



Minnesota Workers' Compensation
Insurers Association, Inc.
7701 France Avenue South Suite 450
Minneapolis, MN 55435-3200

August 24, 1999

ALL ASSOCIATION MEMBERS

Circular Letter No. 99-1326

RE: Statistical Plan Annuity Tables

The Minnesota Department of Commerce has approved the above referenced filing for use in Minnesota effective January 1, 2000. These annuity tables improve on those currently in use in Minnesota in the following ways:

- 1.) All annuity values are now based on the latest 1989-1991 U.S. Decennial Life Tables.
- 2.) Separate annuity tables have been prepared for male and female populations for permanent total benefits.
- 3.) The annuity tables have been expanded to recognize the impact of the deferred escalation provisions and claim maturity.

The attached Exhibit I summarizes the features of the revised annuity tables we have prepared for use in Minnesota. Annuity tables identified with the letter A are applicable to accidents occurring prior to October 1, 1992; B tables are applicable to accident arising from October 1, 1992 through September 30, 1995; and C tables are applicable to accidents occurring on or after October 1, 1995.

Copies of the actual tables are being provided to each member carriers' statistical departments under separate cover.

Please feel free to contact our office if you have any questions.

Very truly yours,

CRAIG A. ANDERSON

Vice President
Actuarial Services

CAA/sb
Enc.

MINNESOTA ANNUITY TABLES

	Accidents prior to 10/1/92 (SF2107)	Accidents from 10/1/92 through 9/30/95	Benefits Effective 10/1/95 (HF 642)
Permanent Total	<p>Lifetime Benefits</p> <p>Escalation: 6.0%; no deferral</p> <p>Tables A-1 (male) and A-2 (female)</p>	<p>Lifetime Benefits</p> <p>Escalation: 4.0%; deferred until 2nd anniversary</p> <p>Tables B-1 (male) and B-2 (female)</p>	<p>Benefits to age 67 (or retirement, if later)</p> <p>Escalation: 2.0%; deferred until 4th anniversary</p> <p>Table C-1 (male) and C-2 (female) (reflects termination of benefits at age 67)</p>
Other Pension (e.g. dependent parents on a death claim)	<p>Other than surviving spouse and children: lifetime benefits</p> <p>Escalation: 6.0%; no deferral</p> <p>Table A-3 (Total Population)</p>	<p>Other than surviving spouse and children: lifetime benefits</p> <p>Escalation: 4.0%; deferred until 2nd anniversary</p> <p>Table B-3 (Total Population)</p>	<p>Other than surviving spouse and children: lifetime benefits</p> <p>Escalation: 2.0%; deferred until 4th anniversary</p> <p>Table C-3 (Total Population)</p>

Additional Notes: All Tables based on 1989-91 U.S. Decennial Life Tables using an annual interest rate of 3.5%.