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FOR IMMEDIATE RELEASE

Press Release

Milliman completes large industry experience study of individual life insurance products

Mortality, lapse, and cause of death study may be largest ever done

Seattle – Jan. 6, 2014– Milliman, Inc., a premier global consulting and actuarial firm, today announced the availability of a new life insurance experience study. This is the second Milliman Industry Mortality Study and Analysis (MIMSA II), a comprehensive mortality, lapse and cause of death study. MIMSA II examines experience from 37 companies over calendar years 2000-2011. The study includes mortality exposure of over \$63 trillion, 2.7 million claims, and 14 million lapses. MIMSA II findings include a higher-than-expected overall mortality improvement. MIMSA II also now has enough credible data to provide mortality rates beyond 100 for females.

Al Klein, a co-author of the study said: “We have good information on many key industry issues, such as post-level premium term lapse and mortality, older age mortality rates and the ‘wearing off’ of preferred risk classes. We believe MIMSA II can help companies evaluate their own experience relative to the industry. The study provides data not available elsewhere.”

MIMSA II covers an in-depth look at mortality, lapse and cause of death data by risk class structure, and some less traditional factors such as distribution channel, premium collection type and premium mode. There is also information on data not traditionally covered in most experience studies, including substandard, term and group conversions, and non-forfeiture options. A pivot table tool is provided to allow for additional analysis of the data.

Nick Boukas, Assistant Vice President Actuarial Management Reporting and Analytics of Lincoln Financial Group, said “I was able to compare Lincoln mortality results against the rest of the industry. The transparency, ease of use, drill-down selection capabilities, and automated features for aggregating information allowed me to quickly generate excel spreadsheet reports and analysis. I found particular value in the automated functionality for selection criteria, especially for aggregating and summarizing different worksheets in a high level report. This really helped me quickly generate mortality reports needed to share with management.”

Bruce Winterhof, Milliman’s Life Practice Director, said: “This is another example of how Milliman strives to meet its clients’ needs. With the upcoming Principles Based Reserves (PBR) and Own Risk and Solvency Assessment (ORSA), the need for companies to understand their experience becomes even more important. We believe the learnings from MIMSA II should assist our clients in this regard and help them better shape their future products.”

For more information or to purchase the study, contact Al Klein at al.klein@milliman.com.



About Milliman

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit www.milliman.com

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