

Article from:

ARCH 2014.1 Proceedings

July 31-August 3, 2013

The Distribution of Aggregate Life Insurance Claims: The Gamma-Exponential Mix Model

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In this paper, we demonstrate the calculation of parameters for a Gamma-Exponential Mix distribution with moments matching the first three moments of the expected claims by amount for an arbitrary portfolio of life insurance policies. We show that this distribution accurately fits the simulated distribution of aggregate claims for the relevant portfolio. Finally, we discuss boundaries of feasibility for this approach.