

Parris-Bell, Marilyn

From: Julien Tomas <dr.jtomas@gmail.com>
Sent: 30 April 2014 10:00
To: Parris-Bell, Marilyn; frederic@planchet.net
Subject: Submission L10
Attachments: TomasPlanchet.pdf

Dear Marilyn Parris,

Please find attached to this mail our paper:

Constructing entity specific projected mortality table: adjustment to a reference

which we would like to submit to the Longevity 10 conference.

Abstract:

This article presents an operational framework for constructing and validating projected mortality table specific to an insurer. We describe several methods of increasing complexity and the process of validation allowing an insurer to adjust a reference to get closer to a best estimate assessment of its mortality and longevity risk. They provide to the insurer some latitude of choice while preserving simplicity of implementation for the basic methodology. The methodologies articulate around an iterative procedure allowing to choose parsimoniously the most satisfying one. The process of validation is assessed on three levels. This concerns the proximity between the observations and the model, the regularity of the fit as well as the plausibility and consistency of the mortality trends. The procedure is illustrated from experience data originating from a French Insurance portfolio. Finally, the methodologies and the process of validation have been implemented in the R package named ELT (Experience Life Table) which has been released recently on CRAN.

I thank you for your consideration,

Best regards,

Julien Tomas