

2026 HMI and FMI VM20 Mortality Improvement Scale

Review Initial HMI Scale Recommendation

June 18, 2026

Life MI Subgroup of the SOA Mortality and Longevity Oversight Advisory Council



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Agenda

- Review current methodology for HMI scale updates
- Review proposed adjustment for 2026 scale work to bring industry data to current valuation year (2023 to 2026)
- Next steps



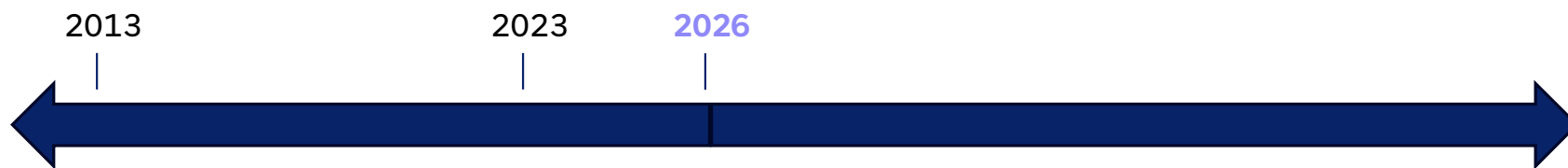
Historical component average MI

Future component average MI

Geometric average of most recent SSA general population intermediate projection annual mortality improvements (2023-2043)
 = longer term estimate to average with actual historical period result

Most recent 10-year historical data geometric average (industry data)

2026 HMI Rec Scale=
 Average of Historical and Future components



Historical component average MI

Adjust Historical Average for improvements from 2023 to 2026

Most recent 10-year historical geometric average (industry data)

Use new SOA Quarterly Mortality Monitoring Report tool data to develop an adjustment based on general population results through from 2023 to the end of 2025.

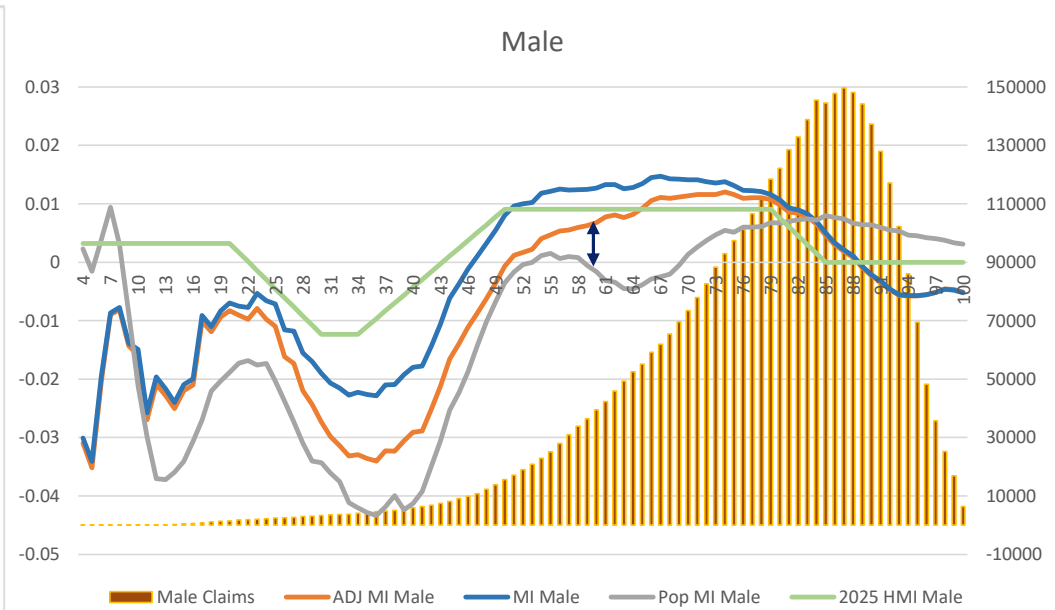
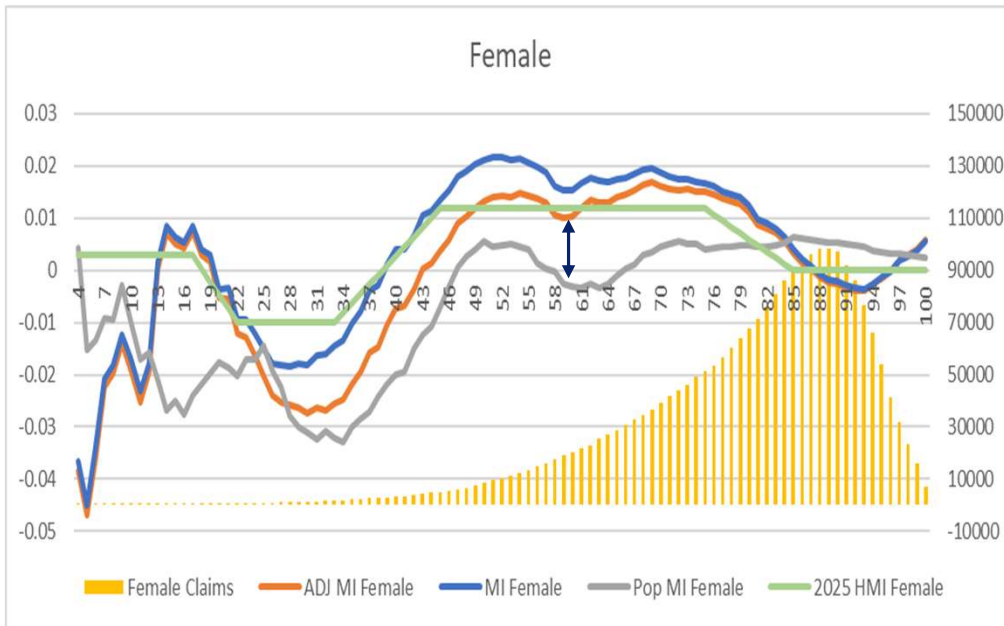
Adjustment – Based on General Population Data 2023-2025

Options under consideration:

- Use general population mortality improvement between 2023 and 2025 as proxy for insured improvement
- Use general population mortality improvement between 2023 and 2025 adjusted for past relationship between insured and general population

VM51 Insured Historical Data (Mortality Improvement)

2013-2023



Insured Data:
 Normalized by Face Amount Band
 Fully underwritten only

General Population Data:
 Mean based on general population by
 socioeconomic decile

Next Steps

- Develop preliminary recommendation for adjustment of historical industry data to the end of 2025
- Develop FMI initial recommendation

Some considerations for FMI

- Recent trends in opioid-related deaths
- GLP-1 impacts
- Cancer incidence at younger ages
- Impact of changes in health care

