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Press Release

Individual disability income (IDI) companies see jump in combined new sales after market shake-up, according to Milliman report

14 IDI market leaders record a combined 2017 premium growth rate of 9.0% through June 30th compared to 1.3% growth rate in 2016

SEATTLE – NOVEMBER 8, 2017 – Milliman, Inc., a premier global consulting and actuarial firm, today released the results of its latest Individual Disability Income (IDI) Market Survey. The report, in its tenth edition, measures sales trends across 14 IDI companies, representing 90% of the market. The survey also covers recent changes in underwriting and products, the range of views that companies have on the current profitability of their business, and the favorable and unfavorable trends that can affect the long-term profitability of the IDI market. New this year, the report also includes a section discussing companies' progress implementing the new 2013 Valuation Table.

Key findings include:

- Combined IDI new premium from the 14 IDI companies increased in 2016 by 1.3%, compared to 5.7% in 2015. Combined IDI new premium year-to-date through June 30, 2017 increased by 9.0% over the prior year.
- New premium from the employer-sponsored multi-life market exceeded 43% of total IDI new premium in 2015 and 2016.
- There is continued stability in the share of new IDI premium from doctors.
- The share of new IDI premium issued using voluntary guaranteed standard issue (GSI) underwriting was 32-34% in 2015 and 2016.

“The decision of a major player to exit the individually-sold IDI market this past year appears to be benefitting other IDI companies in 2017, as they take on a portion of those sales,” says Robert Beal, principal at Milliman and co-author of the report. “We believe this is a short-term impact. In the longer term, overall IDI market growth may be constrained by the loss of one of the larger writers of IDI business.”

The full IDI Market Survey is available at <http://www.milliman.com/IDI-survey/> or by contacting authors Robert Beal at Bob.Beal@milliman.com and Tasha Khan at Tasha.Khan@milliman.com.



About Milliman

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