

# Group Insurance Board 2024 ICI Program Annual Report



**We work to earn your trust every day**

Showing up for people isn't just what we do. It's who we are – for over 200 years. And while it looks different every day, we do more to innovate for our customers, our communities and our employees. Because you put your trust in us.

## Our New Brand

The Hartford embraces an ambitious growth-and innovation strategy centered on our **customers** and their changing needs, our brand must evolve with the business.

On February 6, 2025, we unveiled our refreshed brand identity, featuring a bold, **contemporary** look for our iconic stag logo that honors the company's rich history while demonstrating our modern, visionary spirit.

The stag remains the centerpiece of our brand, symbolizing strength, **confidence** and **resilience**. This modern representation showcases the stag looking over his herd and gazing confidently into the future.

## We Help People Prevail

Employees are the most important part of a business. For more than 70 years, our employee benefits programs have helped protect the incomes of millions of U.S. workers at the moments that matter.

As a company that serves 1 in 8 working Americans<sup>1</sup> through our group insurance products and services we know with the **right team**, **technology** and **support** people will prevail. This belief is Our Ability Philosophy. Returning people to active, productive lives is our passion, because the world is stronger when everyone is included.

## Simplified Employee Benefits

As an industry leader in employee benefits, we're committed to changing the narrative that insurance must be complex.

We believe that the benefits companies carefully select for their employees should be easy to understand. By removing barriers to benefits education, we help protect the lives and livelihoods of today's diverse, multigenerational workforce.

## We look forward to continuing our partnership in 2025 and beyond.

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<sup>1</sup> Calculation based on The Hartford's internal Group Benefits data as of 12/31/2024 and Bureau of Labor Statistics data as of October 2024

## Introduction

The purpose of The Hartford's annual Income Continuation Insurance (ICI) program report to the Group Insurance Board is to share disability program results, observations, and trends for the year 2024. The Hartford will review customer service metrics and statistics for the ICI program. This report will review the claim counts, claim statuses, claim demographics, and diagnostic categories.

For the purposes of the annual report, ICI is broken out by State and Local ICI plans and then separated by Short-Term Disability (STD) and Long-Term Disability (LTD).

## Executive Summary

Employee Trust Funds (ETF) and Hartford's partnership continues in 2025. ETF's long-standing relationship with the Hartford team and the tenured Hartford operations team results in another year of outstanding customer service.

The Hartford continues to invest in improved systems which allow for better use of resources and improved customer service. We have re-engineered our claim experience through continued investments in our claim platform and digital capabilities and by aligning our experienced support team to critical moments of the claimant's journey.

The Hartford partnered with ETF on the following initiatives in 2024:

- phasing out WRS supplemental coverage;
- final testing for the integration with Benefitfocus; and,
- plan design updates re: maximum benefit duration and benefit age.

## 2024 Performance Measures

ETF measures The Hartford's performance by:

1. Phone statistics
2. Evidence of insurability (EOI) processing
3. Claim decision turnaround time
4. Phone surveys
5. Financial and Coding Accuracy
6. Over/underpayment Processing
7. Reconsideration Processing

## Phone Statistics

Hartford's phone performance standards are the following:

1. Average time in queue of 30 seconds or less
2. Abandonment rate of 3% or less

The Hartford met both the abandonment rate and average queue time metrics every quarter in 2024. The 2024 quarterly and annual call metrics are shown in the table below:

Call Metrics					
2024	Total Calls Received	Service Level	Average Seconds Answered	Call Abandonment Rate	Abandoned Calls
Q1	797	94%	12.2	0.6%	4
Q2	821	92%	25.6	1.2%	10
Q3	737	96%	16.9	0.9%	7
Q4	706	96%	9.7	0.12%	1
<b>Total YTD</b>	<b>3,061</b>	<b>95%</b>	<b>16.1</b>	<b>0.7%</b>	<b>22</b>

The table below shows the telephone performance standards for the past 5 years. We increased staffing in our Customer Care Center going into 2024 which enabled us to meet the 2024 performance guarantees.

Telephone Performance Standards				
Year	Total Calls Received	Average Time in Queue ≤30 seconds	Total Answered in 60 seconds	Abandonment Rate
2024	3,061	16.1		0.7%
2023	2,498	25.2		1.4%
2022 <sup>2</sup>	1,649	5.4		0.2%
2021	2,321		92.3%	0.23%
2020	3,009		95.0%	0.08%
2019	5,269		98.0%	0.7%

### Evidence of Insurability (EOI)

Evidence of Insurability is the process by which The Hartford determines if an employee is healthy enough to be considered eligible for coverage. Employees who did not elect ICI coverage when first hired or at the time of a deferred enrollment opportunity must go through EOI to obtain coverage. Documentation of good health is required to be approved for ICI coverage.

The Hartford's performance standard for EOI processing is to send a determination notice to the EOI applicant within 15 days of Hartford receiving all information required to render a decision. The Hartford met this performance standard in 2024 with no exceptions.

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<sup>2</sup> In 2022 the performance standard for answer time moved from total answered in 60 seconds to average time in queue of 30 seconds or less.

In 2024, The Hartford processed 219 EOI applications for ETF members. A summary by plan is shown in the table below:

Summary by Plan		
	State	Local
Received	204	15
Approved	146	9
Denied	58	6

Annual Total	
Received	219
Approved	155
Denied	64

### Claim Decision Turnaround Time

The Hartford's performance standard for Claim Decision Turnaround Time is 93% of the STD claims will be approved/denied within five (5) business days of receiving complete information. This is based on all claims received for the ETF plan. In 2024 The Hartford met this turnaround time without exception.

### Customer Phone Surveys

The Hartford offers all claimants a disability loyalty satisfaction survey at the end of their claim experience with Hartford. The survey asks a series of questions about their claim experience and the claimant rates Hartford's service level from 1 (lowest) to 10 (highest.)

The Hartford's performance standard for claimant satisfaction is an overall annualized rating of satisfied which is defined as an aggregate score of 7.5 or above out of 10 based on the claimant satisfaction surveys complied by WRS claimants.

- For STD ICI, Hartford's average score for 2024 was **9.0** out of 10.
- For LTD ICI, Hartford's average score for 2024 was **9.1** out of 10.

The Hartford prides itself in being an extension of the ETF team. The disability loyalty survey results reflect the high-quality service we provide to ETF claimants. The survey allows for claimants to provide comments.

Below is a sampling of verbatim survey comments from WRS claimants:

*"Regina was knowledgeable and helpful. She was able to give the process in advance to put some of my anxiety at ease."*

*"My case worker was **always looking out for me** she did a great job."*

*"Customer service was exceptional. Denise went above and beyond . . ."*

*“This was a stressful time dealing with a difficult diagnosis, doctors, lots of tests, and of course medical bills. When I needed to take off time from work, The Hartford made easy and understandable.”*

*“Denise explained everything to make it understandable and she was very polite. I would recommend this to my family and friends.”*

*“Heather, is so helpful and attentive. When I reach out with questions I get a clear quick response. I feel more like I have a new friend than a case worker.”*

## Financial and Coding Accuracy

The Hartford met its coding and financial accuracy performance standards for ETF. This is measured for both STD and LTD claims. Coding accuracy represents accuracy in claim data entered in The Hartford’s claim processing system. Financial accuracy represents accuracy in total dollars paid.

Benefit	Coding Accuracy		Financial Accuracy	
	Performance Standard	2024 Result	Performance Standard	2024 Result
STD	98%	98.80%	98%	99.60%
LTD	98%	100%	98%	100%

## Over/underpayment Processing

A total of 314 claims in 2024 were impacted with either an underpayment or overpayment. This is up slightly from 309 claims in 2023. All claimants received written notice of an underpayment or overpayment no later than 15 calendar days after receipt of all information.

## Reconsideration Processing

There was one (1) reconsideration request in 2023. This claimant received written notice 29 days after receipt of all information, and the overpayment decision was upheld. (The performance standard is no later than 60 calendar days after receipt of all information.)

## 2024 New Claim Experience

This section of the annual report will focus on *new claims* in 2024. Claims, status of claims, and durations are up to date as of March 19, 2025.

Claims volume has remained relatively steady over the last five years, with an average of 1,381 claims submitted per year. While claims volume has increased compared to 2023, claim volume in 2024 is within expectations.

New Claim Counts by Plan					
	2024	2023	2022	2021	2020
State ICI	1,130	980	1,088	1,238	1,262
Local ICI	264	256	266	214	210
<b>Total</b>	<b>1,394</b>	<b>1,236</b>	<b>1,354</b>	<b>1,452</b>	<b>1,472</b>

### State ICI – Short-Term Disability (STD) & Long-Term Disability (LTD)

When disabled under ICI, the first twelve (12) months are considered STD. During the STD period, disability is defined as:

- The inability by reason of any physical or mental impairment, supported by objective medical evidence, to perform the duties of one's position.

After the first twelve (12) months the claims may transition to LTD. During the LTD period, disability is defined as:

- The claimant's complete inability by reason of any medically determinable physical or mental impairment, as supported by objective medical evidence, to engage in any substantial gainful activity for which the claimant is reasonably qualified with due regard to the claimant's education, training, and experience.

ETF's State ICI plan comprises most of the volume and claim processing in Hartford's administration of the ICI program. State ICI claims accounted for 73.4% of all new ETF claims in 2024. A lookback of 5 years of claims reported the State ICI plan represents 82.5% of the claims volume in the ICI Program.

There was a total of 1,130 new State ICI claims in 2024. A breakdown of new claims by quarter are shown in the table below:

2024 State Quarterly Claim Counts		
	STD ICI	LTD ICI <sup>3</sup>
Q1	263	31
Q2	247	24
Q3	262	25
Q4	251	27
<b>TOTAL</b>	<b>1,023</b>	<b>107</b>

STD claims accounted for 90.5% of new State ICI claims in 2024 remaining very stable compared to 88% of the State's ICI claims being STD claims in 2023. Historically, STD claims account for more than 75% of the State's claims experience.

<sup>3</sup> New LTD ICI claims are transitioned from existing STD ICI claims.

From a claim demographic perspective 77.8% of State STD ICI claims are experienced by females and 22.2% of claims from males. These demographics have remained consistent. In comparison, 80% of State LTD ICI claims are from females and 20% of claims from males.

The table below details the medical conditions that drive work absence for the State STD ICI plan.

- The table is sorted highest to lowest based on the number of claims.
- The table does not include claims with a withdrawn status or those entered in error. There were 80 claims in these categories.
  - Claims withdrawn: 58
  - Entered in error: 22
- The Injury/Poisoning diagnostic category includes injuries due to fractures of the skull, neck, and trunk, upper or lower limb, etc. Poisoning includes wrong substance given or taken in error, complications of surgical or medical care, overdose of substances, etc.
- Ill-defined conditions include abnormal findings on examination of blood, without a diagnosis; abnormal findings on diagnostic imaging, without a diagnosis; general symptoms and signs, with no diagnosis; etc.
- Included in the “Other” category is all other diagnostic categories reporting less than five (5) claims for 2024. The category includes, but it not limited to respiratory, eye/adnexa, and infectious/parasitic.

<b>State STD ICI Claims – Diagnostic Categories and Durations</b>			
<b>Diagnostic Category</b>	<b>Claims</b>	<b>Total Days</b>	<b>Average Duration</b>
Pregnancy	244	11,614	47
Musculoskeletal	213	26,237	123
Injury/poisoning	128	13,034	101
Behavioral health	109	14,581	134
Neoplasms	56	7,529	134
Nervous	37	5,997	162
Genitourinary	36	2,342	65
Circulatory	35	6,286	179
Digestive	29	1,895	67
Ill-defined conditions	19	3,364	177
Endocrine/metabolic	16	921	57
Other	21	2,947	75

The top 5 diagnostic categories in 2024 remain the same top 5 diagnostic categories as in 2023 (and in the same ranking position); based on claim volume: pregnancy, musculoskeletal, injury/poisoning, behavioral health, and neoplasms.

Musculoskeletal disorders continue to drive State STD ICI lost workdays and utilization in 2024. With a total of 26,237 lost days in the musculoskeletal category this category



represents 27% of the total lost days in the State STD ICI plan. Musculoskeletal claims include back pain, osteoarthritis, and other degenerative conditions.

Pregnancy remains the top diagnostic category by claim volume. Pregnancy has been top diagnostic category for the last 5 years. The average duration in 2024 decreased by 6 days when compared to 2023.

<b>Diagnostic Category: Pregnancy</b>		
<b>Claim Year</b>	<b>Claims</b>	<b>Average Duration</b>
2024	244	47
2023	206	53
2022	238	48
2021	238	47
2020	327	49

The number of claims in the musculoskeletal disorders category has increased in 2024, however the average duration continues to decrease. Over the last three years the average duration of a musculoskeletal disorders claim is 131 days.

<b>Diagnostic Category: Musculoskeletal Disorders</b>			
<b>Claim Year</b>	<b>Claims</b>	<b>Total Days</b>	<b>Average Duration</b>
2024	213	26,237	123
2023	170	22,092	130
2022	183	25,968	142

Behavioral health claim volume increased by 11 claims in 2024, and the average duration of a claim has decreased from 165 days in 2023 to 134 days in 2024. Over the last three years the average duration of a behavioral health claim is 145.5 days.

<b>Diagnostic Category: Behavioral Health</b>			
<b>Claim Year</b>	<b>Claims</b>	<b>Total Days</b>	<b>Average Duration</b>
2024	109	14,581	134
2023	91	15,001	165
2022	101	14,230	141

The following table details the medical conditions that drive work absence for the State LTD ICI plan.

- The table is sorted highest to lowest based on total claims in the diagnostic category.
- The table does not include claims with a withdrawn status. There were 17 claims in these categories.
- Ill-defined conditions include symptoms, signs, and abnormal findings without a specific diagnosis, and are categorized specifically addressing ill-defined and unknown causes of mortality. The scope of conditions include but are not limited to abnormal tumor markers; hepatomegaly and splenomegaly not elsewhere classified; somnolence, stupor and coma.

- Included in the “Other” category is all other diagnostic categories reporting less than 5 claims for 2025. Diagnostic categories in this category include, but are not limited to injury/poisoning, endocrine/metabolic, and digestive.

State LTD ICI Claims – Diagnostic Categories and Durations			
Diagnostic Category	Claims	Total Days	Average Duration
Musculoskeletal	22	5,090	231
Behavioral Health	21	6,719	320
Neoplasms	9	2,185	242
Circulatory	8	1,598	199
Nervous	8	1,570	196
Ill-Defined Conditions	6	2,412	402
Other	16	6,052	378

Musculoskeletal disorders continue to drive the State LTD ICI plan in utilizations in 2024. Musculoskeletal disorders and behavioral health are the top diagnostic categories for 2024; and were the top two categories for LTD diagnosis in 2023. Musculoskeletal disorders average duration decreased by 26 days from 2024 to 2023 and behavioral health claims decreased by 26 days in 2024.

### Local ICI – Short-Term Disability (STD) & Long-Term Disability (LTD)

There was a total of 264 new Local ICI claims in 2024. A breakdown of new claims by quarter are shown in the table below:

2024 Local Quarterly Claim Counts		
	STD ICI	LTD ICI <sup>4</sup>
Q1	52	5
Q2	58	2
Q3	79	1
Q4	65	2
<b>TOTAL</b>	<b>254</b>	<b>10</b>

The STD ICI plan accounts for 96% of new Local ICI claims in 2024. From a claim demographic perspective, 70% of Local STD ICI claims are from females and 30% of claims from males. In comparison, 20% of Local LTD ICI claims are from females and 80% of claims from males. This can be attributed to 42% of the STD claims being in the pregnancy category.

The following table details the medical conditions that drive work absence for the Local STD ICI plan.

- The table is sorted highest to lowest based on the total number of claims in a diagnostic category.

<sup>4</sup> New LTD ICI claims are transitioned from existing STD ICI claims.

- The table does not include claims with a withdrawn status or that were entered in error. There were 9 claims withdrawn and 4 claims entered in error.
- The “Other” category includes all diagnostic categories reporting less than 5 claims for 2024.

Local STD ICI Claims – Diagnostic Categories and Durations			
Diagnostic Category	Claims	Total Days	Average Duration
Pregnancy	107	4,953	46
Musculoskeletal	58	7,078	122
Injury/Poisoning	31	3,083	99
Neoplasms	11	1,061	96
Circulatory	8	627	78
Behavioral Health	7	957	136
Genitourinary	5	549	109
Nervous	5	486	97
Other	9	607	67

Musculoskeletal disorders drive the Local STD ICI plan in lost workdays in 2024, as it did in 2023. Pregnancy claims continue to represent the highest number of claims in 2024. The average duration of pregnancy claims decreased by one day in 2024 to 46 days.

The table below details the medical conditions that drive work absence for the Local LTD ICI plan. The table is sorted highest to lowest based on the number of claims in the diagnostic category. The table does not include four claims that were withdrawn.

Local LTD ICI Claims – Diagnostic Categories and Durations			
Diagnostic Category	Claims	Total Days	Average Duration
Musculoskeletal	2	646	323
Injury/Poisoning	2	335	167
Nervous	1	531	531
Neoplasms	1	188	188

Musculoskeletal disorders was the leading diagnostic category in 2023, but in 2024 it is tied with injury/poisoning as the leading diagnostic category. The musculoskeletal diagnostic category includes, but is not limited to, sprains/strains, fractures, mechanical joint disorders, back pain and degenerative disorders.

### Claim Payment Summary

The tables below contain both new and existing claims paid in 2020 through 2024. These are the total number of active claims at the end of each calendar year.

State ICI claims represent 89.4% of the ICI program's claims cost. State LTD ICI claims represent 56% of the cost of all ICI claims combined. The average cost per claim in 2024 for all ICI claims is \$8,412.83.

Year	Total Cost of Claims	Number of Claims
2024	\$20,106,667.15	2,390
2023	\$19,802,463.83	2,410
2022	\$21,218,135.09	2,550
2021	\$20,048,662.95	2,587
2020	\$18,756,655.89	2,644

Total State ICI cost of claims is \$17,970,823.66.

State LTD ICI claims represent 63% of the cost of State ICI claims. The average cost per claim in 2024 for State STD claims has remained stable over that last 4 years.

State ICI: STD			
Year	Total Cost of Claims	Number of Claims	Average Cost per Claim
2024	\$6,666,987.12	1,023	\$6,485.40
2023	\$5,939,074.11	980	\$6,041.78
2022	\$7,120,861.01	1,082	\$6,581.20
2021	\$7,239,791.19	1,129	\$6,412.57
2020	\$6,086,518.97	1,194	\$5,097.59

State ICI: LTD			
Year	Total Cost of Claims	Number of Claims	Average Cost per Claim
2024	\$11,303,836.54	1,001	\$11,292.54
2023	\$11,775,096.24	1,063	\$11,077.23
2022	\$11,569,137.30	1,109	\$10,432.04
2021	\$10,832,122.19	1,142	\$9,485.22
2020	\$11,148,870.90	1,160	\$9,612.00

Total Local ICI cost of claims is \$2,135,843.49.

Local STD ICI claim count has increased slightly, but the average cost per claim has decreased significantly. The number of Local LTD ICI claims has decreased, however the average cost per claim has increased.

Local ICI: STD			
Year	Total Cost of Claims	Number of Claims	Average Cost per Claim
2024	\$1,061,087.74	254	\$2,974.11
2023	\$1,156,864.97	257	\$4,501.52
2022	\$1,424,545.61	261	\$5,458.03
2021	\$1,192,043.55	226	\$5,274.53

2020	\$890,193.80	202	\$4,406.90
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Local ICI: LTD			
Year	Total Cost of Claims	Number of Claims	Average Cost per Claim
2024	\$1,074,755.75	94	\$11,433.57
2023	\$931,428.50	107	\$8,704.94
2022	\$1,103,591.17	98	\$11,261.13
2021	\$784,706.02	90	\$8,718.96
2020	\$631,072.22	88	\$7,171.28

Claim demographics, plan enrollment, salary, and severity of diagnosis greatly impact the total cost of claims and average cost of claim. Age, gender, and other demographic factors influence needs, and certain demographics may be more prone to specific health conditions, affecting overall costs. The severity of a disability directly affects treatment and support costs. More severe disabilities may require more extensive and prolonged medical care and/or rehabilitation.

## Conclusion

### We Listen to Claimants

Survey results from claimants continue to be above the satisfactory range of 7.5 out of 10. WRS claimants rated The Hartford over 9 out 10 for 2024. ★★★★★★★★

We're always listening, developing, testing and delivering. And we always will. Our culture of continuous improvement is driven by survey feedback. Claimants have the opportunity to provide feedback on their experience twice during their claim. We take this feedback seriously. We escalate issues to claim team leaders immediately and will reach out to a claimant within 24 hours.

### Workplace Health & Wellness: Encouraging Healthy Habits

Musculoskeletal disorders continue to be the leading cause of non-pregnancy short term disability. Musculoskeletal disorders represent 23% of the ICI claims in 2024, up slightly from representing 20% of claims in 2023. For comparison, Pregnancy claims represent 27% of the ICI claims in 2024. Musculoskeletal disorders account for a total of 39,051 lost days and have an average of 132 days. These claims represent an opportunity for health and wellness initiatives.

Building a healthy workplace may lead to increased productivity, reduced absenteeism, and health-spend savings for employees and employers. Adopting heart healthy habits in the workplace is one-way employers can invest in employee wellness.

- Provide Healthy Workplace Snacks & Food Options  
Evaluate any food the company provides, including on-site cafeteria, vending machines, break room snacks, or catered lunches and events
- Promote Exercise Inside and Outside of Work

While large companies may be able to find space for an on-site gym, smaller organizations can consider offering discounted memberships at local gyms, or start simple with a workplace fitness group or healthy competition

- **Give Employees Resources to Reduce Stress**

Workplace classes such as meditation or yoga provide an option that employees may not otherwise try on their own; on-site massages can help reduce stress as well as improve muscle aches that may result from prolonged standing, sitting, or over-exertion; free or reduced-cost counseling to help manage work and personal stress

A thoughtful business approach is needed to provide competitive, caring benefits while exercising fiscal prudence, demonstrating value, and achieving desired results. We encourage leveraging your partners at The Hartford for support and insight. We also welcome your feedback on how and where we can support your claimants.

The Hartford also provides absence management support in various ways. If you are not receiving or cannot locate the following, please contact your client relationship manager,

- **The Hartford's Employee Benefits Featured Insights**  
Real-time and relevant, these quick reads guide employers through various topics such as managing leave, supporting employees in need, and handling back-to-work concerns after COVID-19
- **The Hartford's Future of Benefits Study**  
Delivers new insights into employee benefit trends and the evolving needs of the U.S. workforce, helping companies design supportive and inclusive benefit programs
- **The Hartford's The Line on Leave Podcast**  
Listen in to stay current on emerging trends in the Absence Management landscape

## **Thank you**

Thank you for your continued trust and partnership. Your support and collaboration are instrumental in our continued success with the program and the members.

Thank you for your confidence in our team.