THE IMPACT OF MORTALITY AS A RESULT OF HIV/AIDS TO THE INSURANCE INDUSTRIES

BY

MIRIAM W. GACHIE

A project submitted in partial fulfillment of the requirement for the postgraduate Diploma in Actuarial Science at the Department of Mathematics, University of Nairobi, Kenya.

SEPTEMBER 2005
Abstract

This project paper discusses the impact of HIV/AIDS to the insurance industry. It encompasses the impact of HIV/AIDS on the workforce, payment of claims and the response of insurance to Aids. The study investigates how insurers calculate the net premiums. Mortality is the main factor of determining the cost of Insurance. Therefore we analyze the effect of varying mortality experience on the life Insurance Industry. The work utilizes data from various Insurance companies over a period of time, mortality tables from the faculty and Institute of Actuaries.