

2015 Annual Disability Statistics

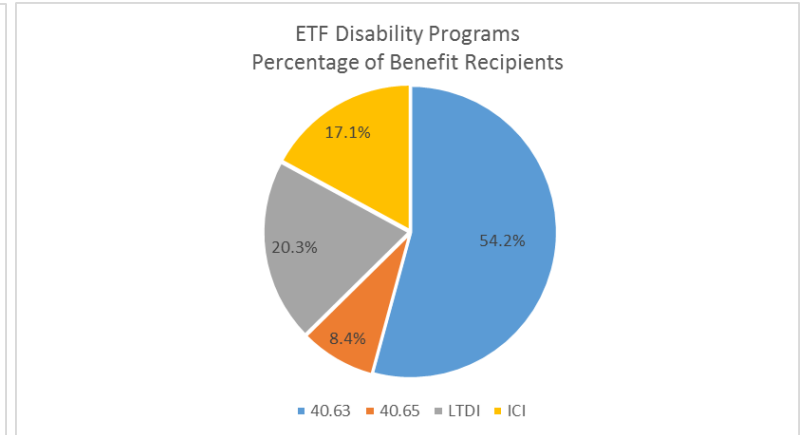
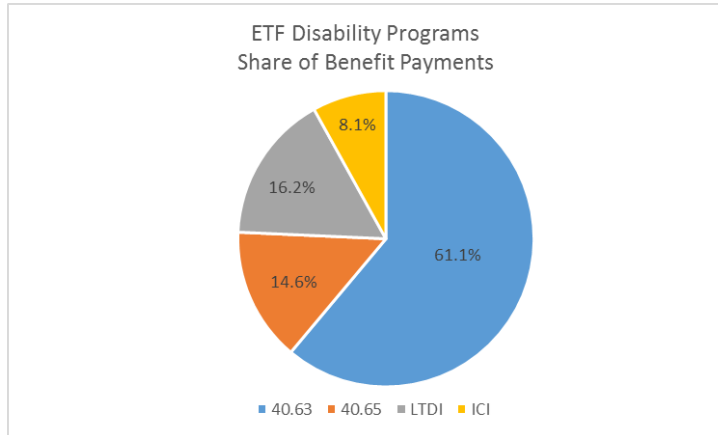
Joint Meeting of the Employee Trust Funds,
Teachers Retirement, and
Wisconsin Retirement Boards

Deb Roemer, Director
Benefit Services Bureau

March 24, 2016

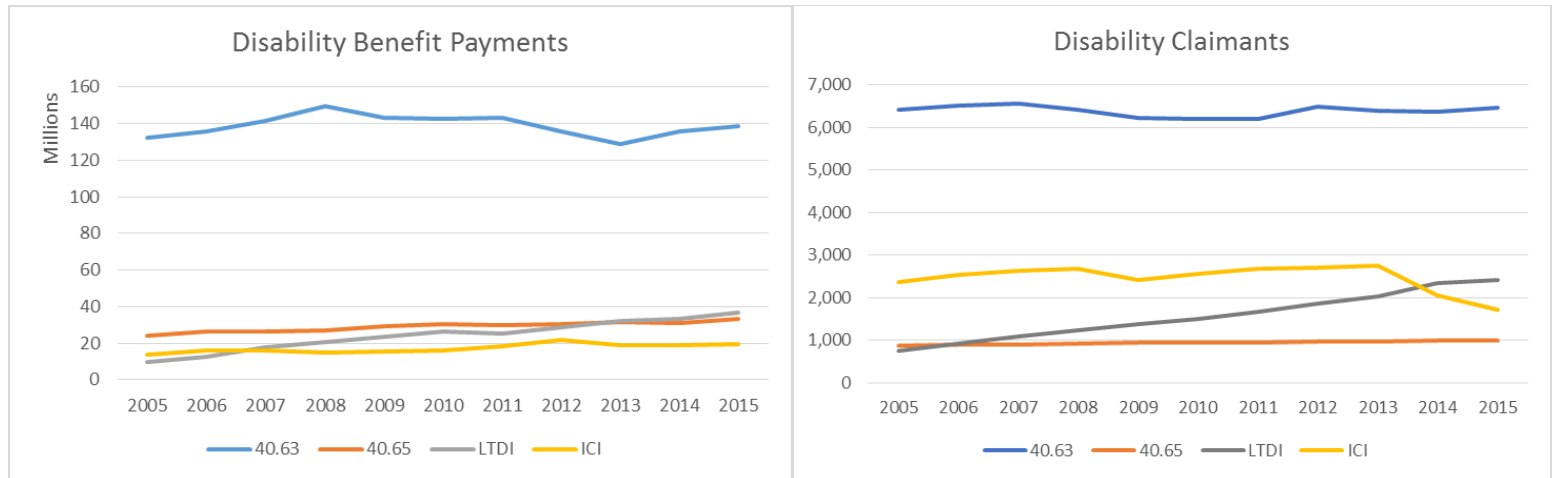


ETF Disability Programs



- Four disability programs
 - Disability Annuities, Duty Disability, Long-Term Disability Insurance, Income Continuation Insurance
 - \$226.7 million in annual benefit payments
 - 11,895 separate claims
- Disability Annuity program constitutes more than half of all benefit payments and claims.

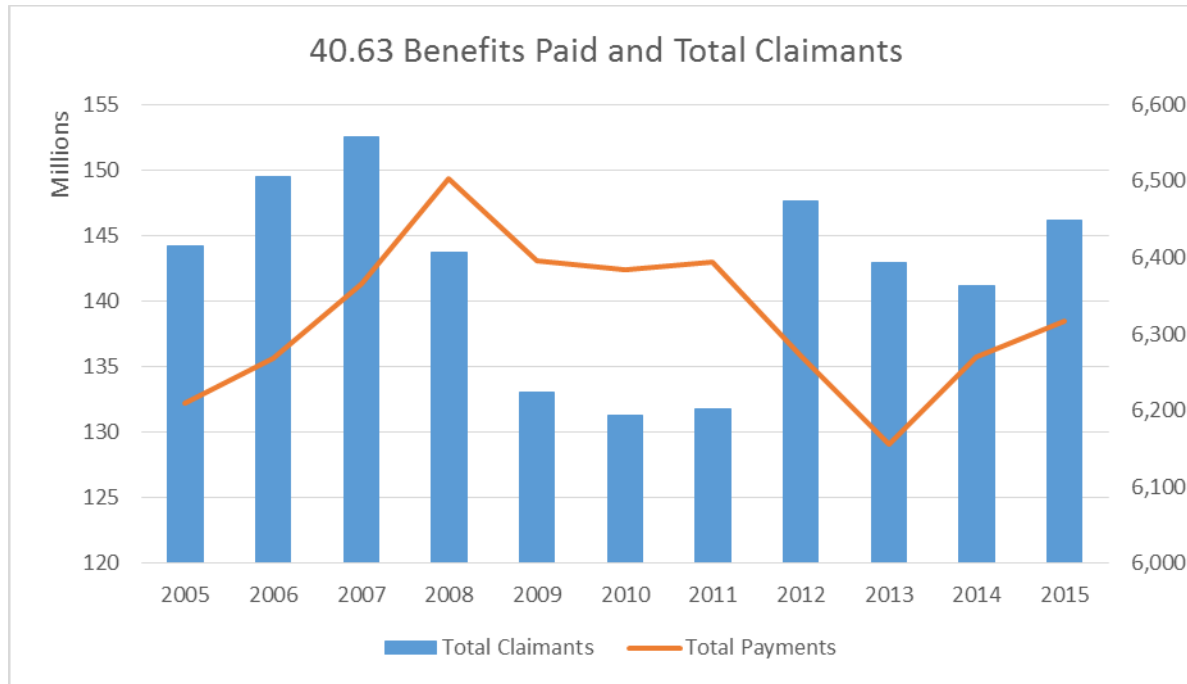
ETF Disability Programs



- 40.63 benefit payments and annuitants account for more than other 3 programs combined
- 40.63 is the only program with declines in payments and annuitants. All other programs showing growth



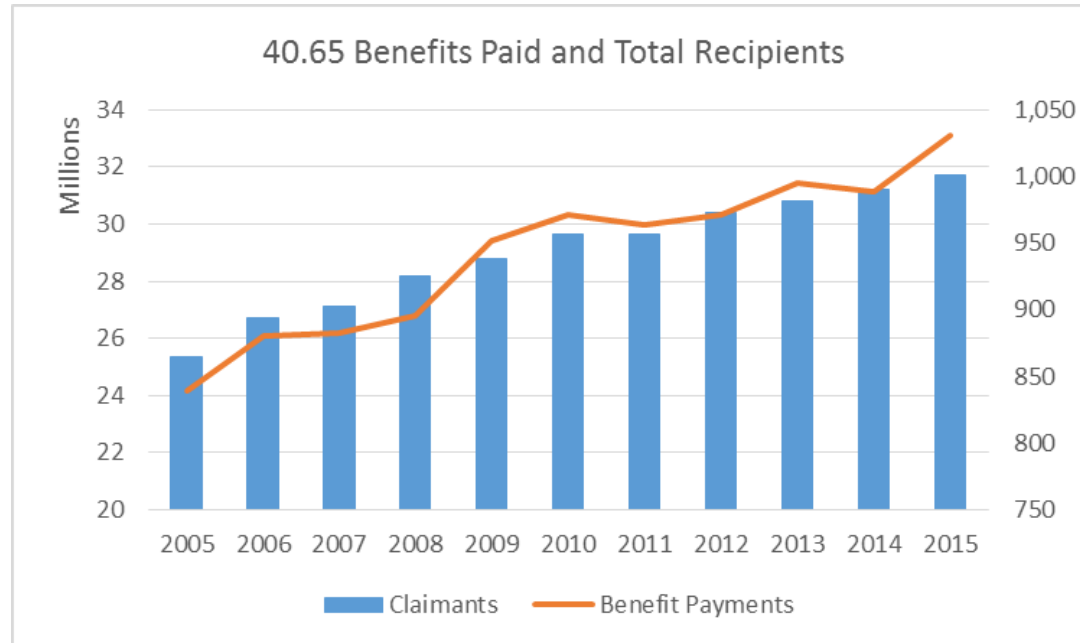
40.63 Disability Annuities



- Recent rise in benefit payments, though still less than 2008-2011 period
- Reflective of resumption of increases in annual core fund dividend and recent increases in number of claimants

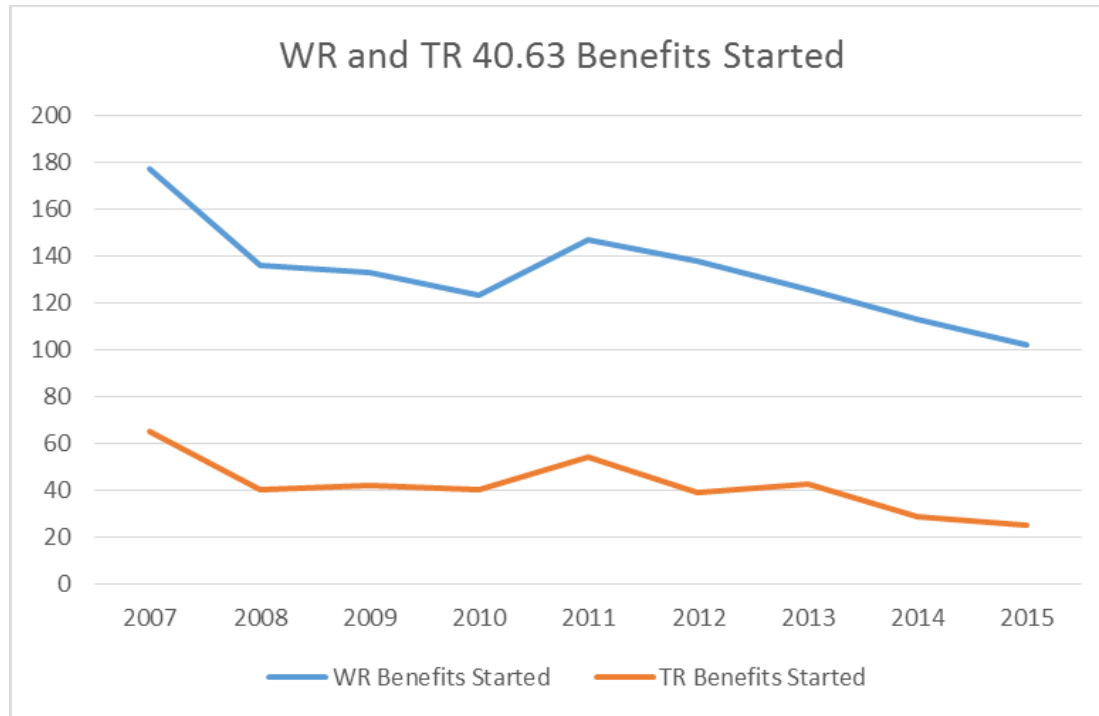


40.65 Duty Disability



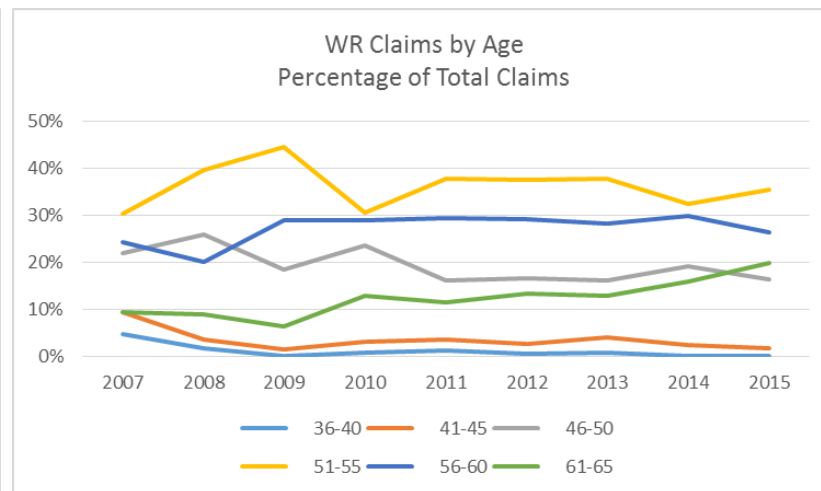
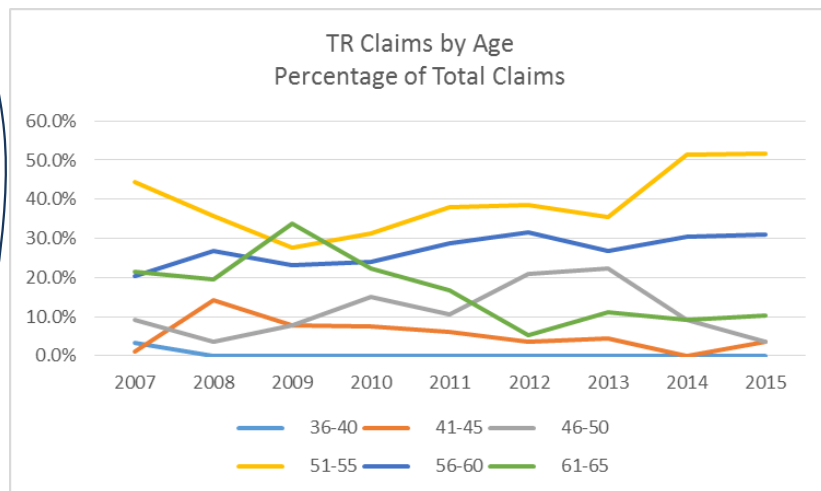
- \$33.1 million in benefit payments
- 1,001 recipients as of December 31, 2015
- 2015 average benefit after offsets:
\$2,756/month

40.63 Disability Annuities



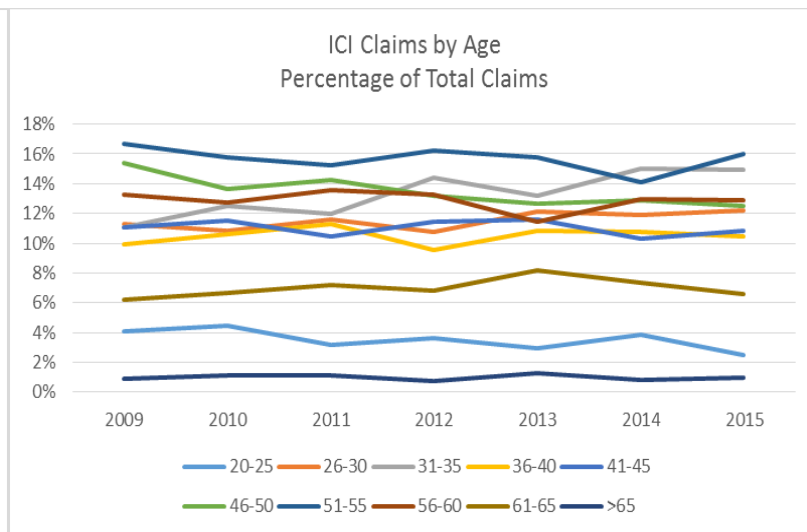
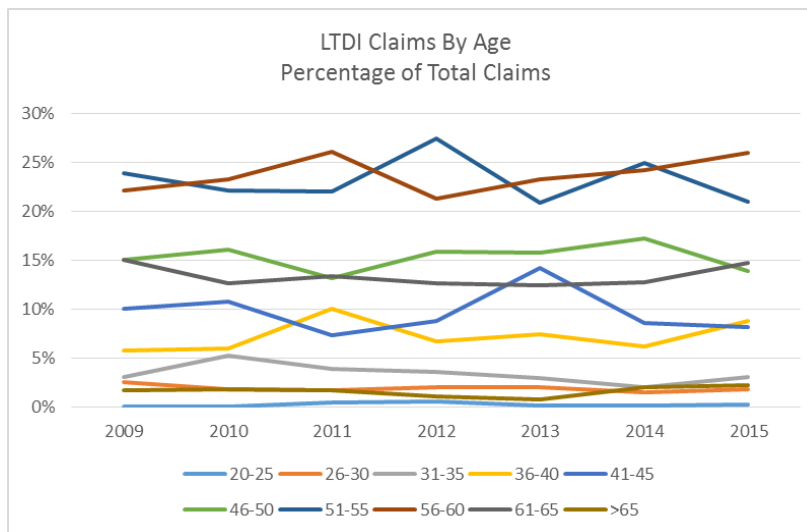
- Both TR and WR approved benefits are declining annually

Disability Claims by Age



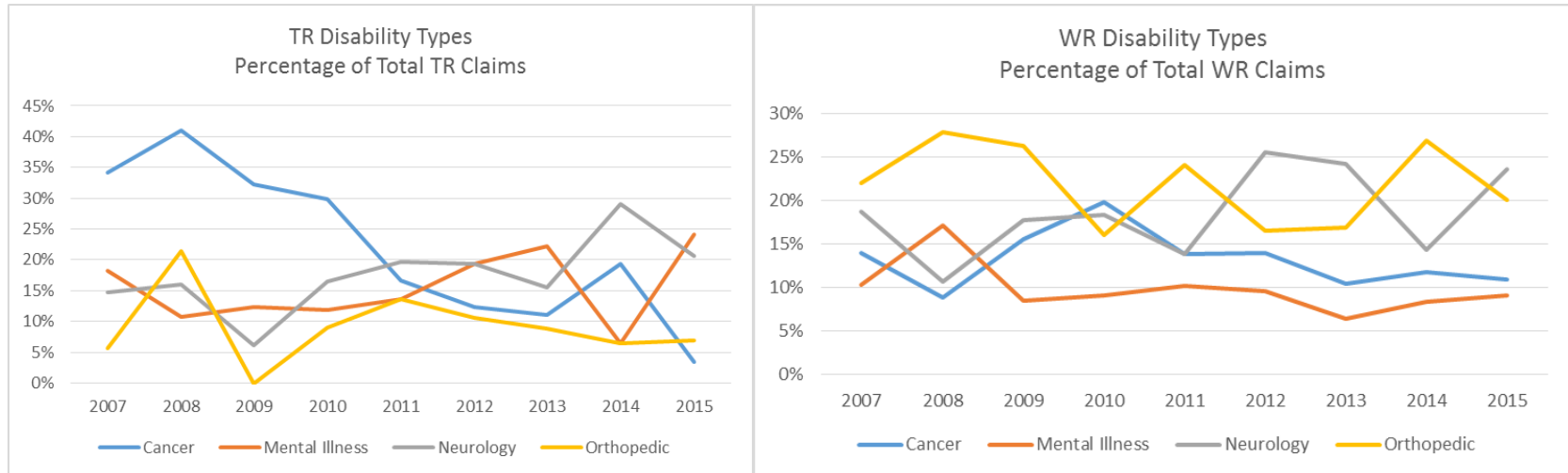
- 40.63 claims are primarily in 51-65 age range
 - Over 90% of TR claims in 51-65 age range
 - Over 81% of WR claims in 51-65 age range
- Younger employees are ineligible for 40.63
- The number of claims for older employees are increasing

Disability Claims by Age



- ICI and LTDI Claims show broader age distribution
- Younger employees and employees with less than 23 years of service cannot receive 40.63 benefits

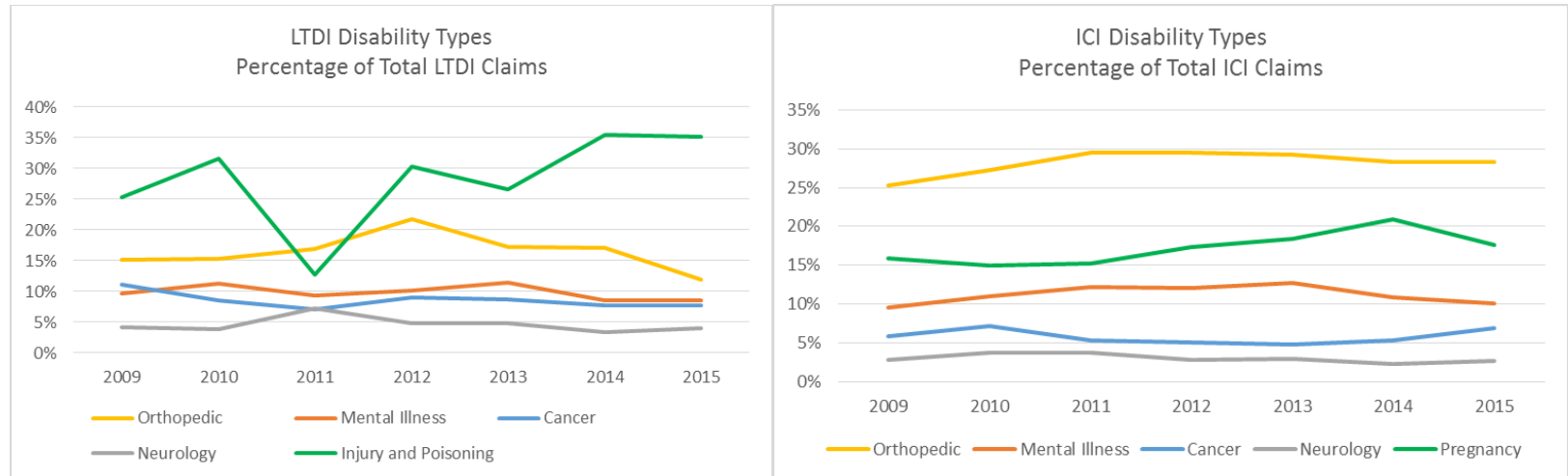
Disability Types



- Disability types can fluctuate from year to year
 - Low number of TR claims create volatility
- TR Board Claims
 - Neurology and mental illness are trending upwards
 - Cancer claims have been trending downward since 2008
- WR Board Claims
 - Orthopedic and neurology currently the greatest percentage of all claims
 - Cancer claims and mental illness claims have been declining



Disability Types



- Mental illness claims for LTDI and ICI are declining
- Cancer and neurology claims are stable
- Prevalent disability type in LTDI: Injury and Poisoning
- Orthopedic and pregnancy claims account for 45% of ICI claims
 - Indicator of short-term component of ICI

Questions?

