

U.S. Individual Disability Market Survey



Summary Report – 2023 Results

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Participating Companies

- Ameritas Life
- Assurity Life
- Federated Life
- Guardian Life
- Illinois Mutual
- Knights of Columbus
- MassMutual
- MetLife
- Mutual of Omaha
- New York Life
- Northwestern Mutual
- Principal Financial Group
- RiverSource Life
- The Standard
- State Farm
- Thrivent Financial
- Unum

Background

Gen Re is pleased to present the results of our *2023 U.S. Individual Disability Market Survey*. This annual benchmarking survey covers Non-Cancelable (Non-Can), Guaranteed Renewable (GR), Buy-Sell and Guaranteed Standard Issue (GSI) product lines for 2022 and 2023. Seventeen carriers participated in the survey representing \$5.4 billion of inforce premium. Of those companies, 15 reported Non-Can results, 14 provided GR results and six reported on their Buy-Sell product. Eight companies provided GSI results.

Growth calculations for 2022 and 2023 are based upon comparable data for both years for those companies providing the data and include any adjustments made to the 2022 reported data.

Study Highlights

17 companies participated in the 2023 survey

\$5.4 billion in total inforce premium (Non-Can, GR and Buy-Sell) was reported for 2023

Total inforce premium increased by **2%** over 2022 results

Non-Can accounts for **\$4.6 billion or 84%** of the total premium inforce

Total GSI inforce premium (Non-Can and GR) grew by **5%** over 2022 results

Employee-paid accounts for **59%** of the total GSI premium inforce

\$490 million in total new sales premium was reported for 2023

Total GSI new sales premium declined **4%** for participating companies

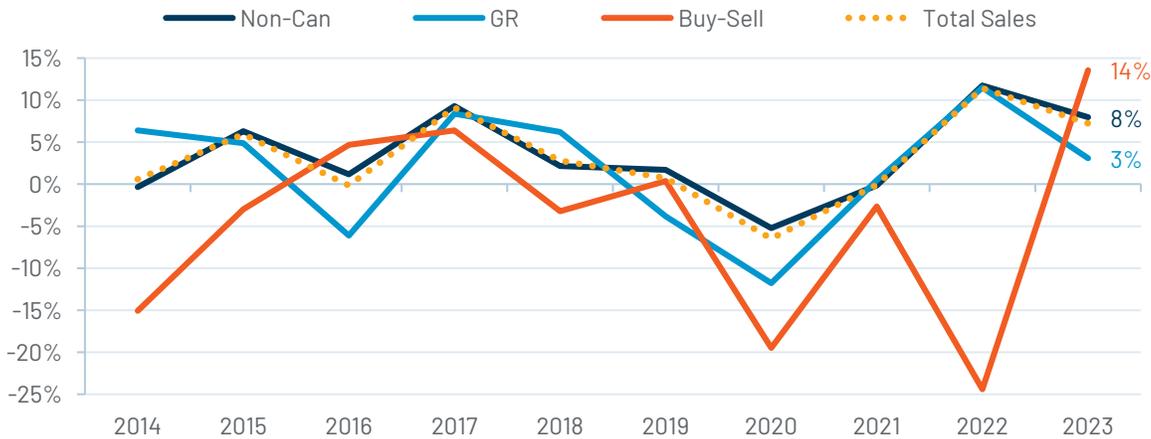
New sales premium for employer-paid and employee-paid GSI fell **3% and 5%**, respectively

Executive Summary

Market Growth – New Business (Non-Can, GR and Buy-Sell)

Total new sales premium from Non-Can, GR and Buy-Sell combined increased to \$490 million (7%) for 2023. Non-Can and GR sales premium grew by 8% and 3%, respectively; lower than the 11% both products experienced in 2022. Buy-Sell sales finished strong with an increase of 14% over 2022.

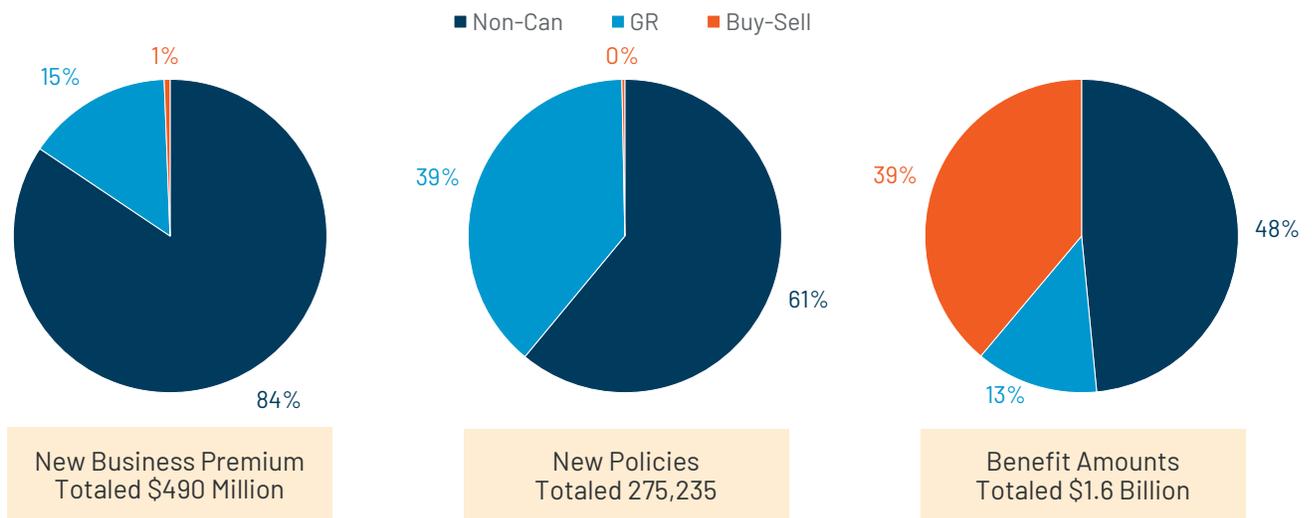
Sales Premium Growth Rates



Of the \$490 million in total new sales premium, Non-Can products represent 84% or \$413.5 million, and GR represents 15% or \$73.7 million. Buy-Sell accounts for less than 1% of the total new sales premium and policies but 39% of total new benefit amounts for 2023.

The total number of new policies issued increased 4% to 275,235, while total benefit amounts increased 9% to \$1.6 billion.

2023 New Business by Product

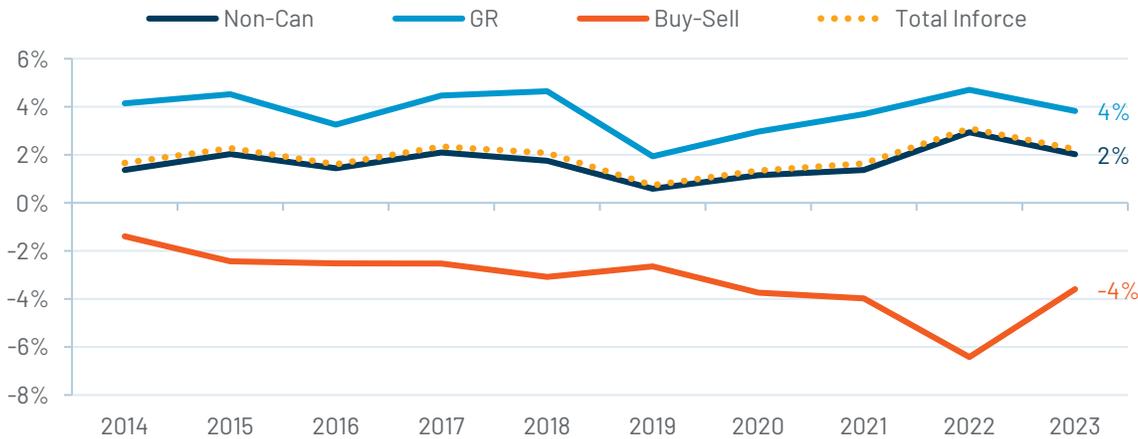


Executive Summary

Market Growth – Inforce Business (Non-Can, GR and Buy-Sell)

Total inforce premium from Non-Can, GR and Buy-Sell combined increased to \$5.4 billion, or 2%, in 2023. Non-Can increased 2% and GR increased 4%, both down about one percentage point compared to 2022. Buy-Sell declined 4% in 2023 compared to -6% in 2022.

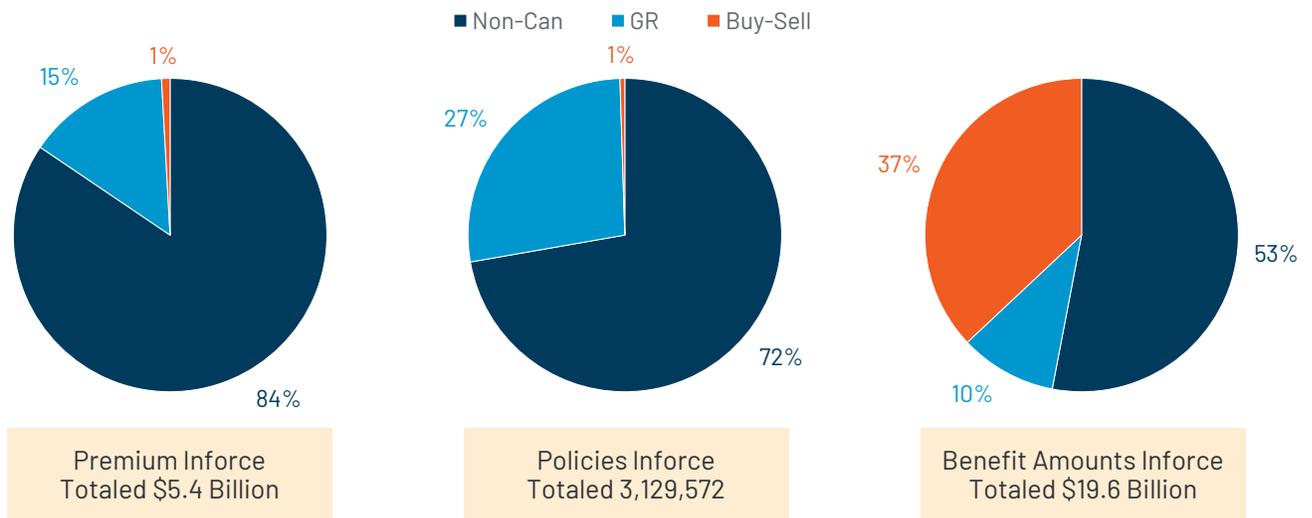
Inforce Premium Growth Rates



Of the \$5.4 billion in total inforce premium, Non-Can products represent 84% or \$4.6 billion, GR represents 15% or \$792.9 million and Buy-Sell accounts for 1% or about \$47.1 million.

The number of inforce policies remained fairly level with 2022 at 3.1 million, while total benefit amounts increased 2% to more than \$19.6 billion.

2023 Inforce Business by Product

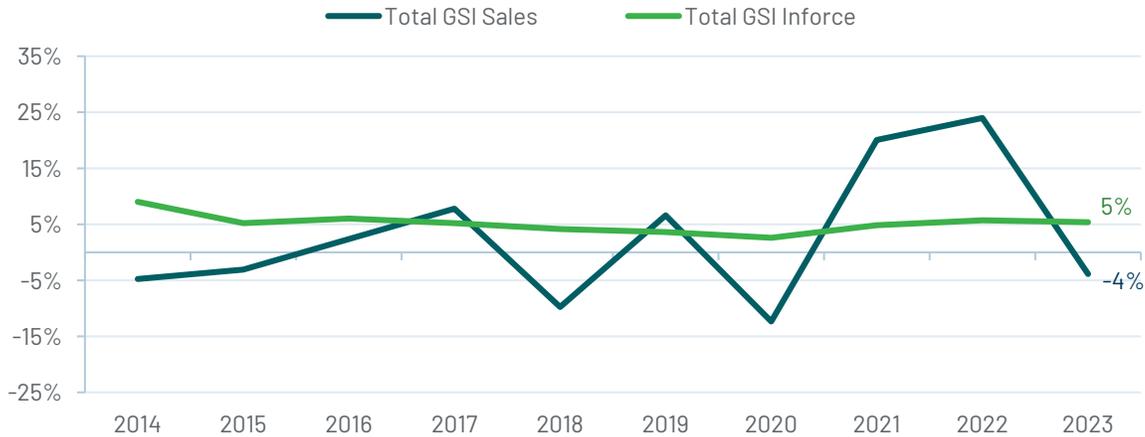


Executive Summary

Market Growth – GSI Business (Non-Can and GR)

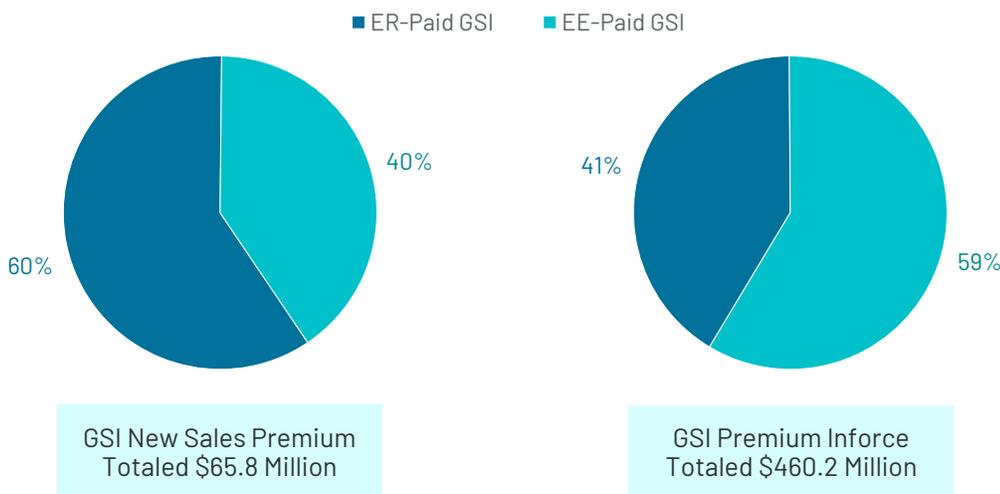
Total GSI new sales premium (Non-Can and GR combined) decreased 4% to \$65.8 million in 2023. Non-Can GSI, which accounts for 98% of the total, fell to \$64.8 million, while GR GSI declined 12% to just over \$1.0 million. Total GSI inforce premium grew 5% to \$460.2 million in 2023.

GSI Premium Growth Rates



Employer-paid business accounts for \$39.2 million or 60% of the total GSI new sales premium and employee-paid accounts for \$26.6 million. Of the total GSI premium inforce, employer-paid accounts for \$190.0 million and employee-paid accounts for \$270.2 million or 59%.

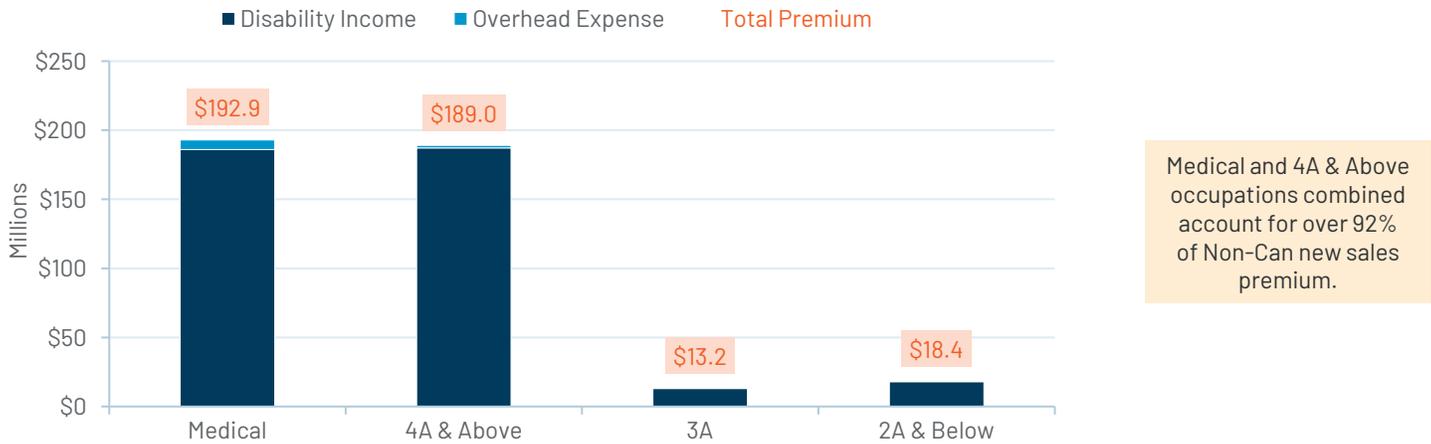
Percentage of GSI Business by Payer, 2023



Non-Can New Business

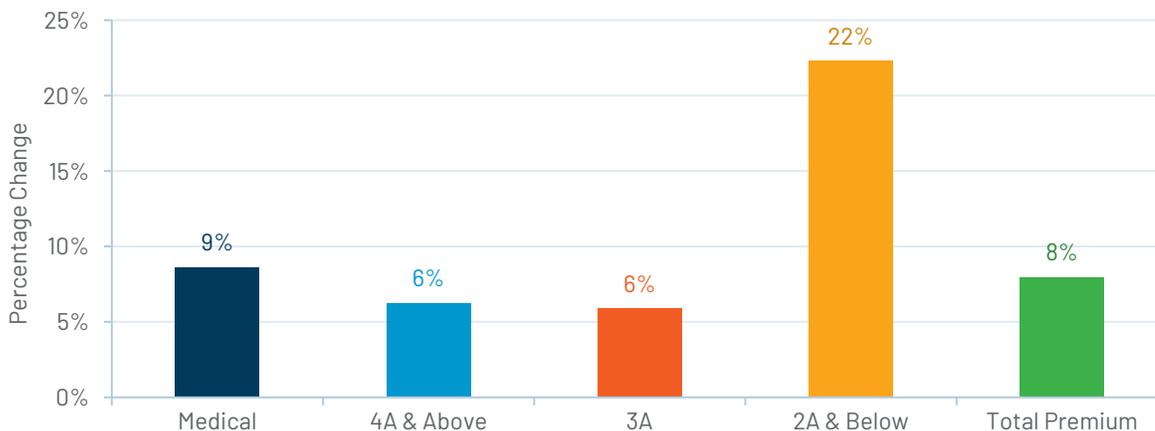
Participating companies reported \$413.5 million of Non-Can new sales premium. Disability Income (DI) represents more than \$404.1 million or 98% and Overhead Expense (OE) accounts for almost \$9.4 million.

Non-Can New Sales Premium by Policy Type and Occupational Class



Overall, Non-Can new sales premium increased 8%. On a combined basis, new sales premium from Medical and 4A & Above occupations grew by 7% over 2022. New sales premium from 3A and 2A & Below occupations increased 6% and 22%, respectively.

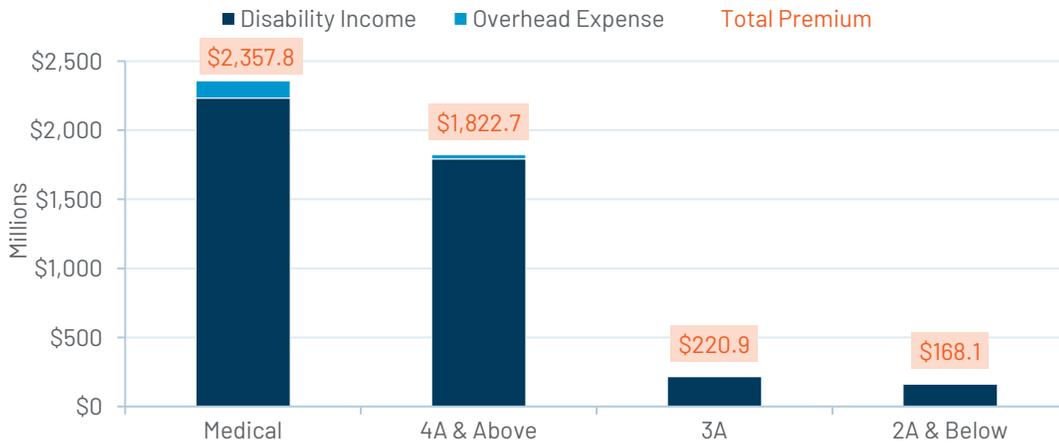
Percentage Change in Non-Can New Sales Premium by Occupational Class



Non-Can Inforce Business

Participants reported nearly \$4.6 billion of Non-Can inforce premium. DI represents \$4.4 billion or 96% and OE accounts for \$164.1 million.

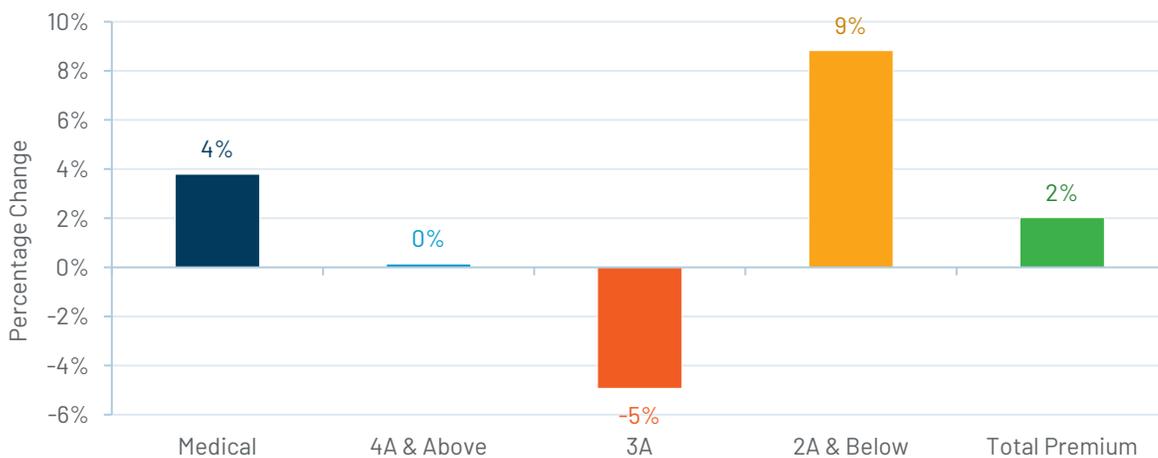
Non-Can Inforce Premium by Policy Type and Occupational Class



Combined, DI and OE premium from Medical occupations reached more than \$2.3 billion; accounting for 52% of the total Non-Can premium inforce.

Overall, Non-Can inforce premium increased 2%. The 3A occupational class was the only category to decline.

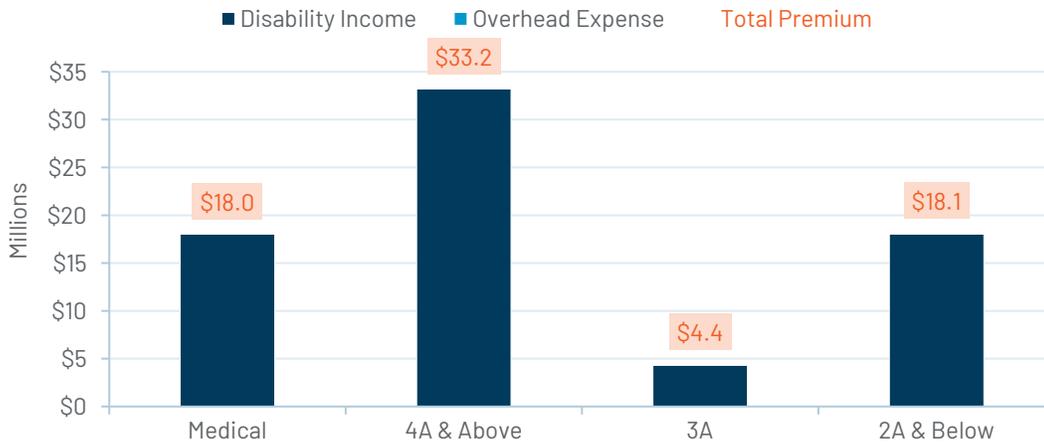
Percentage Change in Non-Can Inforce Premium by Occupational Class



GR New Business

Participants reported \$73.7 million of Guaranteed Renewable new sales premium for 2023; DI accounts for \$73.6 million and OE accounts for less than \$133,000.

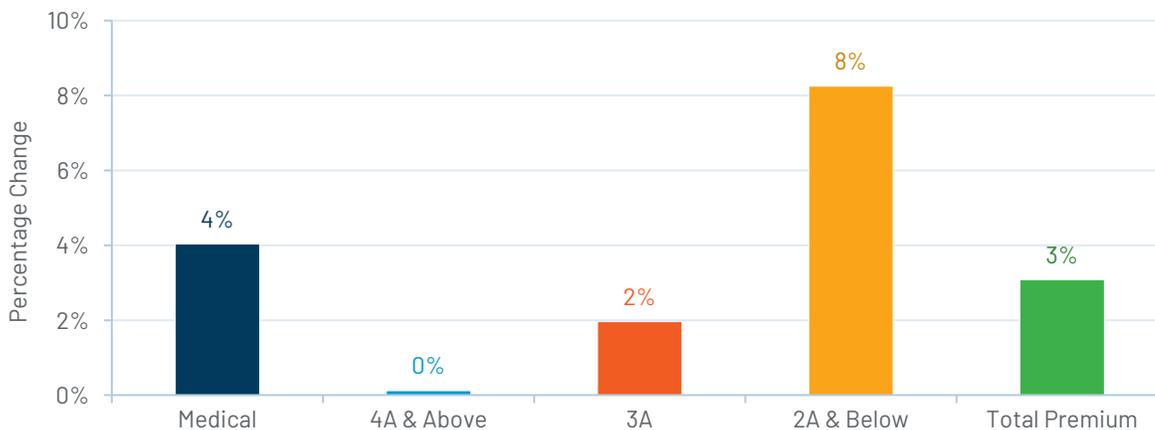
GR New Sales Premium by Policy Type and Occupational Class



At \$33.2 million, 4A & Above occupations represent 45% of the total GR new sales premium for 2023.

Overall, GR new sales premium increased 3% in 2023. The 2A & Below occupations showed the largest increase, while premium from the 4A & Above occupations remained level with 2022 results.

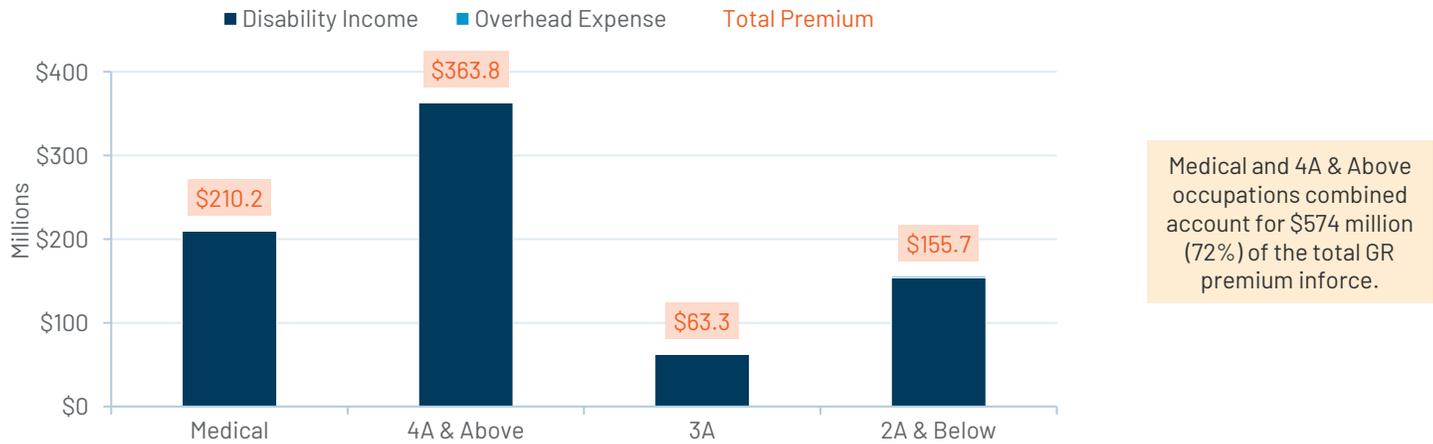
Percentage Change in GR New Sales Premium by Occupational Class



GR Inforce Business

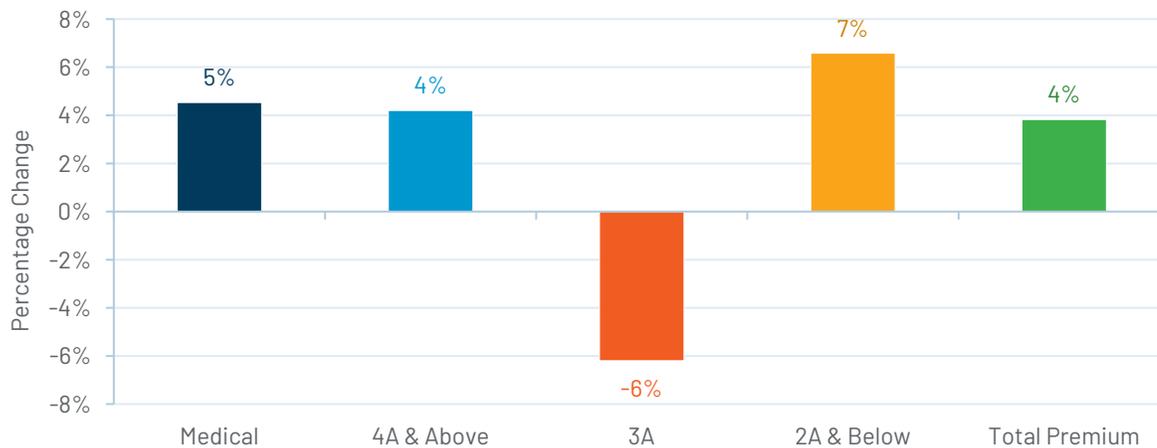
Participants reported \$792.9 million of GR inforce premium, up 4% over 2022. Disability Income accounts for \$789.0 million or 99%, compared to Overhead Expense premium totaling less than \$4 million.

GR Inforce Premium by Policy Type and Occupational Class



Overall, GR inforce premium increased 4%. Similar to Non-Can inforce results, the 3A occupational class was the only category to decline.

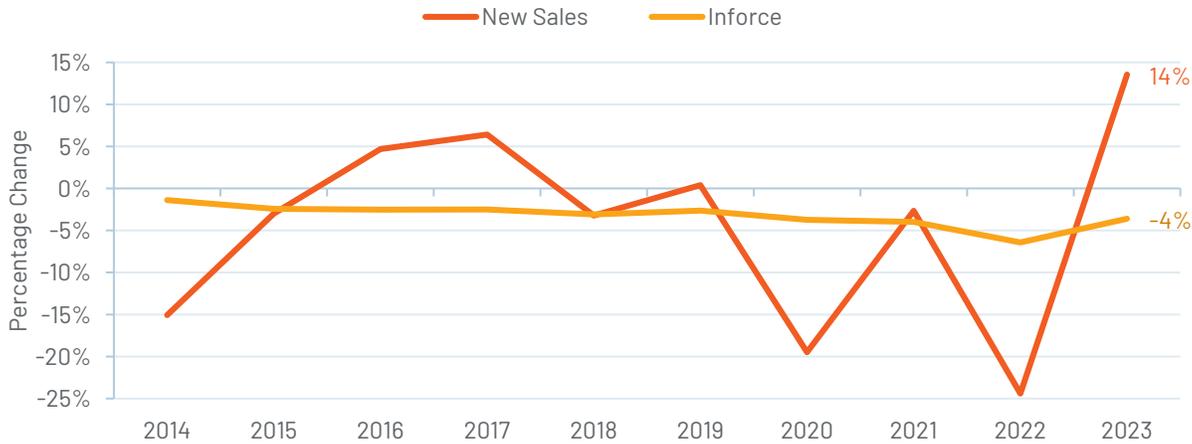
Percentage Change in GR Inforce Premium by Occupational Class



Buy-Sell New Sales and Inforce Business

Six companies reported nearly \$2.8 million in Buy-Sell new sales premium in 2023, an increase of 14% over 2022. Buy-Sell inforce premium declined 4% to \$47.1 million, marking a 15-year trend of negative results.

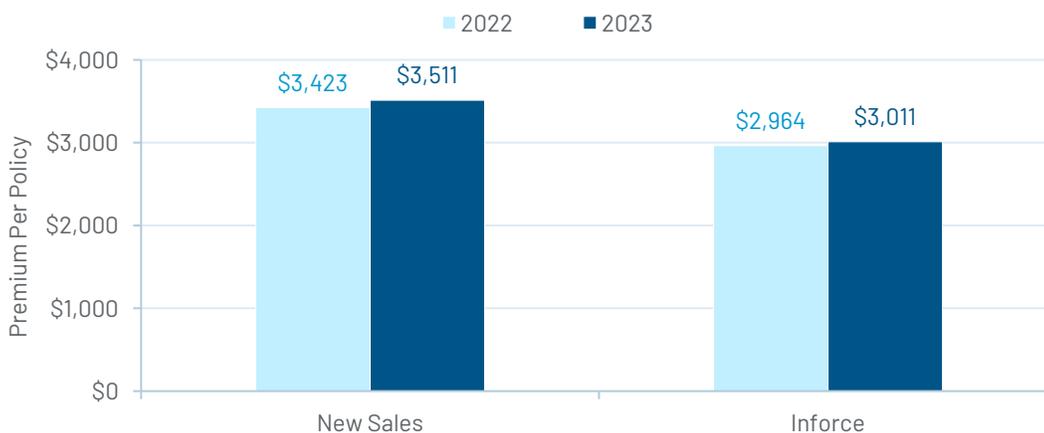
Buy-Sell Premium Growth Rates



The number of new Buy-Sell policies issued rose 11% to 787 in 2023. Buy-Sell policies inforce totaled 15,644, declining 5%.

Buy-Sell premium per policy for new sales and inforce increased 3% and 2%, respectively.

Buy-Sell Premium Per Policy



About Gen Re

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