



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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PRESS RELEASE
For Immediate Release

**INSURANCE COMMISSIONER DOOC ANNOUNCES THE DEVELOPMENT
OF NEW MORTALITY TABLE FOR THE LIFE SECTOR**

Recognizing the need to have an updated mortality table, Insurance Commissioner Emmanuel F. Dooc officially announced the conduct of the 2016 Philippine Intercompany Mortality Study.

“The Insurance Commission, in coordination with the Actuarial Society of the Philippines, is currently conducting the 2016 Philippine Intercompany Mortality Study which aims to review the life insurance sector’s mortality experience”, said Commissioner Dooc.

According to Commissioner Dooc, “The ultimate goal of the study is to produce an updated mortality table based on the Philippine industry mortality experience using more updated data, in light of current underwriting and marketing practices as well as the new regulations issued by this Commission.”

“In order to gather all data relevant to the study, the Insurance Commission (IC) is set to issue a guideline on the conduct of the study which includes a directive requiring all life insurance companies to participate in the mortality study. The guidelines will contain the description of the study, the procedures thereof and the data and report that will be required of from all life insurance companies”, said Commissioner Dooc.

The exposure draft will be circulated to all life insurance companies through the Philippine Life Insurance Association, Inc., the umbrella organization of all life insurance companies in the Philippines, for comments.

Based on the draft circular letter, all required data and reports would be submitted to the IC for consolidation. The analysis of the consolidated data will be carried out by the Actuarial Society of the Philippines (ASP) for the preparation of reports and recommendations.

A special tool solely developed for this study will be used in the processing of data of individual records of each company to ensure data privacy and security. The same tool may be used by participating life insurance companies for their own mortality studies.

"The ASP has commissioned the development of a mortality study software to facilitate the preparation of the mortality data contributions of each company and to maintain data confidentiality for life companies.

"After 38 years since the adoption of the 1973-1978 Philippine Intercompany Mortality Table (PICM), this is the first time that a new mortality study will be conducted. This is an important undertaking in order to develop a relevant mortality table that will benefit both the life insurance sector and the insuring public", said Commissioner Dooc.

"The updated mortality study will be very useful to life companies, not only in product pricing and benchmarking of mortality experience, but also in the computation of reserves using the Gross Premium Valuation Standards which require the use of best estimate assumptions", added Commissioner Dooc.

The 2016 PICM Study, which will cover experience from policy anniversaries in 2009 up to 2014, will be conducted using policy count and will only cover direct, standard risk, individual business. It also aims to analyze experience by attained age last birthday, attained age nearest birthday, gender, product type and underwriting basis. The results of the experience will be assessed in comparison with the Basic 1973-1978 Philippine Intercompany Mortality Table.

The ASP targets to release the new Philippine Intercompany Mortality Table by the first quarter of 2017.



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