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**International
Accounting Standards
Board**

This document is provided as a convenience to observers at IASB meetings, to assist them in following the Board's discussion. It does not represent an official position of the IASB. Board positions are set out in Standards.

These notes are based on the staff papers prepared for the IASB. Paragraph numbers correspond to paragraph numbers used in the IASB papers. However, because these notes are less detailed, some paragraph numbers are not used.

INFORMATION FOR OBSERVERS

Board Meeting: February 2009, London

Project: IFRS for Non-publicly Accountable Entities (formerly Private Entities, formerly SMEs)

Subject: Simplifying the approach for measuring an NPAE's cost and obligation under a defined benefit plan (Agenda Paper 8):
Attachment 2: Excerpt from Statement No 45 of the US Governmental Accounting Standards Board

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1. This attachment contains an excerpt from Statement 45 of the US Governmental Accounting Standards Board. Statement 45 applies to employer accounting for post-employment benefit plans other than pensions (OPEBs). Only paragraphs 33 to 35 of that statement, which set out the alternative measurement method for OPEBs with fewer than one hundred plan members, are directly relevant to the discussion on possible simplifications for the IASB's NPAE project, and only those are included in this attachment. However, paragraphs 33 to 35 make reference to several other paragraphs in Statement 45.
 2. GASB is currently conducting a review of its Statement 25, which has standards for employer accounting for defined benefit pension plans (DBPPs). As part of that review, GASB intends to consider whether to add to Statement 25 an alternative measurement method for small DBPPs similar to the one in Statement 45 for OPEB plans.

Alternative Measurement Method for Employers with Fewer Than One Hundred Plan Members

33. The parameters of paragraphs 12 and 13 concerning the measurement of the ARC and of the funded status of OPEB plans, including the requirements of paragraph 12 regarding the minimum frequency of actuarial valuations and the requirement of paragraph 13b that the selection of actuarial assumptions should be guided by actuarial standards, generally are applicable to all sole and agent employers. However, employers that meet the criteria in paragraph 11 may elect to apply certain simplifying modifications for the selection of actuarial assumptions, as stated in paragraph 34.

34. Employers that meet the eligibility test in paragraph 33 may elect either to apply the parameters of paragraphs 12 and 13 in their entirety or to apply the parameters with one or more of the following specific modifications. Employers that apply these modifications should disclose that they have used the *alternative measurement method* permitted by this Statement and should disclose in the notes to the financial statements the source or basis of all significant assumptions or methods selected in accordance with this paragraph, in addition to all other disclosure requirements of this Statement.

- a. General considerations—The projection of benefits should include assumptions regarding all significant factors affecting the amount and timing of projected future benefit payments, including, where applicable, the factors listed below. Additional assumptions may be needed depending on the benefits being provided. Assumptions generally should be based on the actual experience of the covered group, to the extent that credible experience data are available, but should emphasize expected long-term future trends rather than give undue weight to recent past experience. However, grouping techniques that base the selection of assumptions on combined experience data for similar plans may be used, as discussed in subparagraph i of this paragraph. The reasonableness of each assumption should be considered independently based on its own merits and its consistency with each other assumption. For example, each assumption of which general inflation is a component should include the same assumption with regard to

that component. In addition, consideration should be given to the reasonableness of the combined impact of all assumptions.

- b. Expected point in time at which benefits will begin to be provided—The assumption should reflect past experience and future expectations for the covered group. The assumption may incorporate a single assumed retirement age for all active employees or an assumption that all active employees will retire upon attaining a certain number of years of service.
- c. Marital and dependency status—The employer may base these assumptions on the current status of active and retired plan members or on historical demographic data for retirees in the covered group.
- d. Mortality—The employer should base this assumption on current published mortality tables.
- e. Turnover—The employer generally should base both the assumed probability that an active plan member will remain employed until the assumed retirement age and the expected future working lifetime of plan members, for purposes of allocating the present value of expected benefits to periods, on the historical age-based turnover experience of the covered group using the calculation method in paragraph 35a. However, if experience data are not available, the employer should assign the probability of remaining employed until the assumed retirement age using Table 1 in paragraph 35b, and should determine the expected future working lifetime of plan members using Table 2 in paragraph 35c.
- f. Healthcare cost trend rate—The employer should derive select and ultimate assumptions about healthcare cost trends in future years for which benefits are projected from an objective source.
- g. Use of health insurance premiums—An employer participating in an experience-rated healthcare plan that provides benefits through premium payments to an insurer or other service provider may use the plan's current premium structure as the initial per capita healthcare rates for the purpose of projecting future healthcare benefit payments. However, if the *same premium rates* are given for both active employees and retirees, and the plan is *not a community-rated plan*, as discussed in paragraph 13a(2), the employer should (1) obtain from the insurer age-adjusted premium rates for retirees or, if that information cannot be obtained from the insurer, (2) estimate age-adjusted premiums for retirees using the method provided in Tables 3 through 5 of paragraph 35d, as appropriate.
- h. Plans with coverage options—When a postemployment benefit plan provides plan members more than one coverage option, the employer should base assumptions regarding members' coverage choices on the experience of the covered group, considering differences, if any, in the choices of pre- and post-Medicare-eligible members.
- i. Use of grouping—The employer may use grouping techniques. One such technique is to group participants based on common demographic characteristics (for example, participants within a range of ages or years of service), where the obligation for each participant in the group is expected to be similar for commonly grouped individuals. Another technique is to group plans with similar expected costs and benefits.

35. This paragraph includes calculation methods and default values for use with the alternative measurement method in determining (a) the probability that active plan members will remain employed until retirement age, (b) the expected future working lifetime of plan members, and (c) age-adjusted premiums for retirees in certain situations.

- a. Employers that use historical age-based turnover experience *of the covered group* when applying the alternative measurement method, as discussed in paragraph 34e, should use the following methodology to calculate the probability of remaining employed until retirement age and the expected future working lifetime of plan members:

			Probability of Remaining Employed from Earliest Entry Age to Beginning of Year	Probability of Remaining Employed from Age Shown to Assumed Retirement Age	Expected Future Working Lifetime for Assumed Retirement Age
Age	Probability of Termination in Next Year (a)	Probability of Remaining Employed for Next Year (b)	(c)	(d)	(e)

Column a: For each age (n) from the earliest entry age to assumed retirement age, list the age-based *probabilities of termination in the next year* for the covered group.

Column b: Compute the *probability at each age of remaining employed for the next year*. This value should be calculated as $1 - a$.

Column c: Set the initial value in column c to equal 1.000. For each subsequent age (n), column c values should be calculated as: $c_{(n-1)} \times b_{(n-1)}$.

Column d: For each age (n), these values should be calculated as the product of the values in column b from age n to the year prior to the assumed retirement age.

Column e: These values should be calculated as the sum of c from age (n) to the year prior to the assumed retirement age, divided by the value of c at age (n). At the assumed retirement age, this value should be set to 0.

- b. Employers that are *not* using historical age-based turnover experience of the covered group when applying the alternative measurement method, as discussed in paragraph 34e, should use the following table to determine the probability of remaining employed until the assumed retirement age:

Table 1—Probability of Remaining Employed until Assumed Retirement Age, by Age¹—Default Values²

Age	Assumed Retirement Age					
	50 and over	49	48	47	46	45
20	0.296	0.300	0.304	0.309	0.314	0.319
21	0.321	0.326	0.330	0.335	0.340	0.346
22	0.349	0.354	0.359	0.364	0.370	0.376
23	0.379	0.384	0.389	0.395	0.401	0.408
24	0.410	0.416	0.421	0.428	0.434	0.441
25	0.440	0.446	0.453	0.460	0.467	0.474
26	0.472	0.478	0.485	0.493	0.500	0.508
27	0.503	0.510	0.517	0.525	0.533	0.542
28	0.534	0.541	0.549	0.558	0.566	0.575
29	0.564	0.572	0.580	0.589	0.598	0.607
30	0.593	0.602	0.610	0.620	0.629	0.639
31	0.622	0.631	0.640	0.650	0.660	0.670
32	0.650	0.659	0.669	0.679	0.689	0.700
33	0.677	0.687	0.696	0.707	0.718	0.730
34	0.703	0.713	0.723	0.734	0.745	0.758
35	0.729	0.739	0.749	0.761	0.772	0.785
36	0.753	0.764	0.775	0.787	0.799	0.812
37	0.777	0.788	0.799	0.811	0.824	0.837
38	0.799	0.811	0.822	0.835	0.847	0.861
39	0.821	0.832	0.844	0.857	0.870	0.884
40	0.841	0.853	0.865	0.878	0.891	0.906
41	0.860	0.873	0.885	0.899	0.912	0.927
42	0.879	0.891	0.904	0.918	0.932	0.947
43	0.896	0.909	0.922	0.936	0.950	0.965
44	0.912	0.925	0.938	0.953	0.967	0.983
45	0.928	0.941	0.955	0.969	0.984	1.000
46	0.943	0.957	0.970	0.985	1.000	1.000
47	0.958	0.971	0.985	1.000	1.000	1.000
48	0.972	0.986	1.000	1.000	1.000	1.000
49	0.986	1.000	1.000	1.000	1.000	1.000
50+	For ages 50+, the probability of remaining employed until retirement age is 1.000.					

¹Age could be the *entry age* or the *attained (current) age* of the plan member, depending upon the calculation being made.

²These default probabilities were adapted from data maintained by the U.S. Office of Personnel Management regarding the experience of the employee group covered by the Federal Employees Retirement System.

- c. Employers that are *not* using historical age-based turnover experience *of the covered group* when applying the alternative measurement method, as discussed in paragraph 34e, should use the following table to determine the expected future working lifetime of plan members:

**Table 2—Expected Future Working Lifetimes of Employees, by Age³
—Default Values⁴**

Age	Assumed Retirement Age														
	75	74	73	72	71	70	69	68	67	66	65	64	63	62	61
20	22	22	21	21	21	21	20	20	20	19	19	19	19	18	18
21	23	23	22	22	22	21	21	21	20	20	20	19	19	19	18
22	24	23	23	23	22	22	22	21	21	21	20	20	20	19	19
23	25	24	24	24	23	23	22	22	22	21	21	21	20	20	19
24	26	25	25	24	24	24	23	23	22	22	22	21	21	20	20
25	26	26	26	25	25	24	24	23	23	23	22	22	21	21	20
26	27	27	26	26	25	25	24	24	24	23	23	22	22	21	21
27	28	28	27	27	26	26	25	25	24	24	23	23	22	21	21
28	29	28	28	27	27	26	25	25	24	24	23	23	22	22	21
29	29	29	28	28	27	26	26	25	25	24	24	23	22	22	21
30	30	29	29	28	27	27	26	26	25	24	24	23	23	22	21
31	30	30	29	28	28	27	26	26	25	25	24	23	23	22	21
32	30	30	29	28	28	27	27	26	25	25	24	23	23	22	21
33	31	30	29	29	28	27	27	26	25	25	24	23	23	22	21
34	31	30	29	29	28	27	27	26	25	24	24	23	22	22	21
35	31	30	29	29	28	27	27	26	25	24	24	23	22	21	21
36	31	30	29	29	28	27	26	26	25	24	23	23	22	21	20
37	31	30	29	28	28	27	26	25	25	24	23	22	22	21	20
38	31	30	29	28	27	27	26	25	24	23	23	22	21	20	19
39	30	30	29	28	27	26	26	25	24	23	22	21	21	20	19
40	30	29	29	28	27	26	25	24	23	23	22	21	20	19	18
41	30	29	28	27	26	26	25	24	23	22	21	20	20	19	18
42	30	29	28	27	26	25	24	23	22	22	21	20	19	18	17
43	29	28	27	26	25	25	24	23	22	21	20	19	18	17	17
44	29	28	27	26	25	24	23	22	21	20	19	19	18	17	16
45	28	27	26	25	24	23	22	22	21	20	19	18	17	16	15
46	27	27	26	25	24	23	22	21	20	19	18	17	16	15	14
47	27	26	25	24	23	22	21	20	19	18	17	16	15	14	13
48	26	25	24	23	22	21	20	19	19	18	17	16	15	14	13
49	26	25	24	23	22	21	20	19	18	17	16	15	14	13	12

50+ For ages 50+, expected future working lifetime equals assumed retirement age minus age.

³See footnote 27.

⁴See footnote 28.

	Assumed Retirement Age															
Age	60	59	58	57	56	55	54	53	52	51	50	49	48	47	46	45
20	18	17	17	17	16	16	16	16	15	15	15	14	14	14	13	13
21	18	18	17	17	17	16	16	16	15	15	15	15	14	14	14	13
22	19	18	18	17	17	17	16	16	16	15	15	15	14	14	14	13
23	19	19	18	18	18	17	17	16	16	16	15	15	14	14	14	13
24	19	19	19	18	18	17	17	17	16	16	15	15	15	14	14	13
25	20	19	19	19	18	18	17	17	16	16	15	15	15	14	14	13
26	20	20	19	19	18	18	17	17	16	16	16	15	15	14	14	13
27	20	20	19	19	18	18	17	17	16	16	15	15	14	14	13	13
28	21	20	20	19	19	18	17	17	16	16	15	15	14	14	13	13
29	21	20	20	19	19	18	17	17	16	16	15	15	14	13	13	12
30	21	20	20	19	18	18	17	17	16	15	15	14	14	13	12	12
31	21	20	20	19	18	18	17	16	16	15	15	14	13	13	12	11
32	21	20	19	19	18	17	17	16	15	15	14	14	13	12	11	11
33	21	20	19	18	18	17	16	16	15	14	14	13	12	12	11	10
34	20	20	19	18	17	17	16	15	15	14	13	13	12	11	10	10
35	20	19	18	18	17	16	16	15	14	13	13	12	11	10	10	9
36	20	19	18	17	17	16	15	14	14	13	12	11	11	10	9	8
37	19	18	18	17	16	15	15	14	13	12	11	11	10	9	8	7
38	19	18	17	16	16	15	14	13	12	12	11	10	9	8	7	7
39	18	17	17	16	15	14	13	12	12	11	10	9	8	7	7	6
40	18	17	16	15	14	13	13	12	11	10	9	8	7	7	6	5
41	17	16	15	14	14	13	12	11	10	9	8	8	7	6	5	4
42	16	15	15	14	13	12	11	10	9	8	8	7	6	5	4	3
43	16	15	14	13	12	11	10	9	8	8	7	6	5	4	3	2
44	15	14	13	12	11	10	9	9	8	7	6	5	4	3	2	1
45	14	13	12	11	10	9	9	8	7	6	5	4	3	2	1	0
46	13	12	11	11	10	9	8	7	6	5	4	3	2	1	0	0
47	13	12	11	10	9	8	7	6	5	4	3	2	1	0	0	0
48	12	11	10	9	8	7	6	5	4	3	2	1	0	0	0	0
49	11	10	9	8	7	6	5	4	3	2	1	0	0	0	0	0

50+ For ages 50+, expected future working lifetime equals assumed retirement age minus age.

- d. When the same premiums are charged to active employees and retirees, and the employer or plan **sponsor** is unable to obtain age-adjusted premium information for retirees from the insurer or service provider, the following approach should be used to age-adjust premiums for purposes of projecting future benefits for retirees:
- (1) To adjust premiums for ages under 65:
- (a) Identify the premium charged for active and retired plan members under age 65.
 - (b) Calculate the average age of plan members (actives and retirees or beneficiaries) to which the premium identified in step a applies.
 - (c) For each active plan member, and each retired member or beneficiary under age 65, identify the greater of expected retirement age or current age.
 - (d) Calculate the average of the ages identified in step c.
 - (e) Calculate the midpoint age between the result of step d and age 65: result of step d + $(0.5 \times [65 - \text{result of step d}])$.
 - (f) Using the results of steps b and e, locate the appropriate factor in Table 3. The factor also can be calculated directly as $1.04^{(\text{result of step e} - \text{result of step b})}$.
 - (g) Multiply the factor identified in step f by the premium identified in step a. The result is the current-year age-adjusted premium that should be used as the basis for projecting future benefits for ages under age 65.

**Table 3—Default Factors for Calculating Age-Adjusted Premiums for
Ages under 65**

Average Age of Plan Members	Midpoint Age (from paragraph 35d(1)(e))												
	52	53	54	55	56	57	58	59	60	61	62	63	64
25	2.88	3.00	3.12	3.24	3.37	3.51	3.65	3.79	3.95	4.10	4.27	4.44	4.62
26	2.77	2.88	3.00	3.12	3.24	3.37	3.51	3.65	3.79	3.95	4.10	4.27	4.44
27	2.67	2.77	2.88	3.00	3.12	3.24	3.37	3.51	3.65	3.79	3.95	4.10	4.27
28	2.56	2.67	2.77	2.88	3.00	3.12	3.24	3.37	3.51	3.65	3.79	3.95	4.10
29	2.46	2.56	2.67	2.77	2.88	3.00	3.12	3.24	3.37	3.51	3.65	3.79	3.95
30	2.37	2.46	2.56	2.67	2.77	2.88	3.00	3.12	3.24	3.37	3.51	3.65	3.79
31	2.28	2.37	2.46	2.56	2.67	2.77	2.88	3.00	3.12	3.24	3.37	3.51	3.65
32	2.19	2.28	2.37	2.46	2.56	2.67	2.77	2.88	3.00	3.12	3.24	3.37	3.51
33	2.11	2.19	2.28	2.37	2.46	2.56	2.67	2.77	2.88	3.00	3.12	3.24	3.37
34	2.03	2.11	2.19	2.28	2.37	2.46	2.56	2.67	2.77	2.88	3.00	3.12	3.24
35	1.95	2.03	2.11	2.19	2.28	2.37	2.46	2.56	2.67	2.77	2.88	3.00	3.12
36	1.87	1.95	2.03	2.11	2.19	2.28	2.37	2.46	2.56	2.67	2.77	2.88	3.00
37	1.80	1.87	1.95	2.03	2.11	2.19	2.28	2.37	2.46	2.56	2.67	2.77	2.88
38	1.73	1.80	1.87	1.95	2.03	2.11	2.19	2.28	2.37	2.46	2.56	2.67	2.77
39	1.67	1.73	1.80	1.87	1.95	2.03	2.11	2.19	2.28	2.37	2.46	2.56	2.67
40	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11	2.19	2.28	2.37	2.46	2.56
41	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11	2.19	2.28	2.37	2.46
42	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11	2.19	2.28	2.37
43	1.42	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11	2.19	2.28
44	1.37	1.42	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11	2.19
45	1.32	1.37	1.42	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11
46	1.27	1.32	1.37	1.42	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03
47	1.22	1.27	1.32	1.37	1.42	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95
48	1.17	1.22	1.27	1.32	1.37	1.42	1.48	1.54	1.60	1.67	1.73	1.80	1.87
49	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48	1.54	1.60	1.67	1.73	1.80
50	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48	1.54	1.60	1.67	1.73
51	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48	1.54	1.60	1.67
52	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48	1.54	1.60
53	0.96	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48	1.54
54	0.92	0.96	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48
55	0.89	0.92	0.96	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42
56	0.85	0.89	0.92	0.96	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37
57	0.82	0.85	0.89	0.92	0.96	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32
58	0.79	0.82	0.85	0.89	0.92	0.96	1.00	1.04	1.08	1.12	1.17	1.22	1.27
59	0.76	0.79	0.82	0.85	0.89	0.92	0.96	1.00	1.04	1.08	1.12	1.17	1.22
60	0.73	0.76	0.79	0.82	0.85	0.89	0.92	0.96	1.00	1.04	1.08	1.12	1.17

- (2) To adjust premiums for ages 65 or older:⁵
- (a) Identify the premium charged for active and retired plan members age 65 or older.
 - (b) Calculate the average age of plan members (actives and retirees or beneficiaries) to which the premium identified in step a applies.
 - (c) For each active plan member, and each retired member or beneficiary (whether age pre-65 or age 65 or older), identify the greater of current age or age 65.
 - (d) Calculate the average of the ages identified in step c.
 - (e) Calculate the average life expectancy of all plan members (actives and retirees or beneficiaries).
 - (f) Calculate the midpoint age between the result of step d and the result of step e: result of step d + $(0.5 \times [\text{result of step e} - \text{result of step d}])$.
 - (g) Using the results of steps b and f, locate the appropriate factor in Table 4 (for plans with no Medicare coordination) or Table 5 (for plans with Medicare coordination). The factor in Table 4 also can be calculated directly as $1.04^{(64 - \text{result of step b})} \times 1.03^{(\text{result of step f} - 64)}$. The factor in Table 5 also can be calculated directly as $0.5 \times 1.04^{(64 - \text{result of step b})} \times 1.03^{(\text{result of step f} - 64)}$.
 - (h) Multiply the factor identified in step g by the premium identified in step a. The result is the current-year age-adjusted premium that should be used as the basis for projecting future benefits for ages 65 or older.

⁵The procedures described in paragraph 35d(2) would be applied only in cases in which retirees age 65 or older are included in a single, blended premium rate assessed by the insurer or service provider. If separate premium rates are assessed for retirees age 65 or older, preparers would follow the steps in paragraph 35d(1) for age-adjusting blended premiums for under age 65 and would use the separately assessed premium rates (without additional age adjustment) for age 65 or older.

Table 4—Default Factors for Calculating Age-Adjusted Premiums for Ages 65 or Older (No Medicare Coordination)

Average Age of Plan Members	Midpoint Age (from paragraph 35d(2)(f))										
	65	66	67	68	69	70	71	72	73	74	75
25	4.75	4.90	5.04	5.20	5.35	5.51	5.68	5.85	6.02	6.20	6.39
26	4.57	4.71	4.85	5.00	5.15	5.30	5.46	5.62	5.79	5.97	6.14
27	4.40	4.53	4.66	4.80	4.95	5.10	5.25	5.41	5.57	5.74	5.91
28	4.23	4.35	4.48	4.62	4.76	4.90	5.05	5.20	5.35	5.52	5.68
29	4.06	4.19	4.31	4.44	4.57	4.71	4.85	5.00	5.15	5.30	5.46
30	3.91	4.03	4.15	4.27	4.40	4.53	4.67	4.81	4.95	5.10	5.25
31	3.76	3.87	3.99	4.11	4.23	4.36	4.49	4.62	4.76	4.90	5.05
32	3.61	3.72	3.83	3.95	4.07	4.19	4.31	4.44	4.58	4.71	4.86
33	3.47	3.58	3.69	3.80	3.91	4.03	4.15	4.27	4.40	4.53	4.67
34	3.34	3.44	3.54	3.65	3.76	3.87	3.99	4.11	4.23	4.36	4.49
35	3.21	3.31	3.41	3.51	3.62	3.72	3.84	3.95	4.07	4.19	4.32
36	3.09	3.18	3.28	3.38	3.48	3.58	3.69	3.80	3.91	4.03	4.15
37	2.97	3.06	3.15	3.25	3.34	3.44	3.55	3.65	3.76	3.88	3.99
38	2.86	2.94	3.03	3.12	3.21	3.31	3.41	3.51	3.62	3.73	3.84
39	2.75	2.83	2.91	3.00	3.09	3.18	3.28	3.38	3.48	3.58	3.69
40	2.64	2.72	2.80	2.89	2.97	3.06	3.15	3.25	3.34	3.44	3.55
41	2.54	2.61	2.69	2.77	2.86	2.94	3.03	3.12	3.22	3.31	3.41
42	2.44	2.51	2.59	2.67	2.75	2.83	2.91	3.00	3.09	3.18	3.28
43	2.35	2.42	2.49	2.56	2.64	2.72	2.80	2.89	2.97	3.06	3.15
44	2.26	2.32	2.39	2.47	2.54	2.62	2.69	2.78	2.86	2.94	3.03
45	2.17	2.24	2.30	2.37	2.44	2.52	2.59	2.67	2.75	2.83	2.92
46	2.09	2.15	2.21	2.28	2.35	2.42	2.49	2.57	2.64	2.72	2.80
47	2.01	2.07	2.13	2.19	2.26	2.33	2.40	2.47	2.54	2.62	2.70
48	1.93	1.99	2.05	2.11	2.17	2.24	2.30	2.37	2.44	2.52	2.59
49	1.85	1.91	1.97	2.03	2.09	2.15	2.21	2.28	2.35	2.42	2.49
50	1.78	1.84	1.89	1.95	2.01	2.07	2.13	2.19	2.26	2.33	2.40
51	1.72	1.77	1.82	1.87	1.93	1.99	2.05	2.11	2.17	2.24	2.30
52	1.65	1.70	1.75	1.80	1.86	1.91	1.97	2.03	2.09	2.15	2.22
53	1.59	1.63	1.68	1.73	1.78	1.84	1.89	1.95	2.01	2.07	2.13
54	1.52	1.57	1.62	1.67	1.72	1.77	1.82	1.88	1.93	1.99	2.05
55	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.80	1.86	1.91	1.97
56	1.41	1.45	1.50	1.54	1.59	1.63	1.68	1.73	1.79	1.84	1.89
57	1.36	1.40	1.44	1.48	1.53	1.57	1.62	1.67	1.72	1.77	1.82
58	1.30	1.34	1.38	1.42	1.47	1.51	1.56	1.60	1.65	1.70	1.75
59	1.25	1.29	1.33	1.37	1.41	1.45	1.50	1.54	1.59	1.64	1.68
60	1.20	1.24	1.28	1.32	1.36	1.40	1.44	1.48	1.53	1.57	1.62

Table 5—Default Factors for Calculating Age-Adjusted Premiums for Ages 65 or Older (with Medicare Coordination)

Average Age of Plan Members	Midpoint Age (from paragraph 35d(2)(f))										
	65	66	67	68	69	70	71	72	73	74	75
25	2.38	2.45	2.52	2.60	2.68	2.76	2.84	2.92	3.01	3.10	3.20
26	2.29	2.35	2.43	2.50	2.57	2.65	2.73	2.81	2.90	2.98	3.07
27	2.20	2.26	2.33	2.40	2.47	2.55	2.62	2.70	2.78	2.87	2.95
28	2.11	2.18	2.24	2.31	2.38	2.45	2.52	2.60	2.68	2.76	2.84
29	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.57	2.65	2.73
30	1.95	2.01	2.07	2.14	2.20	2.27	2.33	2.40	2.48	2.55	2.63
31	1.88	1.94	1.99	2.05	2.11	2.18	2.24	2.31	2.38	2.45	2.53
32	1.81	1.86	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43
33	1.74	1.79	1.84	1.90	1.96	2.01	2.07	2.14	2.20	2.27	2.33
34	1.67	1.72	1.77	1.83	1.88	1.94	1.99	2.05	2.12	2.18	2.24
35	1.61	1.65	1.70	1.76	1.81	1.86	1.92	1.98	2.03	2.10	2.16
36	1.54	1.59	1.64	1.69	1.74	1.79	1.84	1.90	1.96	2.02	2.08
37	1.48	1.53	1.58	1.62	1.67	1.72	1.77	1.83	1.88	1.94	2.00
38	1.43	1.47	1.51	1.56	1.61	1.66	1.70	1.76	1.81	1.86	1.92
39	1.37	1.41	1.46	1.50	1.55	1.59	1.64	1.69	1.74	1.79	1.85
40	1.32	1.36	1.40	1.44	1.49	1.53	1.58	1.62	1.67	1.72	1.77
41	1.27	1.31	1.35	1.39	1.43	1.47	1.52	1.56	1.61	1.66	1.71
42	1.22	1.26	1.29	1.33	1.37	1.41	1.46	1.50	1.55	1.59	1.64
43	1.17	1.21	1.25	1.28	1.32	1.36	1.40	1.44	1.49	1.53	1.58
44	1.13	1.16	1.20	1.23	1.27	1.31	1.35	1.39	1.43	1.47	1.52
45	1.09	1.12	1.15	1.19	1.22	1.26	1.30	1.33	1.37	1.42	1.46
46	1.04	1.07	1.11	1.14	1.17	1.21	1.25	1.28	1.32	1.36	1.40
47	1.00	1.03	1.06	1.10	1.13	1.16	1.20	1.23	1.27	1.31	1.35
48	0.96	0.99	1.02	1.05	1.09	1.12	1.15	1.19	1.22	1.26	1.30
49	0.93	0.96	0.98	1.01	1.04	1.08	1.11	1.14	1.17	1.21	1.25
50	0.89	0.92	0.95	0.97	1.00	1.03	1.06	1.10	1.13	1.16	1.20
51	0.86	0.88	0.91	0.94	0.97	0.99	1.02	1.05	1.09	1.12	1.15
52	0.82	0.85	0.87	0.90	0.93	0.96	0.98	1.01	1.04	1.08	1.11
53	0.79	0.82	0.84	0.87	0.89	0.92	0.95	0.98	1.00	1.03	1.07
54	0.76	0.79	0.81	0.83	0.86	0.88	0.91	0.94	0.97	0.99	1.02
55	0.73	0.75	0.78	0.80	0.83	0.85	0.88	0.90	0.93	0.96	0.99
56	0.70	0.73	0.75	0.77	0.79	0.82	0.84	0.87	0.89	0.92	0.95
57	0.68	0.70	0.72	0.74	0.76	0.79	0.81	0.83	0.86	0.88	0.91
58	0.65	0.67	0.69	0.71	0.73	0.76	0.78	0.80	0.83	0.85	0.88
59	0.63	0.65	0.66	0.68	0.71	0.73	0.75	0.77	0.79	0.82	0.84
60	0.60	0.62	0.64	0.66	0.68	0.70	0.72	0.74	0.76	0.79	0.81