

The below assumptions and standards must be utilized in the certified actuarial report submitted by operators applying for or seeking to renew self-insurance authorizations. Commercially insured claims should not be included in the certified actuarial report.

Attorney Fees

Assume:

- 62% percent of claimants represented by attorneys
- \$4,100 average attorney fee award if represented by attorney

Apply the foregoing assumptions to future claims and existing claims not in final award status.

Award Probabilities

Assume:

- 100% probability of award if the most recent decision was an award
- 100% probability of denial if the most recent decision was a denial
- 25% probability of award for future filed claims and existing claims pending an initial decision

Discount Rate

Use a risk-free rate of return for the discount rate:

1.625% Source: U.S. Treasury Monthly Interest Rate Certification Table 1 Treasury Loans to Government Agencies as of 10/01/2021 for 15 year maturities.

Existing Claims

- only use assumptions specified elsewhere in this document (*e.g.*, for medical benefit inflation)
- otherwise use actual data (*e.g.*, claimant date of birth)
- Include a listing of existing claims that includes individual liability estimate

Future Claims

Assume:

- 93% percent of awarded claims filed by miner
- 7% percent of awarded claims filed by widow, in which the miner had not received a previous award
- 85% percent of miners married
- 68 average age of miner at claim filing date
- 4 yrs average age of spouse relative to miner
- 69 average age of surviving spouse at claim filing date

Estimate future claims based on a potential claimant pool that includes the following two groups:

1. All currently active employees who are eligible for future Black Lung benefits
2. All miners whose employment ended within the prior 40 years.

The two groups' estimated claim counts and liabilities should be reported separately

Indemnity Benefits

Assume:

Monthly Benefits for the calendar year:	2021	2022
Claimant and 0 Dependents	\$693.60	\$708.90
Claimant and 1 Dependent	\$1,040.40	\$1,063.40
Claimant and 2 Dependents	\$1,213.80	\$1,240.60
Claimant and 3 or More Dependents	\$1,387.20	\$1,417.80

- Annual benefit inflation:
 - 2.3% Calendar Years 2023 to 2031
 - 1.6% Calendar Year 2032 and later

Medical Benefits

Assume:

- **\$6,400** average medical benefit per miner for 01/01/2021 – 12/31/2021 (Therapeutic Medical Treatment)
- **\$1,800** average cost of diagnostic testing 01/01/2021 – 12/31/2021 (Diagnosis)
- **6.2%** average future medical inflation

Mortality

Assume:

- [BL mortality tables for miners and spouses](#)
- [SSA mortality table for non-spouse dependents](#)

The miner mortality table only applies to the claims population and should not be applied to pre-award miners

Non-Spouse Dependents

- for existing claims, calculate indemnity benefits based on the dependent/benefit type (*e.g.*, full-time student)
- for future claims, increase indemnity benefits paid to miners and spouses by the following percent to include a provision to reflect estimated future payments for non-spouse dependents:
 - 5%** additional increase in benefits (applied to miner and spouse benefits) for non-spouse dependents

Offsets

- for existing claims with indemnity offset, use the offset rate until the award has expired
- for future claims, apply the current offset percentages toward incurred but not reported claims
- assume 100% offset of medical benefits for claims subject to a medical offset

Alternate Reports

Documentation must be provided to support any assumptions that differ from the assumptions included in this document.