

## **PHI EXPERIENCE TRENDS: AN UPDATE**

Steven Haberman reported on further work that Arthur Renshaw and he had been carrying out to model the time trends in PHI inception rates over the period 1975-1994. Using a combination of low order polynomials in age and calendar time, and including cross product terms, they produced a model with a good fit over the period to both the sickness inception and claim inception rates. The model proposed has the same structure for both types of inception rate but different parameters. The main feature of the model is a wave-like behaviour in the modelled rates with a noticeable trough in the early 1980s and a peak in the early 1990s. Difficulties in examining the links with possible explanatory macroeconomic variables were discussed, as was the likely future direction of this research.