sqrt{\frac{\text{actual or expected exposure}}{\text{exposure needed for full credibility}}} \]

- Buhlmann
  - Also referred to as the “Greatest Accuracy” or “Least Squares” method
  - \[ Z = \frac{E}{E+K} \] where \( E \) = exposure measure and \( K \) = measure of variability

- Bayesian
  - Best theoretical method, but difficult to apply in practice
  - Uses Bayes Theorem in conjunction with conditional probabilities
Credibility: Exposure Considerations

- **Group Size / Current Lives**
  - Imprecise since doesn’t reflect variations in length of experience period
  - May be used for refinements, e.g. Z=0% if current lives < X

- **Life Years of Exposure (LYE)**
  - Imprecise since doesn’t fully reflect incidence rate differences by group
  - e.g., 20K LYE is more credible for retirees than for college students
  - Segmentation into risk groups can mitigate this limitation (low vs high age, low vs high male %, etc)

- **Claims**
  - Best approach to address above issues
  - Can use actual or expected claims (or a blend of the two)
  - Claim severity plays a role in expected volatility (and in theoretical credibility)
Question 4

Which credibility method would best describe the formula you currently use for LIFE and LTD experience rating purposes? Select one:

a. Limited Fluctuation / Square Root
b. Buhlmann
c. Other
d. I don't know
Which credibility method would best describe the formula you currently use for LIFE and LTD experience rating purposes? Select one:

- Limited Fluctuation Square Root
- Buhlmann
- Other
- I don't know
Question 5

Which of the following factors are reflected in the calculation of your standard LIFE and LTD credibility formulas? Select one:

a. Covered Lives
b. Life Years of Experience
c. Claims
d. Combination of items above
e. Other
f. I don’t know
Which of the following factors are reflected in the calculation of your standard LIFE and LTD credibility formulas? Select one:

- Covered Lives
- Life Years of Experience
- Claims
- Combination of items above
- Other
- I don’t know
Question 6

Does your LIFE or DISABILITY credibility formula currently take into account the statistical variability in covered benefit amounts? Select one:

a. Yes
b. No
c. I don't know
Does your LIFE or DISABILITY credibility formula currently take into account the statistical variability in covered benefit amounts?

Select one:

- Yes
- No
- I don't know

Question 6 Results
Question 7

For a typical group life case, how many life years of experience would it take to achieve 100% credibility in practice? Select one:

a. Less than 10,000
b. 10,000 – 24,999
c. 25,000 – 49,999
d. 50,000 – 74,999
e. 75,000 or more
f. Credibility never reaches 100%
g. I don’t know
Question 7 Results

For a typical group life case, how many life years of experience would it take to achieve 100% credibility in practice? Select one:

- Less than 10,000: 0%
- 10,000 – 24,999: 26%
- 25,000 – 49,999: 9%
- 50,000 – 74,999: 17%
- 75,000 or more: 4%
- Credibility never reaches 100%: 4%
- I don’t know: 39%
Question 8

For a typical group LTD case, how many life years of experience would it take to achieve 100% credibility in practice? Select one:

a. Less than 10,000
b. 10,000 – 14,999
c. 15,000 – 19,999
d. 20,000 – 24,999
e. 25,000 or more
f. Credibility never reaches 100%
g. I don’t know
Question 8 Results

For a typical group LTD case, how many life years of experience would it take to achieve 100% credibility in practice? Select one:

- Less than 10,000: 0%
- 10,000 – 14,999: 17%
- 15,000 – 19,999: 0%
- 20,000 – 24,999: 33%
- 25,000 or more: 13%
- Credibility never reaches 100%: 0%
- I don’t know: 38%
Question 9

For a typical group life case, how many expected claims in the experience period would it take to achieve 100% credibility in practice? Select one:

a. Less than 50
b. 50 - 74
c. 75 - 99
d. 100 - 124
e. 125 or More
f. Credibility never reaches 100%
g. I don’t know
Question 9 Results

For a typical group life case, how many expected claims in the experience period would it take to achieve 100% credibility in practice? Select one:
Question 10

For a typical group LTD case, how many claims in the experience period would it take to achieve 100% credibility in practice? Select one:

a. Less than 20
b. 20 - 49
c. 50 - 74
d. 75 - 99
e. 100 or more
f. Credibility never reaches 100%
g. I don’t know
For a typical group LTD case, how many claims in the experience period would it take to achieve 100% credibility in practice? Select one:

- Less than 20: 0%
- 20 - 49: 4%
- 50 - 74: 13%
- 75 - 99: 9%
- 100 or more: 13%
- Credibility never reaches 100%: 4%
- I don’t know: 57%
Question 11

Do you have a consistent process for handling large claims in the GROUP LIFE experience rating process? Select one:

a. No, we never adjust for large claims
b. No consistent process, but case-by-case adjustments
c. Yes, but no pooling charge
d. Yes, with a pooling charge
e. I don’t know
Question 11 Results

Do you have a consistent process for handling large claims in the GROUP LIFE experience rating process? Select one:

- 52% No, we never adjust for large claims
- 35% No consistent process, but case-by-case adjustments
- 13% Yes, but no pooling charge
- 0% Yes, with a pooling charge
- 0% I don’t know
Question 12

Do you have a **consistent** process for handling large claims in the **GROUP LTD** experience rating process? Select one:

a. No, we never adjust for large claims
b. No consistent process, but case-by-case adjustments
c. Yes, but no pooling charge
d. Yes, with a pooling charge
e. I don’t know
Do you have a consistent process for handling large claims in the GROUP LTD experience rating process? Select one:

- No, we never adjust for large claims
- No consistent process, but case-by-case adjustments
- Yes, but no pooling charge
- Yes, with a pooling charge
- I don’t know
Question 13

Does your standard experience rating process apply different weights by experience year (e.g. more weight to recent periods)? Select one:

a. Yes for both Life and Disability
b. Yes for Life, but no for Disability
c. Yes for Disability, but no for Life
d. No
e. I don’t know
Question 13 Results

Does your standard experience rating process apply different weights by experience year (e.g. more weight to recent periods)?
Select one:

- 44%: Yes for both Life and Disability
- 26%: Yes for Life, but no for Disability
- 19%: Yes for Disability, but no for Life
- 7%: No
- 4%: I don’t know
Roundtable Discussion Time
Mortality Improvement and Aging
Mortality Improvement Considerations

- Past trends have validated the use of mortality improvement in pricing
- Recent trends may be a reason for concern
  - Opioid crisis
  - Obesity trends
  - Distracted driving
- Historical improvement trends have varied by demographic group
  - Male vs Female
  - Age Cohort
  - Wealth and/or Income Level
  - Industry
- Risk is greater in projecting for the future versus normalizing for the past
  - Normalization of past experience through today = less risky
  - Projections of experience into the future = more risky
Mortality trends by PCI grouping

Relative change in death rates by PCI group: US population, age adjusted rates 1999 is referent year

15-44

- Flattening pattern replicated in high and low PCI subsets

45-64

- Mortality divergence observed in high and low PCI subsets

65+

- Declining pattern replicated in high and low PCI subsets

The main differences in mortality rate trends appear to emerge in middle age with low and high per capita income population subsets showing opposite trends.
Population Aging Considerations

- General population aging trends can arise from either of the following:
  - Changing patterns of fertility rates over time (e.g. baby boomers)
  - Changing patterns (or level) of life expectancy over time

- The aging of any smaller cohort of lives can be even more dynamic
  - Employment stability (hiring practices, layoffs, downsizing)
  - Industry or Occupational shifts (e.g. “labor intensity” of work performed)
  - Shifting exposures between rating classes (e.g. actives vs retirees)
  - Shifting exposures into separate rating pools (e.g. portability or conversion)
  - Smaller groups can experience much more dramatic impacts from aging

- As a practical matter, one should view mortality improvement and aging as separate (but sometimes offsetting) factors.
Question 14

What is your expectation for future mortality improvement on group life business over the next 3-5 years? Select one:

a. More than slight deterioration
b. Slight deterioration
c. Unlikely to change / Level
d. Slight Improvement
e. More than slight improvement
Question 14 Results

What is your expectation for future mortality improvement on group life business over the next 3-5 years? Select one:

- More than slight deterioration
- Slight deterioration
- Unlikely to change
- Slight Improvement
- More than slight improvement

- 59%
- 30%
- 11%
- 0%
- 0%
Question 15

Do you build mortality improvement into group life risk assessment? Select one:

a. Always, using a simple aggregate assumption
b. Always, varies based on age and/or gender only
c. Always, varies based on broader factors
d. Only on a case-by-case basis
e. Never
f. I don’t know
Do you build mortality improvement into group life risk assessment? Select one:

- Always, using a simple aggregate assumption: 4%
- Always, varies based on age and/or gender only: 20%
- Always, varies based on broader factors: 12%
- Only on a case-by-case basis: 16%
- Never: 12%
- I don’t know: 36%
Question 16

Do you build the impact of aging into your group life risk assessment for active employee groups (i.e. excluding retirees)? Select one:

a. Yes, always
b. Yes, but only for certain types of groups
c. Only on a case-by-case basis
d. Never
e. I don’t know
Do you build the impact of aging into your group life risk assessment for active employee groups (i.e. excluding retirees)?

Select one:

- Yes, always
- Yes, but only for certain types of groups
- Only on a case-by-case basis
- Never
- I don’t know

Question 16 Results
Question 17

The application of **active employee aging** to your group life risk assessment process varies based on which of the following factors? Select **ALL** that apply:

a. We do not adjust for aging
b. Size of the group
c. Gender and/or age distribution
d. Industry and/or occupation
e. Rate guarantee period
f. Other
g. I don’t know
The application of active employee aging to your group life risk assessment process varies based on which of the following factors? Select ALL that apply:
Roundtable Discussion Time
Disability Claim Management
The Department of Labor allowed the new group disability claim review standards to go in effect starting 4/1/2018. How will the new standards impact the disability market? Select **ALL** that apply:

a. Drive up benefit costs
b. Increase litigation
c. Deny access to disability coverage
d. No adverse impact to any of these considerations
e. Not applicable / I don’t know
The Department of Labor allowed the new group disability claim review standards to go in effect starting 4/1/2018. How will the new standards impact the disability market? Select ALL that apply:

- Drive up benefit costs: 41%
- Increase litigation: 50%
- Deny access to disability coverage: 9%
- No adverse impact to any of these considerations: 9%
- Not applicable: 27%
- I don’t know: 0%
Question 19

What types of claim management practices are you using in managing LTD claims? Select ALL that apply:

a. Diagnosis / durational assessment
b. Contact claimant to verify daily activities / limitations
c. Surveillance
d. Background / activity checks
e. MD / Nurse coordination with attending physician to discuss treatment
f. Rehabilitation consultant
g. Other
h. I don’t know
Question 19 Results

What types of claim management practices are you using in managing LTD claims? Select ALL that apply:

- Diagnosis durational assessment: 78%
- Contact claimant to verify daily activities limitations: 72%
- Surveillance: 61%
- Background activity checks: 50%
- MD Nurse coordination with attending physician to discuss treatment: 78%
- Rehabilitation consultant: 72%
- Other: 11%
- I don’t know: 17%
Question 20

How frequent is the use of these claim management practices? Select one:

a. 0-25%
b. 26-50%
c. 51-75%
d. Over 75%
e. I don’t know
Question 20 Results

How frequent is the use of these claim management practices?
Select one:

- 0-25%
- 26-50%
- 51-75%
- Over 75%
- I don’t know

55% 20% 10% 5%
Question 21

What types of early intervention practices are you using in managing LTD claims? Select **ALL** that apply:

- a. Employee Assistance Program as part of LTD coverage
- b. Ergonomic assessment of workplace
- c. IME / Functional Capacity Evaluation
- d. Integrate with STD claim management
- e. Other
- f. I don’t know
What types of early intervention practices are you using in managing LTD claims? Select ALL that apply:

- Employee Assistance Program as part of LTD coverage: 56%
- Ergonomic assessment of workplace: 38%
- IME Functional Capacity Evaluation: 50%
- Integrate with STD claim management: 63%
- Other: 0%
- I don’t know: 31%
Question 22

How frequent is the use of these early intervention practices? Select one:

a. 0-25%
b. 26-50%
c. 51-75%
d. Over 75%
e. I don’t know
Question 22 Results

How frequent is the use of these early intervention practices?

Select one:

- 0-25%
- 26-50%
- 51-75%
- Over 75%
- I don’t know
Roundtable Discussion Time
Premium Waiver
Question 23

How would you describe the trend towards coordinating the definitions of disability on Group Life waiver of premium and LTD plans? Select one:

a. There has been no material change in the last 2-3 years
b. There has been a trend towards making the definitions the same
c. There has been a trend away from making the definitions the same
d. I don't know
How would you describe the trend towards coordinating the definitions of disability on Group Life waiver of premium and LTD plans? Select one:

- There has been no material change in the last 2-3 years 29%
- There has been a trend towards making the definitions the same 38%
- There has been a trend away from making the definitions the same 0%
- I don't know 33%
Question 24

Does your company coordinate the claims adjudication in situations where a claimant has both Life (with waiver of premium) and LTD coverages? Select one:

a. No, there is not any claim coordination
b. Yes, but only if the definitions of disability are the same
c. Yes, there is always some degree of coordination
d. We don’t administer both Life and LTD claims
e. I don't know
Question 24 Results

Does your company coordinate the claims adjudication in situations where a claimant has both Life (with waiver of premium) and LTD coverages? Select one:

- No, there is not any claim coordination
- Yes, but only if the definitions of disability are the same
- Yes, there is always some degree of coordination
- We don’t administer both Life and LTD claims
- I don't know
Question 25

Which of the following is true when calculating a **manual** rate for a Group Life plan with a waiver of premium provision that is cross-sold with an LTD plan? Select **one:**

a. A rate discount is applied to the Group Life manual rate  
b. A rate load is applied to the Group Life manual rate  
c. No rating adjustment is applied  
d. Not applicable  
e. I don’t know
Which of the following is true when calculating a manual rate for a Group Life plan with a waiver of premium provision that is cross-sold with an LTD plan? Select one:

- A rate discount is applied to the Group Life manual rate
- A rate load is applied to the Group Life manual rate
- No rating adjustment is applied
- Not applicable
- I don’t know

Question 25 Results

Which of the following is true when calculating a manual rate for a Group Life plan with a waiver of premium provision that is cross-sold with an LTD plan? Select one:
Question 26

Which of the following is true when calculating an experience rate for a Group Life plan with a waiver of premium provision that is (or will be) cross-sold with an LTD plan? Select one:

a. No rating adjustment is applied
b. We adjust to reflect any changes in the level of claim integration
c. Not applicable
d. I don’t know
Question 26 Results

Which of the following is true when calculating an experience rate for a Group Life plan with a waiver of premium provision that is (or will be) cross-sold with an LTD plan? Select one:

- No rating adjustment is applied
- We adjust to reflect any changes in the level of claim integration
- Not applicable
- I don’t know
Roundtable Discussion Time
Retiree Risk
Retiree Pricing Considerations

- There can be unique considerations for retiree risks
  - Open vs closed retiree groups
  - Retired vs disabled (particularly with early retirees)
  - Post-retirement “mortality spike”
  - Mortality rate slopes are generally steeper at retirement ages
  - Consider impact of age reduction schedules (or lack thereof!)
  - Shifts between active & retiree populations impact the aging dynamics

- Examples of shifting “cohort dynamics” on open retiree groups
  - Group-specific changing rates of retirement (e.g. early, delayed, “wave”)
  - Broader (societal) changes in average age at retirement
  - Plan design tightening or liberalization (esp. w/grandfathering)
Question 27

Does your retiree life risk assessment process account for any of the following dynamics? Select **ALL** that apply:

a. Higher relative costs for early / younger retirees
b. Higher aging impact for open retiree groups (vs actives)
c. Higher aging impact for closed retiree groups (vs open groups)
d. Elapsed time since retirement (when available)
Question 27 Results

Does your retiree life risk assessment process account for any of the following dynamics? Select ALL that apply:

- Higher relative costs for early younger retirees: 43%
- Higher aging impact for open retiree groups (vs actives): 29%
- Higher aging impact for closed retiree groups (vs open groups): 86%
- Elapsed time since retirement (when available): 0%
Question 28

Which of the following considerations would factor into your evaluation of the potential aging impact for an open retiree group? Select ALL that apply:

a. Past or proposed changes in retiree plan design
b. Age reduction schedules
c. Actual and/or expected changes in average retirement age
d. Turnover or layoff expectations within the active employee population
e. Age of the plan (i.e. inception date of the retiree plan)
Which of the following considerations would factor into your evaluation of the potential aging impact for an open retiree group? Select ALL that apply:

- Past or proposed changes in retiree plan design (73%)
- Age reduction schedules (91%)
- Actual andor expected changes in average retirement age (36%)
- Turnover or layoff expectations within the active employee population (45%)
- Age of the plan (i.e. inception date of the retiree plan) (27%)
Question 29

Which of the following best describes how you would evaluate the potential aging impact for a closed retiree group? Select one:

a. We do not adjust for aging
b. We use a high-level generalized assumption
c. We model the expected case-specific impact
d. We don’t quote closed retiree groups
e. I don’t know
Which of the following best describes how you would evaluate the potential aging impact for a closed retiree group? Select one:

- We do not adjust for aging
- We use a high-level generalized assumption
- We model the expected case-specific impact
- We don’t quote closed retiree groups
- I don’t know
Roundtable Discussion Time
Societal Trends
Question 30

The general population has seen a well-documented societal impact due to the so called "opioid crisis". Have you noticed a deterioration in Group Insurance claim experience as a result of this? Select ALL that apply:

a. No noticeable impact on either Life or Disability
b. Small impact on Life
c. Small impact on Disability
d. Large impact on Life
e. Large impact on Disability
f. I do not know
The general population has seen a well-documented societal impact due to the so called "opioid crisis". Have you noticed a deterioration in Group Insurance claim experience as a result of this? Select ALL that apply:

- 46% No noticeable impact on either Life or Disability
- 29% Small impact on Life
- 4% Small impact on Disability
- 0% Large impact on Life
- 0% Large impact on Disability
- 25% I do not know
The legalization of certain drugs, including marijuana, could have an impact on group insurance experience. Which best describes your view of the impact of this trend? Select **ALL** that apply:

a. No noticeable impact on either Life or Disability  
b. Positive impact on Life  
c. Positive impact on Disability  
d. Negative impact on Life  
e. Negative impact on Disability  
f. I do not know
The legalization of certain drugs, including marijuana, could have an impact on group insurance experience. Which best describes your view of the impact of this trend? Select ALL that apply:
Question 32

Has the emergence of the “Gig Economy” (e.g. temporary, flexible work arrangements like Uber and TaskRabbit) changed your views on how insurers should approach the market for Group Insurance? Select one:

a. Yes
b. No
c. I don’t know
Question 32 Results

Has the emergence of the “Gig Economy” (e.g. temporary, flexible work arrangements like Uber and TaskRabbit) changed your views on how insurers should approach the market for Group Insurance?

Select one:

- Yes
- No
- I don’t know
Roundtable Discussion Time
Experience Trends
Question 33

How has your aggregate Group Term Life experience (excluding AD&D) performed over the last 3 years? Select one:

a. Better than expected
b. Worse than expected
c. Within a reasonable range of expected
d. Not applicable or I don’t know
How has your aggregate Group Term Life experience (excluding AD&D) performed over the last 3 years? Select one:

- Better than expected
- Worse than expected
- Within a reasonable range of expected
- Not applicable or I don’t know

- 0% Better than expected
- 32% Worse than expected
- 47% Within a reasonable range of expected
- 21% Not applicable or I don’t know
Question 34

How has your aggregate Group AD&D experience performed over the last 3 years? Select one:

a. Better than expected
b. Worse than expected
c. Within a reasonable range of expected
d. Not applicable or I don’t know
How has your aggregate Group AD&D experience performed over the last 3 years? Select one:

- Better than expected: 50%
- Worse than expected: 5%
- Within a reasonable range of expected: 28%
- Not applicable or I don’t know: 17%
Question 35

How has your aggregate Group Long-Term Disability experience performed over the last 3 years? Select one:

a. Better than expected
b. Worse than expected
c. Within a reasonable range of expected
d. Not applicable or I do not know
How has your aggregate Group Long-Term Disability experience performed over the last 3 years? Select one:

- Better than expected
- Worse than expected
- Within a reasonable range of expected
- Not applicable or I do not know
Question 36

How has your aggregate Group LTD overall claim termination experience performed over the last 3 years? Select one:

a. Better than expected
b. Worse than expected
c. Within a reasonable range of expected
d. Not applicable or I do not know
Question 36 Results

How has your aggregate Group LTD overall claim termination experience performed over the last 3 years? Select one:

- 34% Better than expected
- 33% Within a reasonable range of expected
- 22% Worse than expected
- 11% Not applicable or I do not know
Question 37

How has your aggregate Group LTD incidence rate experience performed over the last 3 years? Select one:

a. Better than expected
b. Worse than expected
c. Within a reasonable range of expected
d. Not applicable or I do not know
Question 37 Results

How has your aggregate Group LTD incidence rate experience performed over the last 3 years? Select one:

- Better than expected
- Worse than expected
- Within a reasonable range of expected
- Not applicable or I do not know

- 45%
- 22%
- 11%
- 22%
Question 38

How has your aggregate Group LTD SSDI approval rate experience performed over the last 3 years? Select one:

a. Better than expected
b. Worse than expected
c. Within a reasonable range of expected
d. Not applicable or I do not know
Question 38 Results

How has your aggregate Group LTD SSDI approval rate experience performed over the last 3 years? Select one:

- Better than expected
- Worse than expected
- Within a reasonable range of expected
- Not applicable or I do not know

48% Better than expected
47% Within a reasonable range of expected
5% Not applicable or I do not know
0% Worse than expected
Roundtable Discussion Time
General Rating Trends
Question 39

Which of the following industry classifications does your current LIFE or DISABILITY rating process standardly use? Select one:

a. Only SIC codes at this time
b. Both NAICS and SIC codes
c. Only NAICS codes at this time
d. I don't know
Which of the following industry classifications does your current LIFE or DISABILITY rating process standardly use? Select one:

- Only SIC codes at this time
- Both NAICS and SIC codes
- Only NAICS codes at this time
- I don’t know
Question 40

Which best describes your standard process for handling industry and occupational classifications for LIFE? Select one:

a. We vary manual rates by industry only
b. We vary manual rates by occupation only
c. We vary manual rates by both industry and occupation
d. We do not vary manual rates by either industry or occupation
e. I don't know
Which best describes your standard process for handling industry and occupational classifications for LIFE? Select one:

- We vary manual rates by industry only
- We vary manual rates by occupation only
- We vary manual rates by both industry and occupation
- We do not vary manual rates by either industry or occupation
- I don’t know
Question 41

Which best describes your standard process for handling industry and occupational classifications for DISABILITY? Select one:

a. We vary manual rates by industry only
b. We vary manual rates by occupation only
c. We vary manual rates by both industry and occupation
d. We do not vary manual rates by either industry or occupation
e. I don't know
Question 41 Results

Which best describes your standard process for handling industry and occupational classifications for DISABILITY? Select one:

- We vary manual rates by industry only
- We vary manual rates by occupation only
- We vary manual rates by both industry and occupation
- We do not vary manual rates by either industry or occupation
- I don’t know
Question 42

Does your LTD rate manual adjust for future economic outlook? Select one:

a. No  
b. Yes via the industry rating factor  
c. Yes via a separate rating adjustment  
d. Other  
e. I don't know
Question 42 Results

Does your LTD rate manual adjust for future economic outlook?  
Select one:

- 62% No
- 19% Yes via the industry rating factor
- 9% Yes via a separate rating adjustment
- 5% Other
- 5% I don't know
Question 43

Does your Life and/or LTD rate manual allow for underwriting discretion with respect to mortality and/or morbidity? Select one:

a. Life Only
b. Disability Only
c. Life and Disability
d. None of the above
e. I don't know
Question 43 Results

Does your Life and/or LTD rate manual allow for underwriting discretion with respect to mortality and/or morbidity? Select one:

- Life Only
- Disability Only
- Life and Disability
- None of the above
- I don't know
Roundtable Discussion Time
Predictive Modeling
Question 44

Predictive modeling is currently reflected in our rating process for which of the following products? Select one:

a. Life Only
b. Disability Only
c. Life and Disability
d. None of the above
e. I don’t know
Question 44 Results

Predictive modeling is currently reflected in our rating process for which of the following products? Select one:

- Life Only
- Disability Only
- Life and Disability
- None of the above
- I don’t know

Pie chart showing:
- 65% None of the above
- 23% Life and Disability
- 6% Disability Only
- 0% Life Only
- 6% I don’t know
Question 45

Has predictive modeling been “predictive” for pricing purposes? Select one:

a. Life Only
b. Disability Only
c. Life and Disability
d. Inconclusive or too early to tell
e. None of the above
f. I don’t know
Has predictive modeling been “predictive” for pricing purposes?

Select one:

- Life Only
- Disability Only
- Life and Disability
- Inconclusive or too early to tell
- None of the above
- I don’t know
Question 46

Which of the following sources of data have you found to be helpful in predicting future group life mortality experience? Select ALL that apply:

a. Health insurance claim data
b. Prescription drug data
c. Credit ratings
d. Motor vehicle records
e. Individualized health data (lifestyle assessments, wearables, etc)
f. Not applicable
Which of the following sources of data have you found to be helpful in predicting future group life mortality experience? Select ALL that apply:
Question 47

Which of the following sources of data have you found to be helpful in predicting future group disability morbidity experience? Select ALL that apply:

a. Health insurance claim data
b. Prescription drug data
c. Credit ratings
d. Motor vehicle records
e. Individualized health data (lifestyle assessments, wearables, etc)
f. Not applicable
Roundtable Discussion Time
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