



2022 Annual Report

U.S. Life Insurance Application Activity

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MIB Life Index
Annual Report for 2022
U.S. Life Insurance Activity

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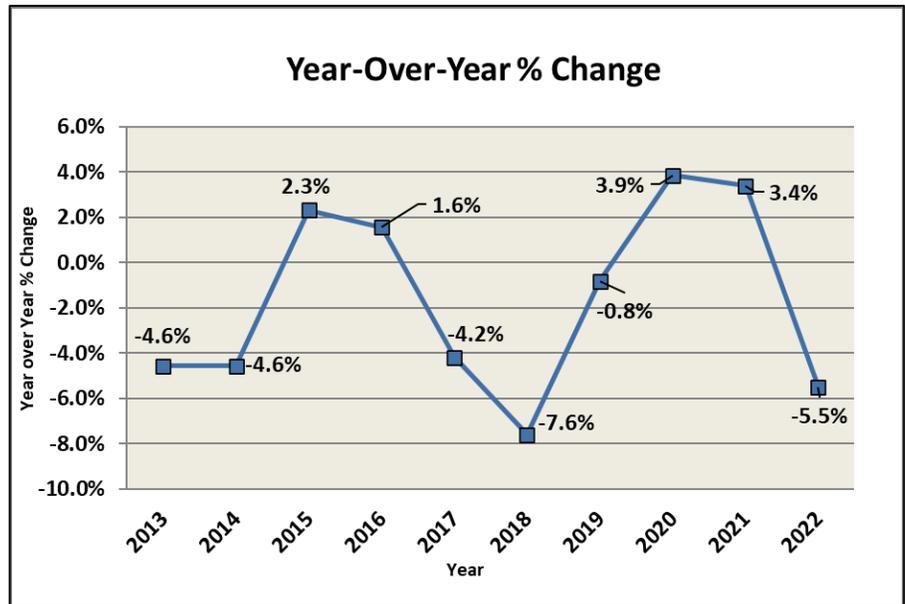
Executive Summary

The MIB Life Index 2022 Annual Report provides insights into trends in U.S. application activity for individually underwritten life insurance. Pages 3-5 provide an Executive Summary of key trends covered in this report, while a more detailed analysis begins on page 6.

Overview

- Application activity as measured by the MIB Life Index ended 2022 down -5.5% Year-over-Year (YOY). When taking a historical lookback, total activity YOY for 2022 was down -2.3% compared to 2020 and flat at +1.5% compared to 2019.

Year-over-Year Percent Change	
Year	% Change
2013	-4.6%
2014	-4.6%
2015	2.3%
2016	1.6%
2017	-4.2%
2018	-7.6%
2019	-0.8%
2020	3.9%
2021	3.4%
2022	-5.5%



- Ages 71+ saw YOY growth in 2022, while all other age bands saw declines. This is in contrast to 2021 where all age bands were at growth, with the most significant growth coming from ages 31-50 and 71+.
- 2022 started with January down -4.8%, February down -3.8%, March down -7.7%, and April down -11.7%. However, monthly YOY comparisons for February, March and April can be attributed, in part, to record breaking growth during those months in 2021. May showed flat activity at -1.4% YOY, while June to October saw declines ranging between -4.9% to -7.8%. November saw a return to flat activity at -0.2% and the year ended with declining monthly YOY activity in December of -4.2%.

MIB Life Index 2022

- 2022 saw YOY quarterly declines in all four quarters, with Q3 the largest decline of -6.8% and Q4 the smallest decline of -3.2%.
- Total composite activity in 2022 generally followed historical seasonal patterns, with Q1 showing the highest application volume and Q4 the second highest, followed by Q2 and Q3. Seasonal patterns by age band fluctuated, however, with all age bands seeing the highest volume of application activity in Q1, followed by a drop in Q2, but varying patterns in Q3 and Q4.

Volume by Age Group

- Year-over-year, the relative volume of application activity by age group reflected in the MIB Life Index remained flat across all age bands with a notable slight decrease for ages 31-50 and a slight increase for ages 71+. At year-end 2022, the % of total applications attributable to ages 0-30 decreased -0.1% over last year, totaling 22.8%; ages 31-50 decreased -0.4% totaling 41.3%; ages 51-60 decreased -0.1%, totaling 17.8%; ages 61-70 increased +0.2%, totaling 12.9%; and ages 71+ increased +0.4%, totaling 5.3%.
- A three-year lookback (2020-2022) comparing the relative volume of application activity by age group showed relatively flat trends with ages 0-30 at -0.4%, 31-50 at +0.1%, 51-60 at -0.1%, 61-70 at +0.1%, and 71+ at +0.5%.
- The five-year lookback (2018-2022) comparing the relative volume of application activity by age group showed flat trends among all age bands except ages 0-30, which was down -1.9%. Specifically, ages 31-50 was at +0.6%, ages 51-60 at +0.1%, ages 61-70 at +0.7%, and ages 71+ was at +0.6%.

Face Amount and Product Type Trends

- Face amounts over \$1M up to and including \$2.5M showed flat activity in 2022, while all other face amounts declined YOY.
- Growth was concentrated on ages 0-30 for all face amounts over \$250K and ages 71+ for face amounts up to and including \$250K. All other face amount and age band combinations saw flat or declining activity. Notably, ages 0-30 saw double-digit growth for amounts over \$5M, ages 61-70 saw double-digit declines for face amounts over \$1M, and ages 71+ for face amounts over \$2.5M up to and including \$5M.
- All product types declined 2022 YOY, with Whole Life declining by double digits.

MIB Life Index 2022

- When examining activity by age band, the percent decrease in YOY activity for Whole Life ranged from ages 0-30 at -18.4% to ages 71+ at -1.8%, with declines becoming smaller as age bands increase. In direct contrast, the percent decrease in YOY activity for Term life ranged from ages 0-30 at -1.1% to ages 71+ at -10.0%, with declines becoming larger as age bands increase. Universal life patterns, however, fluctuated with flat activity for ages 0-30 and 71+ and declining activity for all age bands in between.

Gender Analysis

- While the difference was small, overall, females outperformed males in YOY application activity with YOY declines for females (-5.3%) slightly less than those for males (-5.7%). Females outpaced males in YOY activity in Q1 through Q3. However, Q4 saw a shift with activity with females declining more than males.
- Based on a 4-year lookback, historically female applicants represent a slightly larger proportion of activity than males. During 2022, females accounted for 46.7% of activity while males accounted for 45.7% (the remainder of applicants are undesignated).
- When examining YOY percent changes by age band and gender, for ages 0-30, activity for females declined more significantly than for males and for ages 51+ activity for males declined more than for females. Additionally, the aggregate growth seen in 2022 for the 71+ age group was driven entirely by females.
- For face amounts up to and including \$2.5M, YOY activity for females outperformed males. However, YOY activity for males outperformed females for higher face amounts over \$2.5M. It is also interesting to note, the disparity between YOY activity for male and female applicants increases as face amounts increase.

Long Term Trends

- Q1 of 2022 performed above the four-year average (2018-2021), however all other quarters performed below average.
- The five-year trailing rate (comparing 2022 to 2018) was flat at +0.6% but improved over the previous year (comparing 2021 to 2017) which was at -1.6%. 2022 represents the first time the five-year trailing rate has been above zero since before 2015.
- The five-year trailing rate across all age bands has been on an upward trend since 2019/2015, and 2022/2018 set a new record high for ages 31-50 (+2.2%), 51-60 (+1.3%) and 71+ (+12.0%).

MIB Life Index

2022 Annual Report

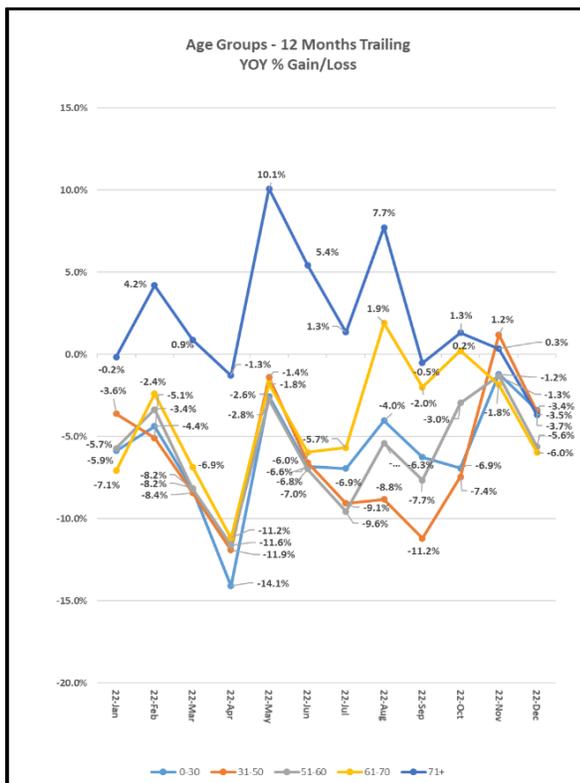
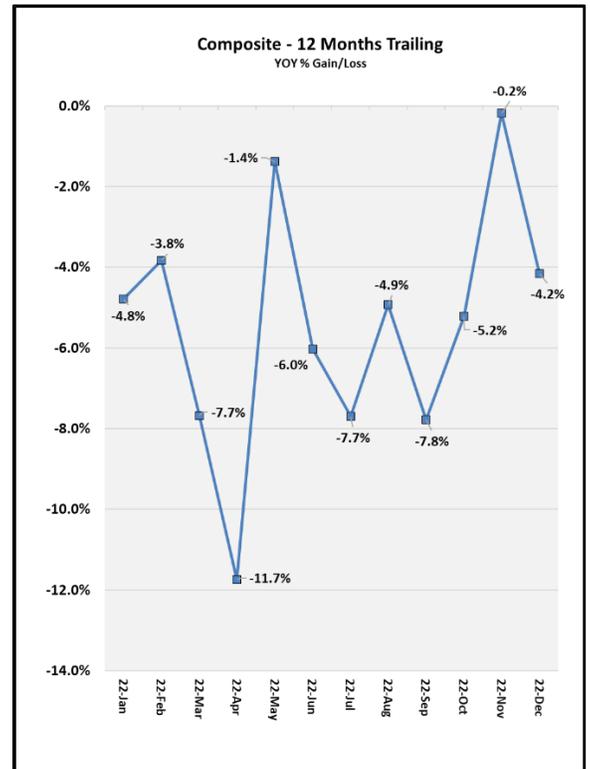
Detailed Findings

Year-over-Year (YOY) Summary

Overview

Following record breaking growth in 2020 and 2021, U.S. life insurance application activity finished 2022 down -5.5% over 2021. When taking a historical lookback, total activity for 2022 was down -2.3% compared to 2020 and flat at +1.5% compared to 2019.

2022 had YOY declines in the first four months, with January down -4.8%, February down -3.8%, March down -7.7%, and April down -11.7%. However, monthly YOY comparisons for February, March and April can be attributed, in part, to record breaking growth during those months in 2021. May showed flat activity at -1.4% YOY while June to October saw declines ranging between -4.9% to -7.8% and November saw a return to flat activity at -0.2%. The year ended with declining monthly YOY activity in December of -4.2%.



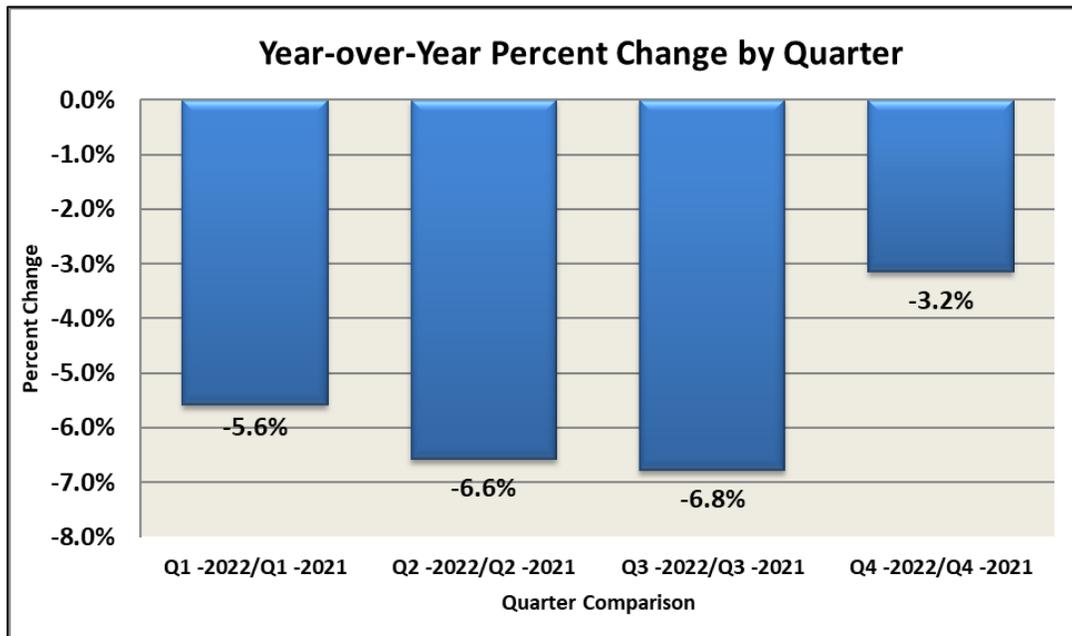
Activity by age band for 2022 began with ages 71+ outpacing other age bands in YOY growth in a pattern that continued through October. Ages 71+ saw YOY growth in February, June and August, double-digit growth in May, and flat or declining activity all other months. Patterns for all other age bands fluctuated throughout the year, showing flat or declining activity, with the exception of ages 61-70 who saw growth YOY in August. As of November, we saw a shift with monthly YOY growth for ages 31-50 outpacing other age bands and ages 71+ coming in second. December then saw declines across all age bands, with ages 0-30, 31-50 and 71+ experiencing similar results ranging from -3.4% to -3.7% YOY and ages 51-60 and 61-70 with declines of -5.6% and -6.0% respectively.

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Year-over-Year Quarterly Percentage Change

2022 showed YOY declines in all four quarters when compared to 2021, however, with the exception of Q2, remained flat or at growth compared to pre-covid levels in 2019. Q1 declined - 5.6% YOY, however, this YOY comparison is impacted in part by a record breaking gains in Q1 2021. Q2 also declined -6.6% YOY, in part due to double-digit declines in April driven, in part, by record breaking growth in April 2021. Declining patters continued in Q3 which was down -6.8% YOY. Activity in Q4 2022 improved, mainly due to flat activity in November, but remained down -3.2% YOY.

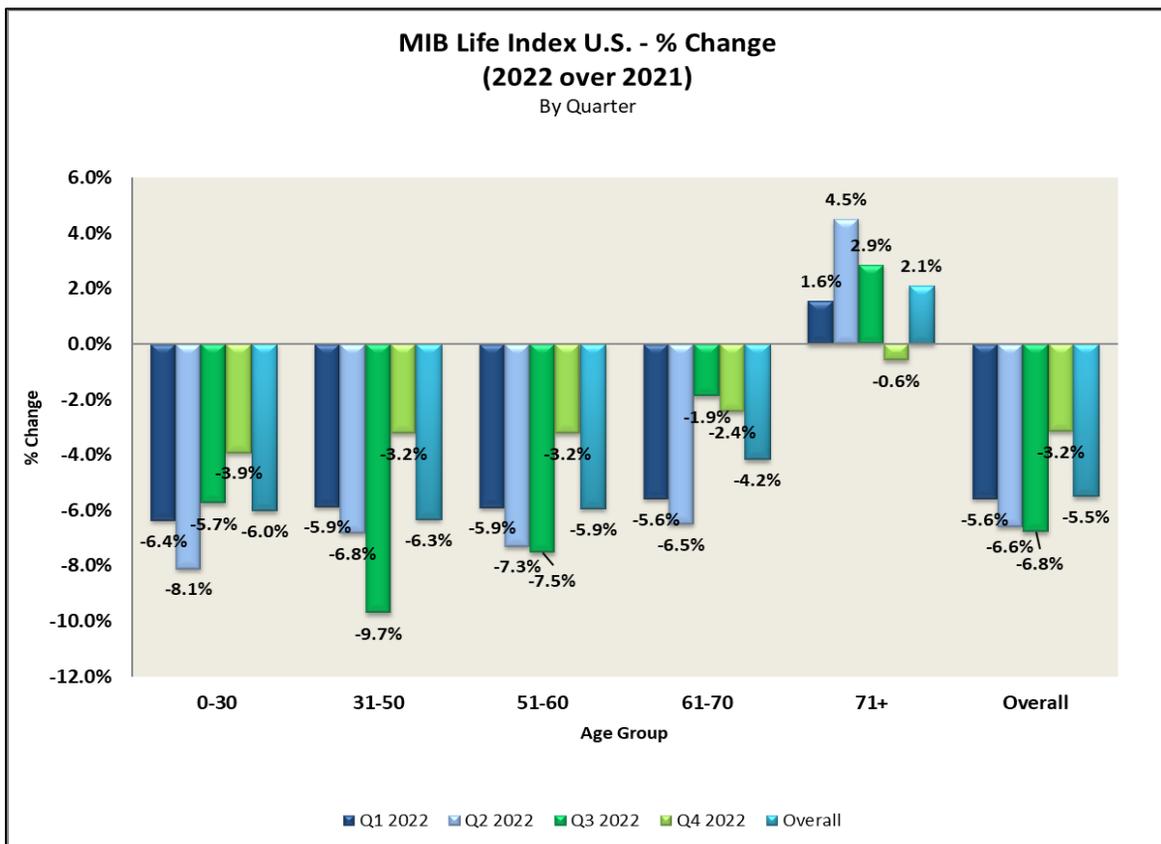
Percent Change		
Period	Compared to	US
Q1 -2022	Q1 -2021	-5.6%
Q2 -2022	Q2 -2021	-6.6%
Q3 -2022	Q3 -2021	-6.8%
Q4 -2022	Q4 -2021	-3.2%



MIB Life Index 2022

Quarterly Percentage Changes by Age Group

Ages 71+ saw YOY growth in Q1, Q2 and Q3, flat activity in Q4 and was the only age band to end the year at growth. All other age bands declined YOY across all quarters. Ages 0-30 saw the largest YOY declines in Q2 and improving activity in Q3 and Q4. Ages 31-50 saw increasing YOY declines from Q1 through Q3, peaking at -9.7% in Q3, and improved activity in Q4. Ages 51-60 saw increasing YOY declines from Q1 through Q2, leveling off between Q2 and Q3 and improving in Q4. Ages 61-70 saw declines peak in Q2 with improved activity in Q3 and a slightly deeper drop in Q4.

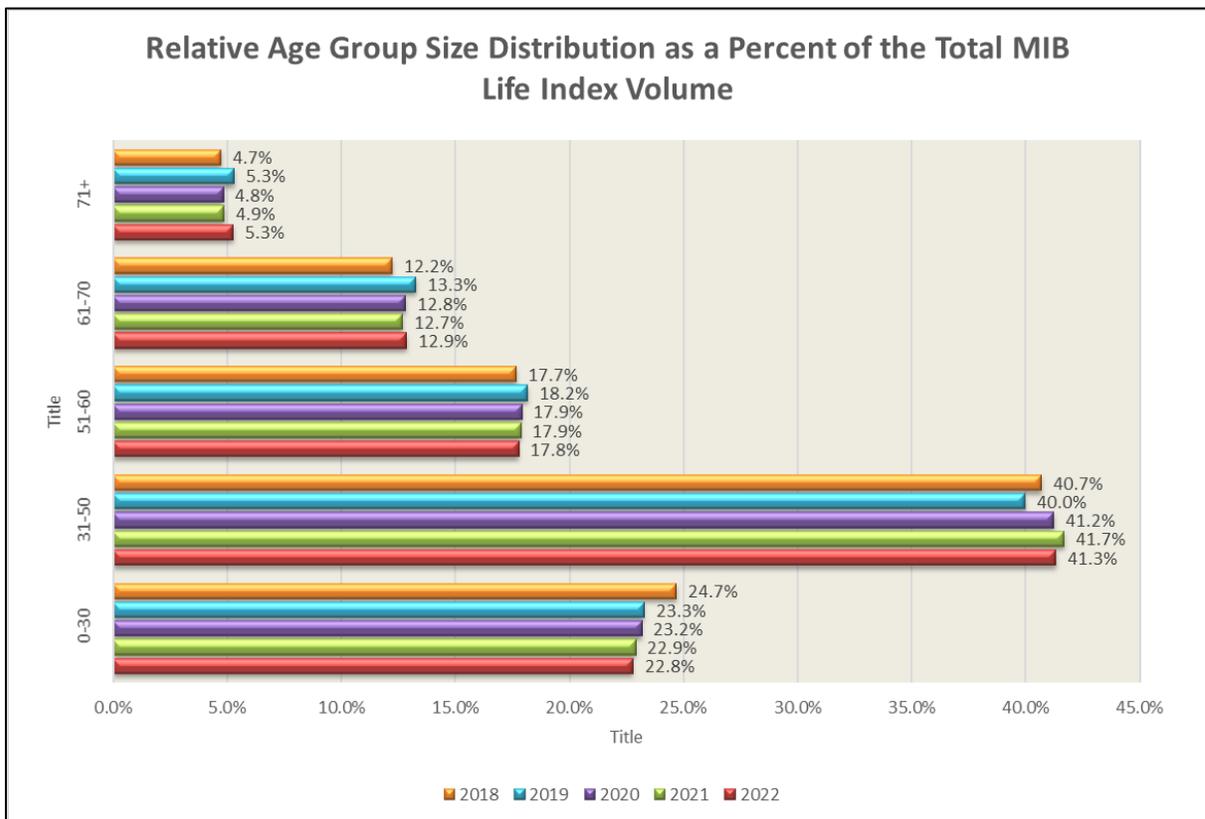


Age Distribution

Age Group Size as a Percent of the Total Activity Volume

A five-year analysis of the relative volume of activity for each age group as a percent of total applications shows a five-year decline for ages 0-30 of -1.9%, while the relative size of all other age groups increased slightly but remained relatively consistent. When comparing the % of application activity by age group in 2022 to 2021, all age groups showed relatively flat trends, with a notable slight decrease in applicants for ages 31-50 and slight increase for ages 71+. In 2022, ages 0-30 represented 22.8%, 31-50 represented 41.3%, 51-60 represented 17.8%, 61-70 represented 12.9%, and 71+ represented 5.3% of the application activity.

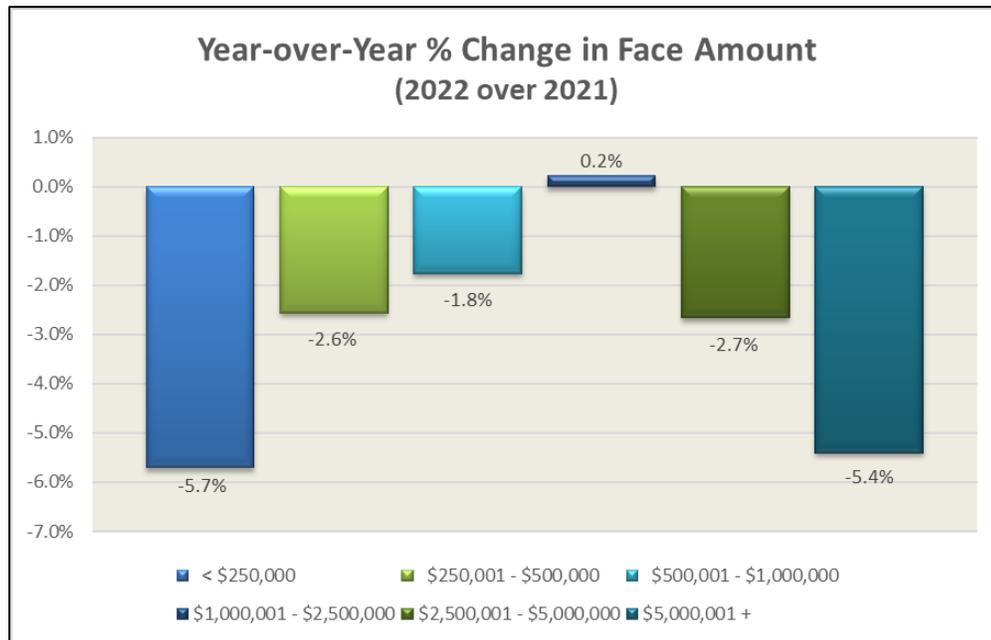
Age Distribution - Percentage of Total					
Age Group	2018	2019	2020	2021	2022
0-30	24.7%	23.3%	23.2%	22.9%	22.8%
31-50	40.7%	40.0%	41.2%	41.7%	41.3%
51-60	17.7%	18.2%	17.9%	17.9%	17.8%
61-70	12.2%	13.3%	12.8%	12.7%	12.9%
71+	4.7%	5.3%	4.8%	4.9%	5.3%
Total	100%	100%	100%	100%	100%



Face Amount and Product Type

Face Amount Insights

Based on the information provided to MIB, 2022 saw flat activity YOY for face amounts over \$1M up to and including \$2.5M and declines for all other face amounts. It is interesting to note that the largest declines are for the highest and lowest face amounts, up to and including \$250K and over \$5M.



In examining patterns by age groups, growth concentrated in ages 0-30 for amounts over \$250K, in the double digits for amounts over \$5M, and ages 71+ for amounts up to and including \$250K. All other face amount and age band combinations saw flat or declining activity. Notably, ages 61-70 saw double-digit declines for face amounts over \$1M, as did ages 71+ for face amounts over \$2.5M up to and including \$5M.

2022/2021 Change in Face Amount by Age Group						
Age Group	< \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	\$1,000,001 - \$2,500,000	\$2,500,001 - \$5,000,000	\$5,000,001 +
Overall	-5.7%	-2.6%	-1.8%	0.2%	-2.7%	-5.4%
0-30	-7.6%	2.3%	2.4%	6.2%	4.1%	10.3%
31-50	-7.7%	-4.1%	-2.8%	-0.1%	-0.9%	-3.9%
51-60	-6.0%	-3.1%	-0.9%	-1.4%	-5.5%	-9.7%
61-70	-2.3%	-5.0%	-7.0%	-10.2%	-17.6%	-10.6%
71+	4.6%	-6.3%	-8.5%	-2.1%	-17.9%	-4.6%

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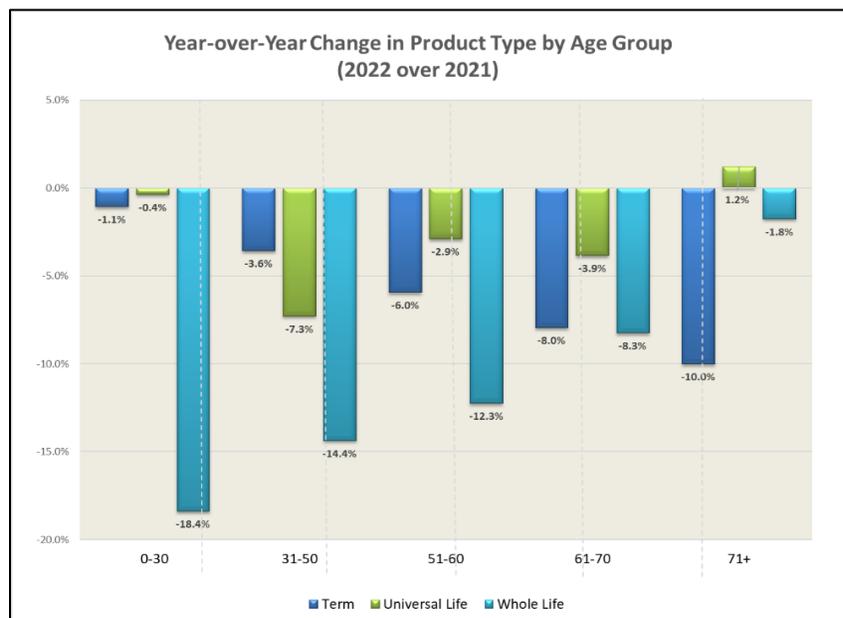
Product Type Insights

Based on the information provided to MIB, activity for all product types declined 2022 YOY, with Whole Life declines in the double digits.

When breaking down activity by product type into age bands, some interesting trends emerge. The percent decrease in YOY activity for Whole Life becomes smaller as age bands increase, ranging from ages 0-30 at -18.4% to ages 71+ at -1.8%. In direct contrast, the percent decrease in YOY activity for Term Life becomes larger as age bands increase, ranging from ages 0-30 at -1.1% to ages 71+ at -10.0%. Universal life patterns, however, fluctuated with activity flat for ages 0-30 and 71+ and declining for all age bands in between.

When taking a more detailed look at product trends, we see declines in both traditional and interest sensitive Whole Life products. While based on a small volume of applications where this type of product level detail is reported to MIB, ages 31-70 showed higher YOY declines for traditional vs interest sensitive Whole Life products, while ages 71+ showed higher YOY declines for interest sensitive and ages 0-30 showed even declines across Whole Life product types.

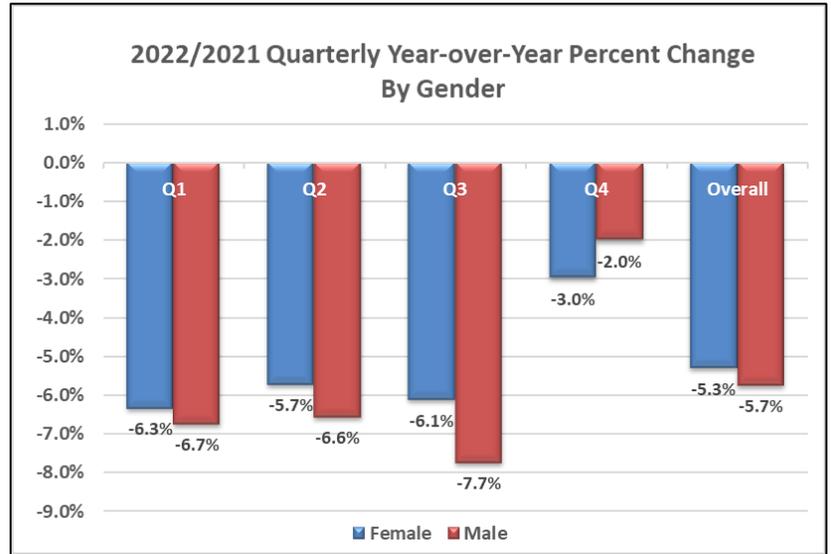
2022/2021 Change in Product Type by Age Group			
Age Group	Term	Universal Life	Whole Life
Overall	-4.0%	-3.9%	-12.7%
0-30	-1.1%	-0.4%	-18.4%
31-50	-3.6%	-7.3%	-14.4%
51-60	-6.0%	-2.9%	-12.3%
61-70	-8.0%	-3.9%	-8.3%
71+	-10.0%	1.2%	-1.8%



Gender Analysis

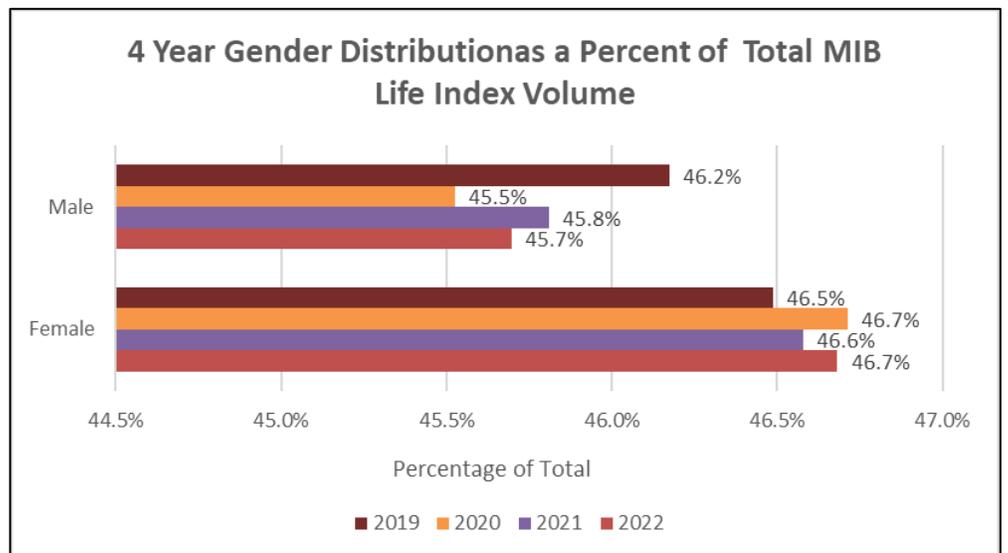
Quarterly Percentage Changes by Gender

While the difference is small, overall, in 2022 females slightly outpaced males in YOY application activity with declines for males somewhat larger than that for females. The disparity in growth patterns between males and females began with a slight difference in Q1, with the gap increasing in Q2 and Q3. However, Q4 saw a shift in patterns with activity for females declining slightly more than males. It is interesting to note that the 2022 patterns are in direct contrast to 2021 when overall males slightly outpaced females by 0.9%.



4 Year Gender Distribution

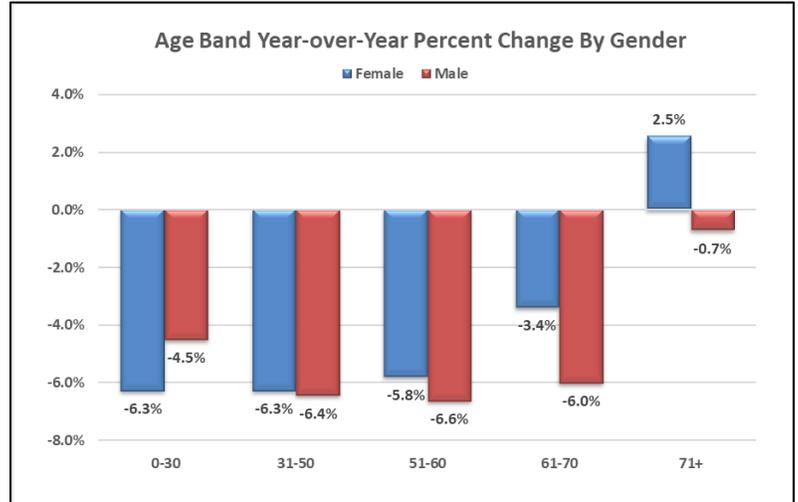
We completed a 4-year lookback at the percent of applications by gender, where this information was reported to MIB. Since gender is not always reported, the percentages do not add up to 100%. While the difference is not large, female applicants historically represent a slightly greater percentage of activity than males, and the percentage of male vs female applicants has been relatively consistent over the 4-year period, with deviations of less than 1%.



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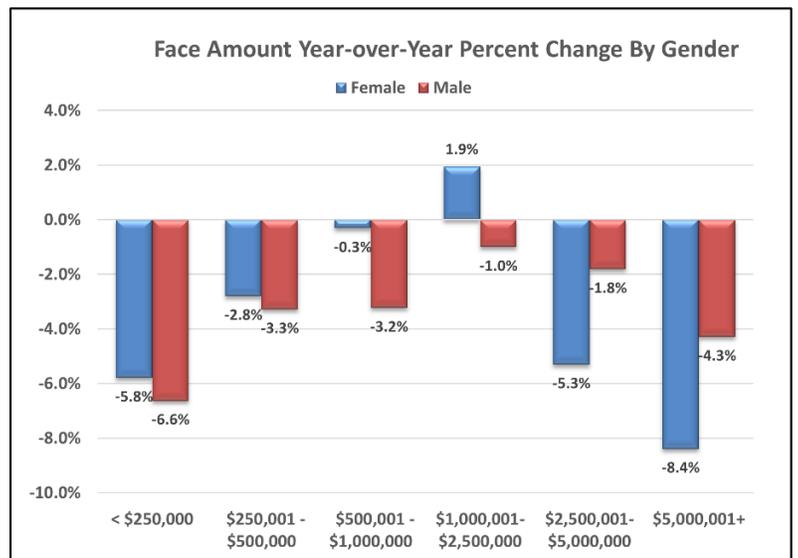
Age Group by Gender

When examining YOY percent changes by age band and gender, it becomes clear that the growth seen in 2022 for the 71+ age group was driven entirely by females. It is also interesting to note that for the youngest age band 0-30, female activity declined more significantly than that for males. The pattern begins to reverse with the 31-50 age group with YOY declines in activity relatively even between males and females, and for ages 51+ application activity for males declines more significantly than for females. Further, for ages 31+, the disparity between male and female activity increases as age increases.



Face Amount by Gender

When examining YOY percent changes by face amount and gender, some interesting trends emerge. Activity for females outperformed males for face amounts up to and including \$2.5M, with declining activity for males larger than that for females. However, for higher face amounts over \$2.5M, the pattern reverses and males outperform females with declining activity for females larger than that for males. This is in direct contrast to 2021 when males outperformed females YOY for amounts up to \$250K and females significantly outperformed males (by +34%) for face amounts over \$5M. It is also interesting to note, the disparity between YOY activity for male and female applicants increases as face amounts increase.



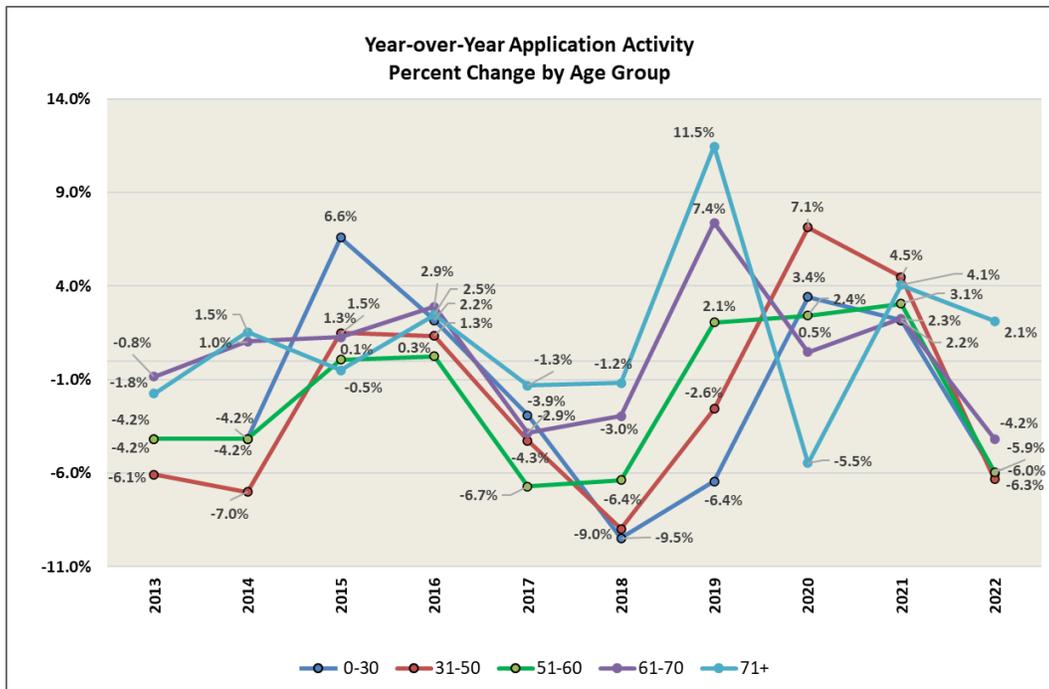
Additionally, flat overall activity for face amounts over \$1M up to and including \$2.5M, previously reported on page 11, was driven by female applicants, who experienced YOY increases for these face amounts of +1.9%.

Long Term Trends

Long Term Trends by Age Group

A long-term lookback shows that for 5 of the 7 years prior to the pandemic, ages 71+ had the strongest YOY growth. In 2020 with the onset of the pandemic, patterns shifted and ages 31-50 lead in growth while ages 71+ declined. In 2021, ages 31-50 continued to lead in growth, however trends again shifted for ages 71+, which ended the year as the second strongest age band at growth. In 2022, we saw another shift with ages 31-50 moving from the highest growth age band in the previous year to having the largest decline in 2022, while ages 71+ finished as the only age band at growth.

YOY Application Activity % Change by Age Group					
	0-30	31-50	51-60	61-70	71+
2022	-6.0%	-6.3%	-5.9%	-4.2%	2.1%
2021	2.2%	4.5%	3.1%	2.3%	4.1%
2020	3.4%	7.1%	2.4%	0.5%	-5.5%
2019	-6.4%	-2.6%	2.1%	7.4%	11.5%
2018	-9.5%	-9.0%	-6.4%	-3.0%	-1.2%
2017	-2.9%	-4.3%	-6.7%	-3.9%	-1.3%
2016	2.2%	1.3%	0.3%	2.9%	2.5%
2015	6.6%	1.5%	0.1%	1.3%	-0.5%
2014	-4.2%	-7.0%	-4.2%	1.0%	1.5%
2013	-4.2%	-6.1%	-4.2%	-0.8%	-1.8%

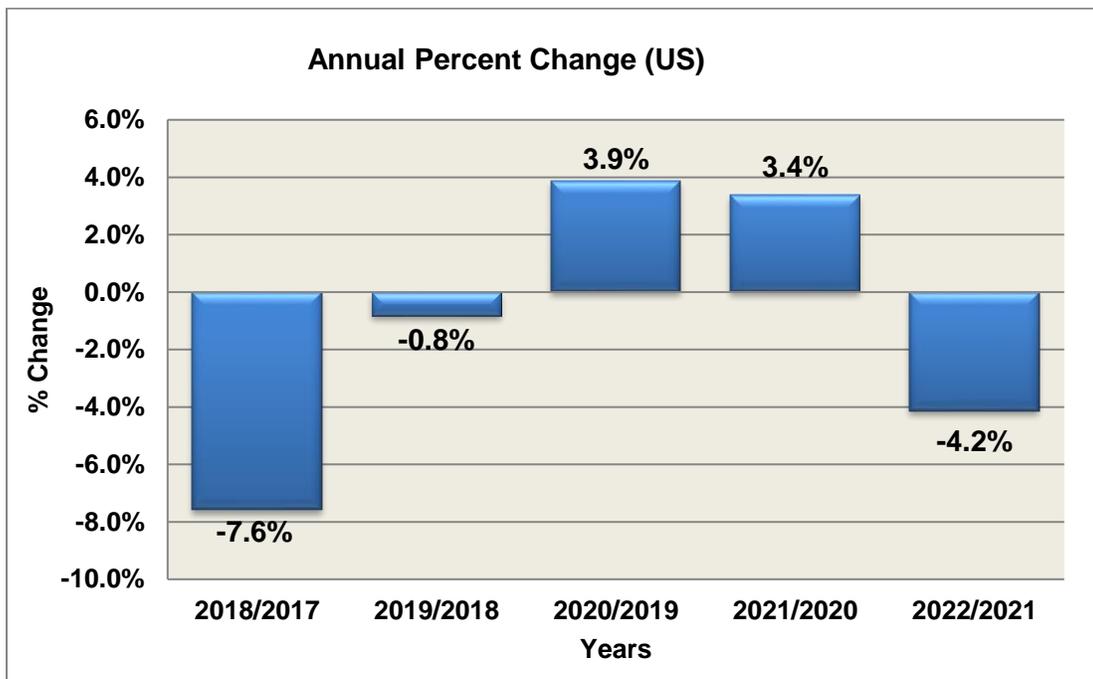


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Annual Percent Change, Five-Year Lookback

A lookback at the percent change in activity across a 5-year period shows results ranging from a low of -7.6% (2018/2017) to a high of +3.9% (2020/2019). The annual percent change had trended upward from 2018 to 2020 but declined in 2022.

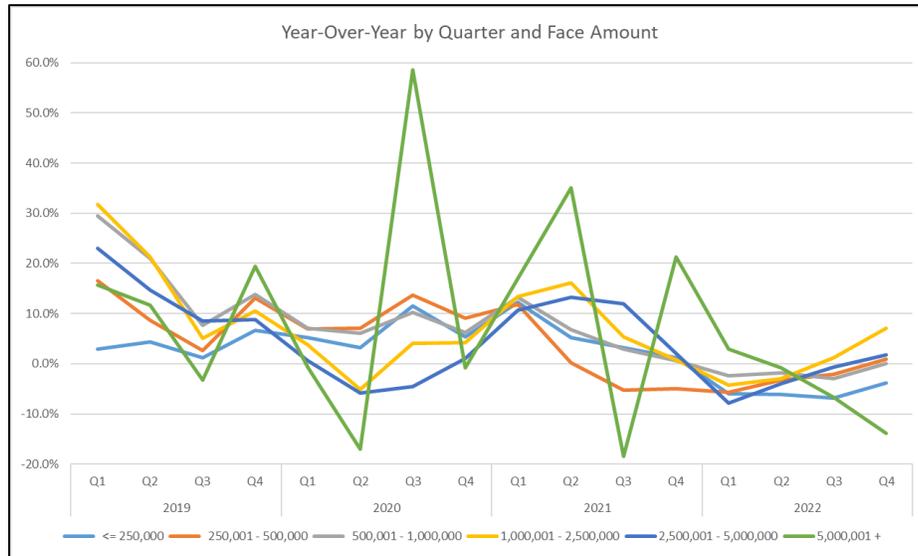
Annual Percent Change		
Period	Compared to	Percent Change
2018	2017	-7.6%
2019	2018	-0.8%
2020	2019	3.9%
2021	2020	3.4%
2022	2021	-4.2%



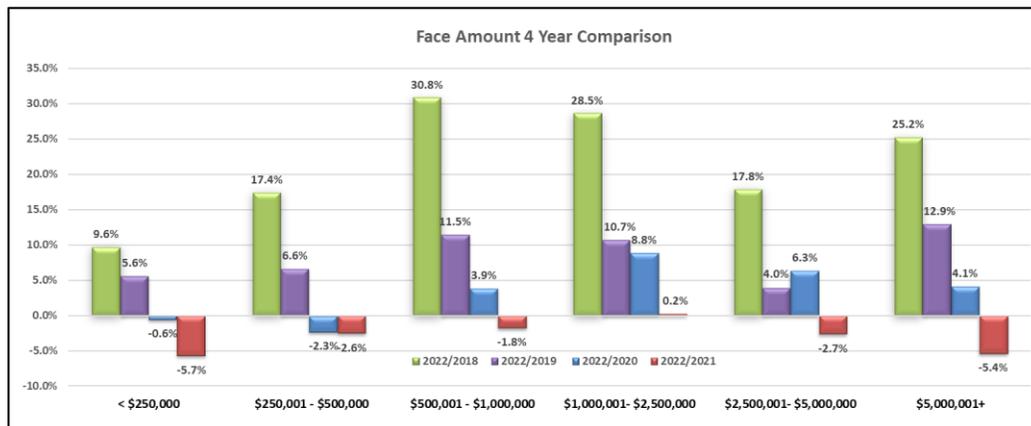
MIB Life Index 2022

Long Term Trends by Face Amount

Over the last 4 years, there have been significant fluctuations in activity by face amount, particularly for amounts over \$5M. During the first half of 2022, activity for policies over \$5M lead other face amounts in growth. However, the second half of the year saw a shift and as of Q4 2022, activity for policies over \$5M experienced double-digit declines, in comparison to double-digit growth for these face amounts in Q4-2021.

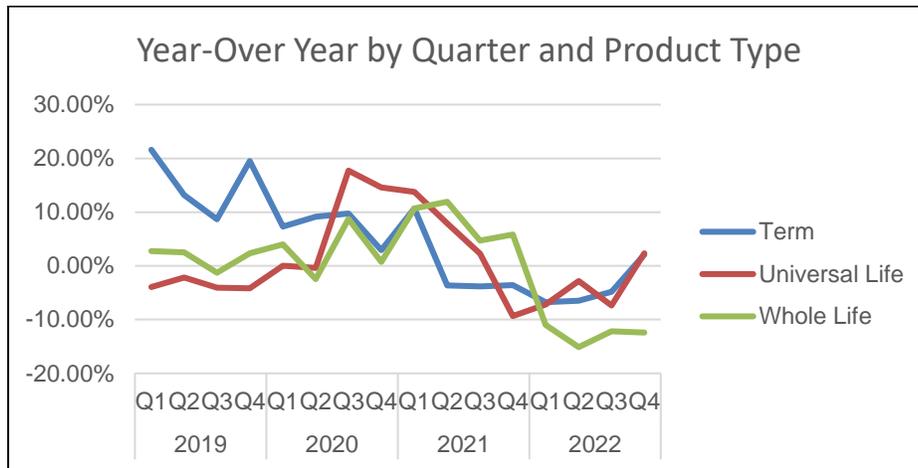


We added to our analysis an examination of application activity by face amount for 2022 compared to activity in each of the 4 years prior. As discussed previously, 2022 saw flat activity YOY when compared to 2021 for face amounts over \$1M up to and including \$2.5M and declines for all other face amounts. However, when comparing 2022 activity to that during the pandemic in 2020, all face amounts above \$500K show growth, while smaller face amounts up to and including \$500K show declining or flat activity. When comparing 2022 to pre-pandemic activity in 2019, all face amounts show growth, in the double digits for amounts over \$500K up to and including \$2.5M and over \$5M. Growth rates continue to rise across the board when shifting the comparison to 2022/2018, with face amounts above \$250K reaching double digit growth.

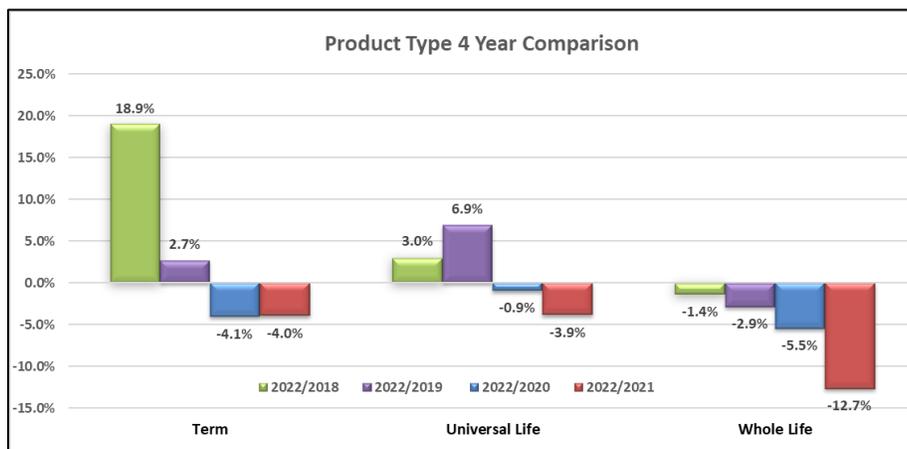


Long Term Trends by Product Type

A four-year lookback on application activity by product type, shows Term Life with a consistent lead on growth during 2019. However, fluctuating patterns begin in Q2 of 2020 and continue through 2022. During the second half of 2020, Universal Life gains in appeal and overtakes the other product types in growth. However, Whole Life takes over as the leader in growth during much of 2021, only to decline significantly in 2022. We close out 2022 with Term Life and Universal Life trending up, while Whole Life remains at a double-digit decline.

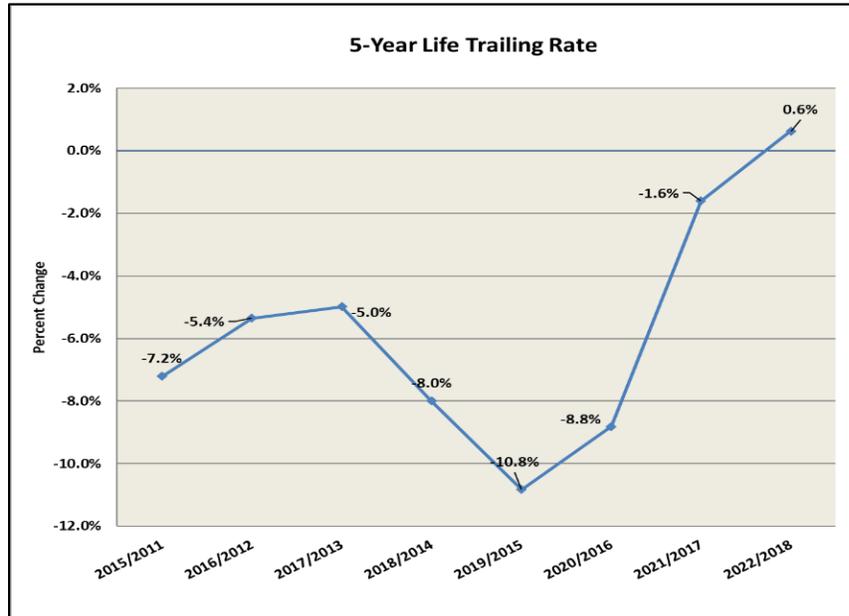


Similar to our discussion of long-term face amount trends, we added to our analysis an examination of application activity by product type for 2022 compared to activity in each of the 4 years prior. As we discussed previously, activity for all product types declined 2022 YOY, with Whole Life declines in the double digits. While Term Life has declined YOY compared to post-pandemic years (2020 and 2021), it experienced growth compared to years prior to the pandemic, including double-digit growth compared to 2018. Similarly, Universal Life declined or was flat compared to post-pandemic years, but at growth compared to 2018 and 2019. Whole Life had double-digit declines YOY in 2022 but had more moderate declines compared to 2019 and 2020 and was flat compared to 2018.

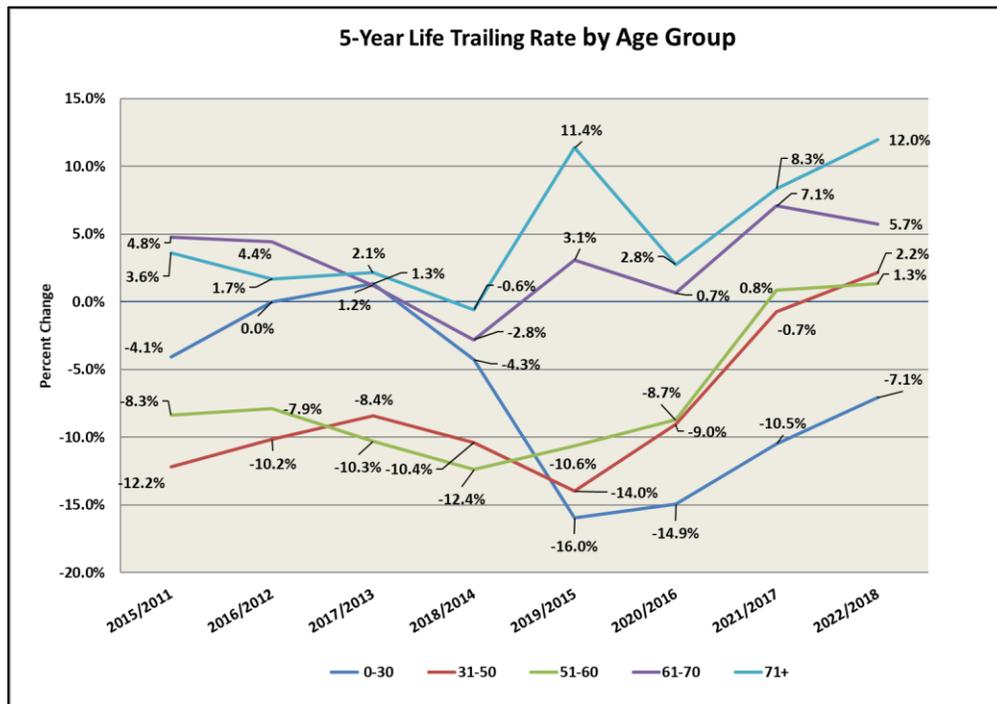


Five-Year Average Trends

The rate of change in activity over five-years was flat (+0.6%) for 2022/2018, representing the first time the five-year trailing rate has been above zero since before 2015.



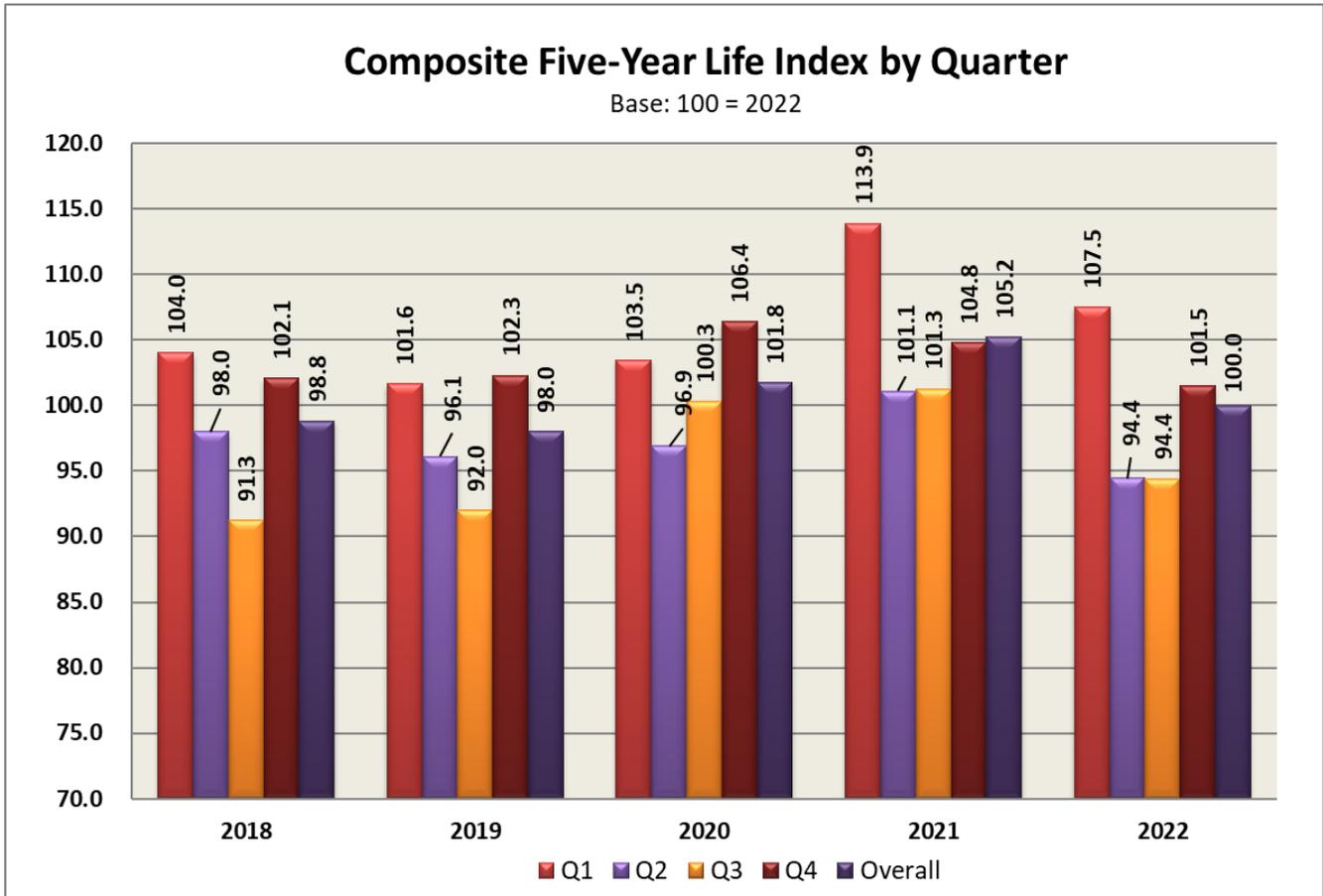
Breaking down the analysis by age, when comparing the five-year trailing rate for 2022/2018 to that for 2021/2017, ages 61-70 declined while all other age bands improved. The five-year trailing rate across all age bands has been on an upward trend since 2019/2015, and 2022/2018 set new five-year trailing average highs for ages 31-50 (+2.2%), 51-60 (+1.3%), and 71+ (+12.0%).



MIB Life Index 2022

Five-Year Composite, Quarter-by-Quarter

To analyze quarterly trends, we conducted a 5-year lookback comparing activity each quarter to average annual 2022 activity. Based on this analysis, 2022 had the second highest Q1 and the lowest Q2 and Q4 during the five-year period, while Q3 fell in the middle of the range.



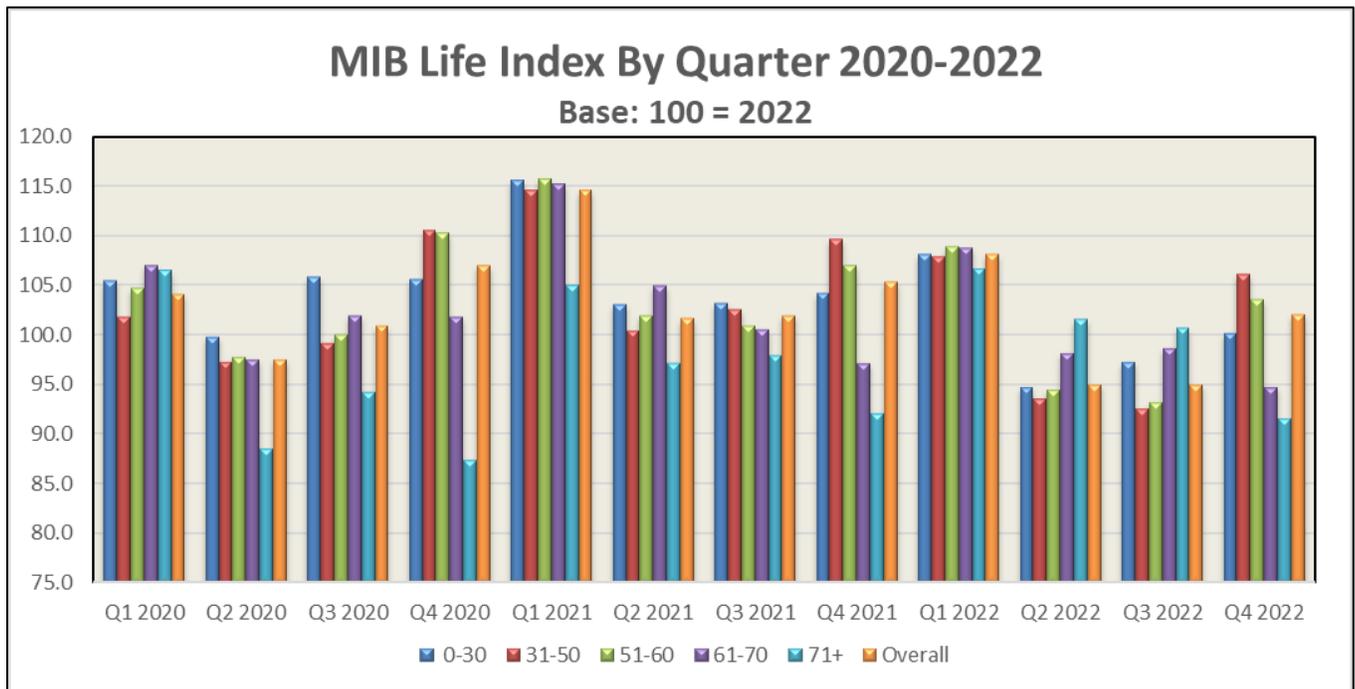
MIB Life Index 2022

Long Term Seasonal Quarterly Trends by Age Band

Historical seasonal trends follow a pattern with the highest composite application activity in Q1 followed by Q4, with Q2 and Q3 experiencing lesser volumes than the other quarters. 2022 composite activity was consistent with these seasonal trends.

Across age groups, however, seasonal patterns vary. In 2022, all age bands showed the highest application volume in Q1, followed by a drop in activity in Q2. However, trends for Q3 and Q4 differ across age bands.

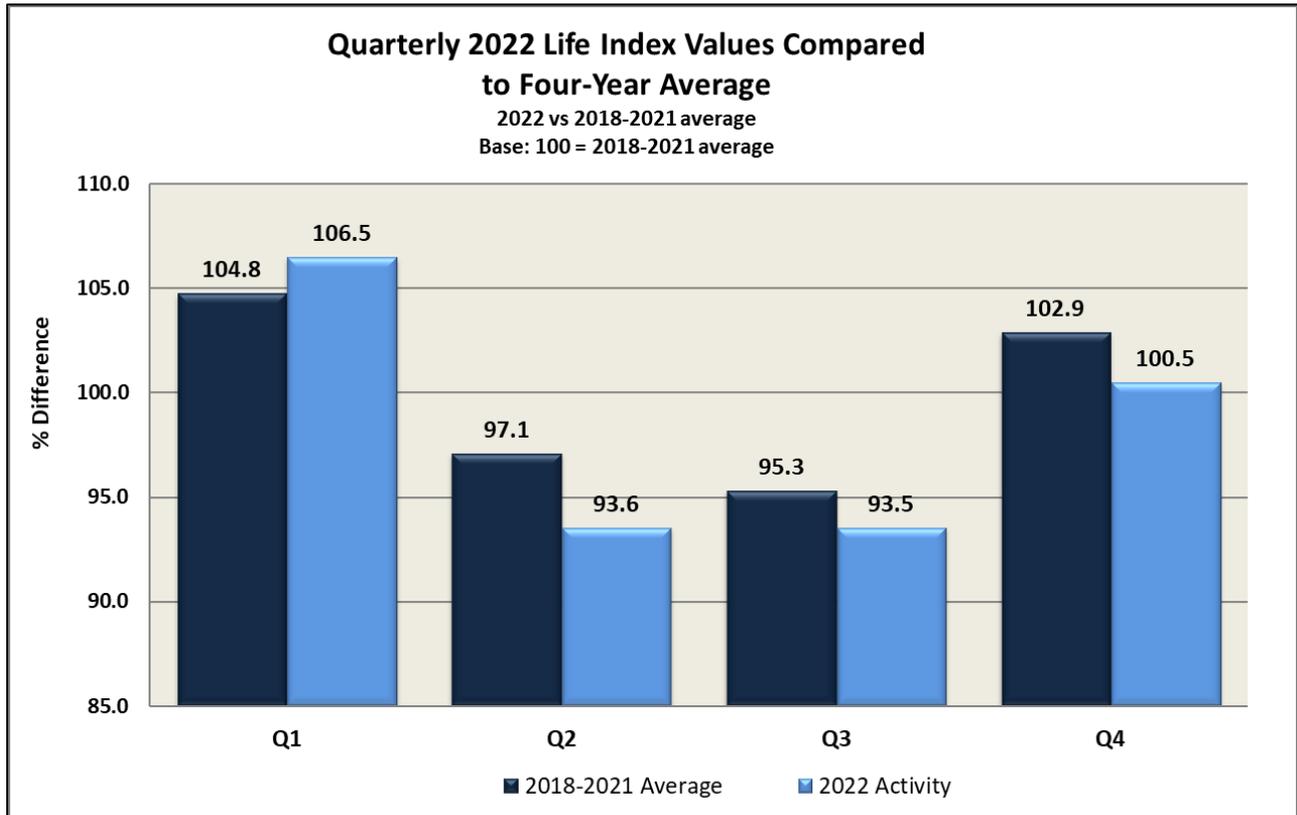
Ages 0-30 showed growth from Q2 to Q3 and Q3 to Q4. Ages 31-60 saw flat activity from Q2 to Q3 but growth from Q3 to Q4. Ages 61+ showed flat activity from Q2 to Q3 and a decrease from Q3 to Q4.



MIB Life Index 2022

Average Quarterly Activity 2018 – 2021 vs. 2022

2022 remained above the preceding four-year average for Q1, but the other quarters performed below the average.



Appendix A: MIB Life Index Methodology

The MIB Life Index provides insights into trends in application activity for individually underwritten life insurance. Application activity for this report is based on inquiries to the MIB Checking ServiceSM performed by MIB's U.S. member company underwriters. Since the MIB Checking Service is used to underwrite the vast majority of individually underwritten life insurance policies in the US (estimated as high as 90 percent), MIB has a unique ability to estimate application activity and provide the industry with insights into trends over time.

The MIB Life Index starts with all inquiries into the MIB Checking Service, including all facultatively underwritten life reinsurance activity. All inquiries from disability income, critical illness and long-term care insurance are removed from the source data. Guaranteed issue and other non-underwritten individual and group life insurance are not reflected because MIB Checking Service is not used for those market segments. Percent changes (YTD, YOY, MOM and QOQ) are then calculated using the average number of MIB inquiries per calendar day for a given period.

For more information about our methodology, including the change to methodology that began in January 2021, please visit our website at mibgroup.com/resources/life-index-reports/

If you have any questions about the MIB Life Index, please contact our Head of Marketing Betty-Jean Lane at Blane@mib.com.

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