

2021 U.S. Group Disability Market Survey

Summary report

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Background

The 2021 U.S. Group Disability Market Survey provides an industry perspective of new sales and in-force business for short-term disability (STD) and long-term disability (LTD) insurance products sold in the United States in 2019 and 2020. This summary report includes several key results from the 2021 U.S. Group Disability Market Survey.

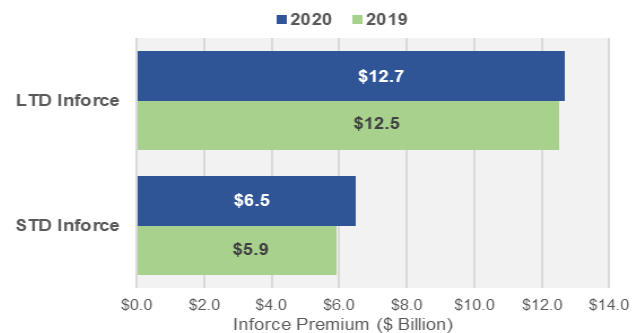
The following insurance companies participated in the survey:

- Dearborn Group
- Guardian Life Insurance Company
- The Hartford
- Lincoln Financial Group
- MetLife
- Mutual of Omaha
- Northwestern Mutual
- New York Life
- New York State Insurance Fund
- OneAmerica
- Principal Financial Group
- Prudential
- Reliance Standard Life Insurance Company
- ShelterPoint Life Insurance Company
- The Standard
- Sun Life Financial
- Symetra
- Trustmark Insurance
- The Union Labor Life Insurance Company (ULLICO)
- UnitedHealthcare Specialty Benefits
- Unum
- USABLE Life
- Voya Financial

In-force business

The 23 participating companies reported \$19.1 billion in combined STD and LTD in-force premium in 2020, an increase from \$18.4 billion reported by the same companies in 2019. STD in-force premium increased by 9.5% from \$5.9 billion in 2019 to \$6.5 billion in 2020, and LTD in-force premium increased by 1.3% from \$12.5 billion in 2019 to \$12.7 billion in 2020, as shown in Figure 1. The STD premium shown includes premium for statutory benefits such as the New York Disability Benefits Law (DBL) and New Jersey Temporary Disability Insurance (TDI).

FIGURE 1: TOTAL IN-FORCE PREMIUM AMONG PARTICIPATING COMPANIES FROM 2019 AND 2020 (IN \$ BILLIONS)



The survey data was used to calculate average in-force premium per life (PPL) metrics for LTD and STD, as shown in Figure 2. The average LTD in-force PPL decreased by 3.7% from 2019 to 2020, whereas the average STD in-force PPL increased by 0.6%.

FIGURE 2: 2020 AVERAGE INFORCE PREMIUM PER LIFE

PRODUCT	AVERAGE PPL	PPL GROWTH RATE
STD	\$208.3	0.6%
LTD	\$268.4	-3.7%

Figure 3 shows growth rates for in-force cases, premium, and covered lives from 2019 to 2020, for STD and LTD.

FIGURE 3: GROUP DISABILITY INFORCE GROWTH RATES

	STD	LTD
Cases	8.0%	0.3%
Premium	9.5%	1.3%
Lives	8.9%	5.2%

New sales

The combined STD and LTD new sales premium increased slightly from \$2.8 billion in 2019 to \$2.9 billion in 2020, as shown in Figure 4. STD new sales premium increased by 18.2% from \$1.1 billion in 2019 to \$1.4 billion in 2020. The STD new sales premium includes premium for statutory benefits. LTD new sales premium decreased by 6.2% from \$1.6 billion in 2019 to \$1.5 billion in 2020.

FIGURE 4: TOTAL NEW SALES PREMIUM AMONG PARTICIPATING COMPANIES FROM 2019 AND 2020 (IN \$ BILLIONS)

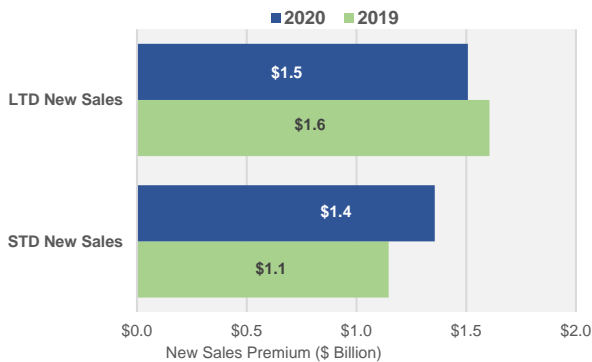


Figure 5 shows average PPL metrics for new sales in 2020, and the PPL growth rate from 2019 to 2020. Average PPL increased by 4.4% for STD products, and increased by a modest 0.8% for LTD products.

FIGURE 5: 2020 AVERAGE NEW SALES PREMIUM PER LIFE

PRODUCT	AVERAGE PPL	PPL GROWTH RATE
STD	\$224.7	4.4%
LTD	\$224.8	0.8%

Figure 6 shows STD and LTD new sales growth rates for cases, premium, and covered lives from 2019 to 2020. Although the number of STD cases sold in 2020 was 8.8% lower than 2019, the number of covered lives increased by 13.3% and new sales premium increased by 18.2%. On the other hand, the number of new LTD cases, LTD covered lives, and LTD new sales premium were lower in 2020 than 2019.

FIGURE 6: GROUP DISABILITY NEW SALES GROWTH RATES

	STD	LTD
Cases	-8.8%	-13.2%
Premium	18.2%	-6.1%
Lives	13.3%	-6.9%

Statutory benefits

Figure 7 shows in-force premiums reported by survey participants for statutory benefits in 2019 and 2020. Some companies were unable to carve out premium for statutory benefits from the STD data, and the list of companies in Figures 7 and 8 represents only those companies that were able to split the data. Note that the premiums shown in Figure 7 are included in the STD in-force premiums reported in Figure 1 above.

FIGURE 7: 2019 AND 2020 IN-FORCE PREMIUM FOR STATUTORY BENEFITS (IN \$ MILLIONS)

COMPANY	2019 PREMIUM	2020 PREMIUM
Guardian	\$57.9	\$59.3
Lincoln	\$65.3	\$113.8
MetLife	\$46.3	\$42.6
Mutual of Omaha	\$6.4	\$8.6
New York Life	\$71.7	\$77.2
NYSIF	\$58.4	\$68.7
Principal	\$0.3	\$0.1
Prudential	\$58.1	\$60.5
Reliance Standard	\$23.1	\$26.1
ShelterPoint	\$174.7	\$266.2
Sun Life	\$7.9	\$5.9
Symetra	\$4.0	\$4.1
The Hartford	\$124.2	\$130.5
ULLICO	\$4.0	\$6.4
Unum	\$50.9	\$53.9
USABLE Life	\$10.4	\$8.1
Voya	\$0.6	\$0.0
Total	\$764.2	\$932.0

Figure 8 shows new sales premiums reported by survey participants for statutory benefits in 2019 and 2020. Note that the companies listed in Figure 8 are different from those in Figure 7 because some companies could not provide both in-force and new sales premium data. The premiums shown in Figure 8 are included in the STD new sales premiums in Figure 4 of this report.

FIGURE 8: 2019 AND 2020 NEW SALES PREMIUM FOR STATUTORY BENEFITS (IN \$ MILLIONS)

COMPANY	2019 PREMIUM	2020 PREMIUM
Guardian	\$9.0	\$18.7
MetLife	\$2.3	\$5.7
Mutual of Omaha	\$1.2	\$3.4
New York Life	\$10.3	\$15.4
NYSIF	\$0.8	\$0.7
Principal	\$0.0	\$0.0
Prudential	\$5.3	\$5.6
Reliance Standard	\$4.2	\$4.9
ShelterPoint	\$15.2	\$20.5
Sun Life	\$0.0	\$1.6
Symetra	\$0.2	\$0.5
The Hartford	\$42.5	\$83.7
ULLICO	\$0.3	\$0.1
USABLE Life	\$1.2	\$1.1
Voya	\$0.0	\$0.0
Total	\$92.6	\$161.9

Other key results

Figures 9 through 12 provide additional details of the in-force and new sales premium reported by survey participants. The company rankings in these tables are based on reported premium in 2020.

FIGURE 9: STD NEW SALES PREMIUM IN 2019 AND 2020 (\$ MILLIONS)

RANK	COMPANY	2019	2020	% CHANGE
1	Lincoln	136.9	233.9	70.9%
2	Unum	159.1	158.7	-0.3%
3	MetLife	130.2	148.6	14.1%
4	The Hartford	118.4	143.9	21.5%
5	New York Life	110.0	116.6	6.0%
6	Sun Life	53.3	91.3	71.2%
7	Guardian	72.4	81.5	12.6%
8	The Standard	66.5	80.4	21.0%
9	Mutual of Omaha	78.3	74.2	-5.3%
10	Reliance Standard	39.7	41.5	4.7%
11	Prudential	34.7	36.1	4.0%
12	Principal	36.6	33.0	-9.9%
13	United Health Care	19.7	22.0	11.5%
14	Voya	15.4	21.8	42.2%
15	ShelterPoint	15.2	20.5	34.8%
16	Dearborn	17.9	19.7	10.1%
17	OneAmerica	22.2	15.3	-30.8%
18	Symetra	9.7	7.7	-21.2%
19	USABLE	7.3	6.7	-8.2%
20	Northwestern Mutual	2.2	2.0	-8.2%
21	NYSIF	0.8	0.7	-12.3%
22	Trustmark	0.6	0.3	-55.3%
23	ULLICO	0.1	0.1	-20.0%
Total		1,147.2	1,356.4	18.2%

Several companies reported very strong STD sales in 2020. Most notably, Lincoln reported an additional \$97 million and Sun Life reported an additional \$38 million in 2020. MetLife, The Hartford, Guardian, and The Standard also reported solid STD sales in 2020.

FIGURE 10: STD IN-FORCE PREMIUM FROM 2019 AND 2020 (\$ MILLIONS)

RANK	COMPANY	2019	2020	% CHANGE
1	Lincoln	\$801.5	\$838.1	4.6%
2	The Hartford	\$834.5	\$806.7	-3.3%
3	Unum	\$707.8	\$796.8	12.6%
4	New York Life	\$571.9	\$684.3	19.6%
5	MetLife	\$454.6	\$542.6	19.4%
6	Guardian	\$365.6	\$386.8	5.8%
7	Mutual of Omaha	\$324.4	\$364.4	12.3%
8	The Standard	\$332.1	\$347.4	4.6%
9	Sun Life	\$257.5	\$277.0	7.6%
10	Prudential	\$265.3	\$273.0	2.9%
11	ShelterPoint	\$174.7	\$266.2	52.4%
12	Reliance Standard	\$188.7	\$217.7	15.4%
13	Principal	\$209.3	\$201.9	-3.5%
14	Dearborn	\$73.1	\$80.4	10.0%
15	OneAmerica	\$71.2	\$77.1	8.3%
16	NYSIF	\$58.4	\$68.7	17.7%
17	Voya	\$50.0	\$61.2	22.4%
18	United Health Care	\$46.4	\$57.2	23.3%
19	USABLE	\$50.9	\$47.9	-5.9%
20	Symetra	\$42.9	\$43.8	2.2%
21	Northwestern Mutual	\$18.2	\$19.3	6.5%
22	ULLICO	\$6.2	\$8.9	43.6%
23	Trustmark	\$4.7	\$4.7	0.4%
Total		\$5,909.6	\$6,472.1	9.5%

Many companies reported solid growth in STD in-force premium in 2020. Lincoln is now ranked at the top spot for both STD new sales premium and STD in-force premium.

FIGURE 11: LTD NEW SALES PREMIUM FROM 2019 AND 2020 (\$ MILLIONS)

RANK	COMPANY	2019	2020	% CHANGE
1	Unum	\$221.6	\$191.5	-13.6%
2	The Hartford	\$204.6	\$186.4	-8.9%
3	MetLife	\$179.7	\$160.5	-10.7%
4	Lincoln	\$171.1	\$151.2	-11.6%
5	The Standard	\$95.9	\$149.6	56.0%
6	New York Life	\$177.4	\$134.9	-23.9%
7	Prudential	\$115.4	\$111.2	-3.6%
8	Guardian	\$75.1	\$71.8	-4.5%
9	Reliance Standard	\$76.5	\$71.2	-6.9%
10	Mutual of Omaha	\$75.1	\$70.0	-6.8%
11	Sun Life	\$60.7	\$67.1	10.6%
12	Principal	\$43.2	\$37.7	-12.7%
13	Voya	\$22.2	\$22.9	3.2%
14	United Health Care	\$18.7	\$21.0	12.1%
15	Dearborn	\$16.9	\$20.9	23.4%
16	Symetra	\$13.2	\$16.1	21.9%
17	OneAmerica	\$26.9	\$14.4	-46.4%
18	US Able	\$5.4	\$4.5	-17.4%
19	Northwestern Mutual	\$6.1	\$4.4	-28.7%
20	Trustmark	\$0.2	\$0.1	-45.1%
21	ShelterPoint	\$0.0	\$0.0	N/A
22	ULLICO	\$0.0	\$0.0	N/A
Total		\$1,605.9	\$1,507.4	-6.1%

Many companies reported lower LTD new sales premium in 2020. Unum remains in the top position in LTD new sales despite a decline in sales in 2020. Sun Life, Voya, UHC, Dearborn, and Symetra reported positive growth in LTD sales in 2020.

FIGURE 12: LTD IN-FORCE PREMIUM FROM 2019 AND 2020 (\$ MILLIONS)

RANK	COMPANY	2019	2020	% CHANGE
1	Unum	\$1,844.2	\$1,815.2	-1.6%
2	The Hartford	\$1,804.9	\$1,812.6	0.4%
3	Lincoln	\$1,552.5	\$1,664.0	7.2%
4	New York Life	\$1,537.6	\$1,496.5	-2.7%
5	MetLife	\$1,426.9	\$1,390.3	-2.6%
6	The Standard	\$867.0	\$926.8	6.9%
7	Prudential	\$823.5	\$830.6	0.9%
8	Sun Life	\$520.0	\$517.4	-0.5%
9	Guardian	\$484.1	\$498.2	2.9%
10	Reliance Standard	\$419.6	\$435.7	3.8%
11	Mutual of Omaha	\$363.1	\$400.0	10.2%
12	Principal	\$323.4	\$316.8	-2.0%
13	Voya	\$100.4	\$103.1	2.7%
14	Northwestern Mutual	\$102.1	\$100.1	-1.9%
15	Dearborn	\$89.5	\$97.3	8.7%
16	OneAmerica	\$79.8	\$83.9	5.2%
17	Symetra	\$68.8	\$79.3	15.4%
18	United Health Care	\$54.1	\$60.9	12.4%
19	USABLE	\$41.8	\$40.0	-4.5%
20	Trustmark	\$1.9	\$1.9	-0.2%
21	ULLICO	\$0.3	\$0.2	-10.6%
22	ShelterPoint	\$0.2	\$0.2	-10.1%
Total		\$12,505.8	\$12,670.8	1.3%

The combined LTD in-force premium increased by 1.3% from \$12.5 billion in 2019 to \$12.7 billion in 2020. Unum remains in the top position followed closely by The Hartford. Lincoln, The Standard, Mutual of Omaha, Dearborn, Symetra, and UHC reported strong growth in LTD in-force premium in 2020.

SURVEY PARTICIPATION

Companies that participate in Milliman's U.S. Group Disability Market Survey receive a comprehensive report of metrics at no charge. Please contact the author if your company would like to participate in Milliman's Group Disability Market Survey in the future.

RELIANCE AND LIMITATIONS

In performing the 2021 U.S. Group Disability Market Survey and preparing this report, Milliman relied upon the information provided by the participating companies. To the extent that this data is incomplete or inaccurate, the results may be materially affected.

QUALIFICATIONS

I, Paul Correia, am a consulting actuary with Milliman. This report provides an opinion regarding trends in the group disability insurance market. I am a member of the American Academy of Actuaries and meet its qualification standards for rendering this opinion.



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

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