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Life insurance companies in the United States received approximately 81 million dollars for disability protection in 1931, 80 million in 1932, 72 million in 1933. The pay-out for indemnities was 62 million in 1931, 80 million in 1932, and 90 million in 1933. The figures suggest the magnitude of the business rather than the losses. The companies took 56 million dollars out of surplus in 1931 in preparation for future losses, 70 million in 1932, 68 million in 1933.

This was the statement of Dr. Harry W. Dingman, Vice President and Medical Director of the Continental Assurance Company to the American Association of University Teachers of Insurance at their annual meeting in Chicago today. "Apparently we offered too much coverage for too little money. Apparently what we sold as disability protection was bought by some policyholders for pensions and unemployment insurance and prevention of disability. Apparently we overstressed the statistical phase of past experience and understressed the human element."

Claim curves rise as business curves drop in days of depression and the abuses of a minority group of policyholders have caused premium rates to go higher and higher until finally the life companies have discontinued selling disability protection. Yet it is more than possible it will be resumed to supply the undoubted need for the coverage if the applicant and the company will become 50-50 partners in carrying the risk, so that a $400 a month man can get a $200 policy and no more, himself assuming the other $200. Two stop losses were suggested, a $300 limit of indemnities and a limit of payments to 100 months. "A $10,000 disability policy is just as logical as a $10,000 life policy. If the former is inadequate because the individual lives too long, so may the latter be inadequate if the widow lives too long. Meanwhile each has done a great good."