



INSURANCE REGULATORY AUTHORITY

Insurance Industry Quarterly Claims Statistics for the Period

October – December 2019

Prepared by

Insurance Regulatory Authority

December 2019



About Insurance Regulatory Authority

The Insurance Regulatory Authority (IRA) is a State Corporation whose mandate is to regulate, supervise and promote the development of the insurance industry in Kenya. The key players regulated by IRA are insurance companies, re-insurance companies, insurance brokers, insurance agents, motor assessors, insurance investigators, insurance surveyors, loss adjustors, claim settling agents and risk managers.

All incorporated entities regulated under the Insurance Act are required to submit various periodic returns to the IRA. All direct insurers are required to submit their monthly summary of claims returns within fifteen (15) days after the end of the month to which the returns relate.

Reliance and limitations

The information contained in this report has been obtained from the monthly summary of claims returns submitted to the Insurance Regulatory Authority, pursuant to the provisions of the Insurance Act, Cap 487. No adjustments have been made to the the returns data except where adjustments have been made in consultation with the affected insurers.

The publication of any summary of an insurer's return in a report does not necessarily mean that the returns so summarized have satisfied all the requirements of the Insurance Act, Cap 487, or that the Authority approves the accuracy of the contents of the returns.

Where necessary, figures have been adjusted to eliminate errors in totals due to rounding off.

1.0 Introduction

Both long term and general insurance business underwriters are required to submit monthly summary of claims returns to IRA through the electronic regulatory system (ERS).

These returns are submitted within 15 days from the end of the month to which they relate. At the time of preparation of this report, all the insurers had submitted their monthly summary of claims returns for the fourth quarter of 2019 except for Takaful Insurance of Africa – General who had not submitted claims returns for the month of December 2019.

The quarterly claims statistics summarizes quarterly claims data into number of claims outstanding at the beginning of the quarter, action taken during the quarter and the number of claims outstanding at the end of the quarter. Further, under general insurance business, a distinction is made between liability¹ and non-liability claims.

1.1 Quarterly Claims Movements

The quarterly claims movements indicate the actions taken during the quarter which comprises of the following:

1. **Claims intimated** – this comprises of the number of claims that have been reported to the insurers during the quarter;
2. **Revived claims** – these are claims previously closed but have been revived by the policyholders (claimant) during the quarter;
3. **Claims paid** - these are the claims paid by the insurers during the quarter. The claims paid may include those outstanding at the beginning of the period; those intimated and revived during the quarter;
4. **Claims declined** – these are claims that the insurer has declined to pay during the quarter for various reasons per policy document or otherwise.

¹ Liability Claims are third parties' claims while non liability claims are policyholders' claims.

5. **Claims closed as no claims** – these are notified claims for which the insurer makes provisions for liability but the liability does not cristalize during the quarter.
6. **Total number of claims actionable/payable** – It is the summation of the number of claims paid, claims declined, claims closed as no claims and claims outstanding at the end of the quarter.

The **number claims outstanding at the end of the quarter** result from the above movements and are computed as:

- claims outstanding at the beginning of the quarter
- add claims intimated and revived during the quarter
- less claims paid during the quarter
- less claims declined and claims closed as no claims during the quarter.

1.2 Claims Movement Ratios

These are ratios of the actions taken during the month in relation to total claims actionable /payable. They include claims declined ratio, claims closed as no claims ratio and claim payment ratio.

1.2.1 Declined Claims Ratio

This is the proportion of the number of claims declined in relation to the total number of claims actionable during the quarter.

In Q4 2019, the proportion of declined general liability claims increased to 0.05% compared to 0.01% recorded in Q3 2019. However, the proportion of declined general non-liability claims increased to 0.6% in Q4 2019 from 0.5% reported in Q3 2019.

For the long-term business the proportion of declined claims in Q4 2019 increased to 0.16% from 0.09% recorded in Q3 2019.

1.2.2 Claims Closed as no Claims Ratio

This is the proportion of claims closed as no claims in relation to the total number of claims actionable during the quarter.

In Q4 2019, the proportion of general business liability claims closed as no claims increased to 3.9% compared to 3.3% observed in Q3 2019. The proportion of general business non-liability claims closed as no claims increased to 0.8% from 0.6% reported in Q3 2019.

There was a slight increase in the proportion of long term insurance business claims closed as no claims to 0.2% from 0.1% recorded in Q3 2019.

1.2.3 Claims Payment Ratio

This is the proportion of the number of claims paid in relation to the total number of claims actionable during the quarter.

In Q4 2019, the claims payment ratio for general liability claims increased to 11.5% compared to 10.0% observed in Q3 2019. Over the same period, the claims payment ratio for general non-liability claims decreased to 69.9% compared to 71.4% observed in the previous quarter.

The claims payment ratio for the longterm insurance business increased to 74.4% compared to 73.5% observed in the previous quarter.

1.3 Appendices

Appendices 1, 2 and 3 show the companies' claims data for quarter four of 2019 categorized into general insurance business liability, general insurance business non-liability and long-term insurance business respectively:

Claims Payment Statistics for Q4 2019

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 31st December 2019												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated during the quarter	Claims revived during the quarter	Claims paid during the quarter	Claims declined during the quarter	Claims closed as no claims during the quarter	Claims outstanding at the end of the quarter	Declined claims ratio % (5/(4+5+6+7))	Claims closed as no claims ratio % (6/(4+5+6+7))	Claim payment ratio %	
											Q4 2019 (4/(4+5+6+7))	Q3 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	10	-	-	-	-	-	10	-	-	0.0	16.7
2	AFRICAN MERCHANT ASSURANCE	1,649	118	194	297	-	-	1,470	-	-	16.8	11.5
3	AIG INSURANCE COMPANY LIMITED	1,047	83	33	48	-	-	1,083	-	-	4.2	2.9
4	ALLIANZ INSURANCE COMPANY	187	15	23	15	-	1	186	-	0.5	7.4	6.5
5	APA INSURANCE COMPANY LIMITED	6,869	401	2,510	872	-	2	6,396	-	0.0	12.0	10.6
6	BRITAM GENERAL INSURANCE	3,079	1,015	-	736	-	-	3,358	-	-	18.0	21.7
7	CIC GENERAL INSURANCE COMPANY	6,987	1,683	1,316	2,828	-	-	5,842	-	-	32.6	15.7
8	CORPORATE INSURANCE COMPANY	772	447	-	197	-	42	980	-	3.4	16.2	6.1
9	DIRECTLINE ASSURANCE COMPANY	14,300	1,449	-	1,430	-	-	14,319	-	-	9.1	8.6
10	FIDELITY SHIELD INSURANCE	1,936	286	513	184	1	82	1,955	0.0	3.7	8.3	9.4
11	FIRST ASSURANCE COMPANY	2,283	958	-	173	-	1,242	1,826	-	38.3	5.3	6.0
12	GA INSURANCE LIMITED	7,655	486	165	484	-	-	7,657	-	-	5.9	11.1
13	GEMINIA INSURANCE COMPANY	8,739	878	1,833	1,091	-	124	8,402	-	1.3	11.3	5.6
14	HERITAGE INSURANCE COMPANY	5,360	430	1,125	292	32	97	5,369	0.6	1.7	5.0	5.7
15	ICEA LION GENERAL INSURANCE	450	221	2,650	249	1	552	149	0.1	58.0	26.2	31.4
16	INTRA-AFRICA ASSURANCE COMPANY	963	261	661	137	-	38	1,049	-	3.1	11.2	16.5
17	INVESCO ASSURANCE COMPANY	4,623	257	539	473	-	-	4,407	-	-	9.7	10.5
18	JUBILEE INSURANCE COMPANY	2,281	363	169	274	-	34	2,336	-	1.3	10.4	7.7
19	KENINDIA ASSURANCE COMPANY	6,628	1,654	-	741	-	-	7,541	-	-	8.9	8.9
20	KENYA ORIENT INSURANCE COMPANY	1,533	269	684	133	-	80	1,589	-	4.4	7.4	6.1
21	MADISON INSURANCE COMPANY	293	457	-	383	13	-	354	1.7	-	51.1	62.5
22	MAYFAIR INSURANCE COMPANY	2,387	845	-	871	-	-	2,361	-	-	26.9	24.5
23	METROPOLITAN CANNON GENERAL	5,645	262	162	181	1	845	4,880	0.0	14.3	3.1	2.9
24	MUA INSURANCE COMPANY	657	29	-	72	-	29	585	-	4.2	10.5	4.6
25	OCCIDENTAL INSURANCE COMPANY	2,299	302	25	180	-	864	1,776	-	30.6	6.4	8.0
26	PACIS INSURANCE COMPANY	2,049	59	226	39	1	2	2,066	0.0	0.1	1.9	3.2
27	PIONEER GENERAL INSURANCE	111	5	17	8	-	1	110	-	0.8	6.7	5.1
28	RESOLUTION INSURANCE COMPANY	162	88	(49)	12	-	-	238	-	-	4.8	38.9
29	SAHAM INSURANCE COMPANY	593	25	-	46	1	-	571	0.2	-	7.4	5.4
30	SANLAM GENERAL INSURANCE	638	65	591	214	-	106	383	-	15.1	30.4	35.1
31	TAKAFUL INSURANCE OF AFRICA	371	22	-	14	-	-	-	-	-	N/A	6.3
32	TAUSI ASSURANCE COMPANY	1,465	144	36	43	-	86	1,480	-	5.3	2.7	4.7
33	THE KENYAN ALLIANCE INSURANCE	166	250	215	255	-	-	161	-	-	61.3	39.0
34	THE MONARCH INSURANCE COMPANY	184	11	-	5	-	10	180	-	5.1	2.6	3.6
35	TRIDENT INSURANCE COMPANY	2,444	358	367	10	-	341	2,451	-	12.2	0.4	0.1
36	UAP INSURANCE COMPANY LIMITED	2,672	156	1,307	195	3	-	2,630	0.1	-	6.9	4.5
37	XPLICO INSURANCE COMPANY	3,327	251	98	377	-	-	3,201	-	-	10.5	7.0
	Industry	102,814	14,603	15,410	13,559	53	4,578	99,351	0.05	3.9	11.5	10.0

Claims Payment Statistics for Q4 2019

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 31st December 2019												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated during the quarter	Claims revived during the quarter	Claims paid during the quarter	Claims declined during the quarter	Claims closed as no claims during the quarter	Claims outstanding at the end of the quarter	Declined claims ratio (%) (5/(4+5+6+7))	Claims closed as no claims ratio (%) (6/(4+5+6+7))	Claim payment ratio (%)	
											Q4 2019 (4/(4+5+6+7))	Q3 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	23,430	73,122	-	75,260	923	2,663	20,591	0.9	2.7	75.7	75.0
2	AFRICAN MERCHANT ASSURANCE	2,005	353	129	278	7	-	2,073	0.3	-	11.8	14.7
3	AIG INSURANCE COMPANY LIMITED	1,759	756	371	650	-	13	1,813	-	0.5	26.3	35.2
4	ALLIANZ INSURANCE COMPANY	403	1,265	95	1,226	-	-	442	-	-	73.5	73.1
5	APA INSURANCE COMPANY LIMITED	3,725	2,702	6,347	2,151	-	1	4,275	-	0.0	33.5	38.8
6	BRITAM GENERAL INSURANCE	45,291	42,559	-	47,864	-	-	39,986	-	-	54.5	52.6
7	CIC GENERAL INSURANCE COMPANY	10,929	7,129	1,464	7,680	-	-	10,378	-	-	42.5	40.0
8	CORPORATE INSURANCE COMPANY	554	429	2	304	-	48	631	-	4.9	30.9	13.6
9	DIRECTLINE ASSURANCE COMPANY	126	88	-	74	-	-	140	-	-	34.6	28.8
10	FIDELITY SHIELD INSURANCE	2,705	1,494	1,987	1,464	5	318	2,412	0.1	7.6	34.9	38.1
11	FIRST ASSURANCE COMPANY	41,356	39,340	-	30,810	-	5,975	43,911	-	7.4	38.2	42.6
12	GA INSURANCE LIMITED	5,008	4,033	141	3,911	232	2	4,896	2.6	0.0	43.3	47.7
13	GEMINIA INSURANCE COMPANY	4,131	2,152	4,240	2,513	-	-	3,770	-	-	40.0	22.7
14	HERITAGE INSURANCE COMPANY	11,661	27,593	4,391	27,248	53	487	11,466	0.1	1.2	69.4	72.3
15	ICEA LION GENERAL INSURANCE	1,177	3,665	3,203	1,966	11	104	2,765	0.2	2.1	40.6	62.5
16	INTRA-AFRICA ASSURANCE COMPANY	716	450	523	289	1	25	851	0.1	2.1	24.8	39.6
17	INVESCO ASSURANCE COMPANY	1,041	39	82	58	-	-	1,022	-	-	5.4	10.3
18	JUBILEE INSURANCE COMPANY	219,048	1,007,020	1,714	997,670	-	37	228,362	-	0.0	81.4	81.9
19	KENINDIA ASSURANCE COMPANY	4,527	4,353	-	2,832	-	-	6,120	-	-	31.6	44.4
20	KENYA ORIENT INSURANCE COMPANY	8,398	670	2,918	281	59	998	7,730	0.7	11.0	3.1	4.7
21	MADISON INSURANCE COMPANY	23,454	63,084	133	46,173	3,135	-	37,230	3.6	-	53.4	73.9
22	MAYFAIR INSURANCE COMPANY	359	340	-	315	-	-	384	-	-	45.1	47.0
23	METROPOLITAN CANNON GENERAL	1,258	530	198	276	-	287	1,225	-	16.1	15.4	18.1
24	MUA INSURANCE COMPANY	657	483	-	350	-	38	752	-	3.3	30.7	29.1
25	OCCIDENTAL INSURANCE COMPANY	1,903	1,138	7	673	-	545	1,609	-	19.3	23.8	31.1
26	PACIS INSURANCE COMPANY	2,041	1,005	681	697	1	5	2,343	0.0	0.2	22.9	26.5
27	PIONEER GENERAL INSURANCE	243	683	1,184	540	10	-	376	1.1	-	58.3	68.6
28	RESOLUTION INSURANCE COMPANY	46,290	98,361	1,210	88,349	6,049	12	50,241	4.2	0.0	61.1	67.1
29	SAHAM INSURANCE COMPANY	13,135	23,758	108	32,528	527	-	3,844	1.4	-	88.2	70.8
30	SANLAM GENERAL INSURANCE	21,792	16,719	788	18,224	-	170	20,117	-	0.4	47.3	48.2
31	TAKAFUL INSURANCE OF AFRICA	387	126	-	81	-	-	-	-	-	N/A	33.3
32	TAUSI ASSURANCE COMPANY	611	400	90	299	-	104	608	-	10.3	29.6	28.7
33	THE KENYAN ALLIANCE INSURANCE	2,397	10,566	537	7,251	40	-	5,672	0.3	-	55.9	76.2
34	THE MONARCH INSURANCE COMPANY	8,470	1,195	248	339	5	370	8,951	0.1	3.8	3.5	12.8
35	TRIDENT INSURANCE COMPANY	49,537	1,726	945	2,815	-	3,779	44,669	-	7.4	5.5	4.2
36	UAP INSURANCE COMPANY LIMITED	1,856	1,230	2,182	822	30	-	2,234	1.0	-	26.6	29.4
37	XPLICO INSURANCE COMPANY	2,534	181	-	190	-	-	2,525	-	-	7.0	7.0
	Industry	564,914	1,440,737	35,918	1,404,451	11,088	15,981	576,414	0.6	0.8	69.9	71.4

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 31st December 2019												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated during the quarter	Claims revived during the quarter	Claims paid during the quarter	Claims declined during the quarter	Claims closed as no claims during the quarter	Claims outstanding at the end of the quarter	Declined claims ratio (%) (5/(4+5+6+7))	Claims closed as no claims ratio (%) (6/(4+5+6+7))	Claim payment ratio (%)	
											Q4 2019 (4/(4+5+6+7))	Q3 2019 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	APA LIFE ASSURANCE COMPANY	415	962	-	988	-	16	373	-	1.2	71.8	70.0
2	BARCLAYS LIFE ASSURANCE	315	909	-	834	-	-	390	-	-	68.1	73.1
3	BRITAM LIFE INSURANCE COMPANY	4,034	15,815	-	16,132	-	-	3,717	-	-	81.3	78.5
4	CAPEX LIFE ASSURANCE COMPANY	31	575	-	530	-	-	76	-	-	87.5	94.9
5	CIC LIFE ASSURANCE COMPANY	1,446	2,173	223	1,831	15	2	1,771	0.4	0.1	50.6	58.3
6	CORPORATE INSURANCE COMPANY	634	664	-	624	-	-	375	-	-	62.5	49.6
7	FIRST ASSURANCE COMPANY	-	-	-	-	-	-	-	-	-	-	-
8	GA LIFE ASSURANCE LIMITED	3	583	-	585	-	-	1	-	-	99.8	99.8
9	GEMINIA INSURANCE COMPANY	565	417	-	174	-	-	808	-	-	17.7	3.6
10	ICEA LION LIFE ASSURANCE	1,339	14,436	-	14,062	-	-	1,713	-	-	89.1	92.2
11	JUBILEE INSURANCE COMPANY	1,835	10,361	51	10,189	-	13	1,994	-	0.1	83.5	83.6
12	KENINDIA ASSURANCE COMPANY	423	1,976	-	1,968	-	25	406	-	1.0	82.0	78.2
13	KENYA ORIENT LIFE ASSURANCE	-	24	-	13	1	-	10	4.2	-	54.2	100.0
14	LIBERTY LIFE ASSURANCE KENYA	3,573	2,542	-	4,339	15	-	1,761	0.2	-	71.0	62.0
15	MADISON INSURANCE COMPANY	2,106	6,245	-	6,248	-	-	2,103	-	-	74.8	72.8
16	METROPOLITAN CANNON INSURANCE	742	387	-	442	-	-	687	-	-	39.1	53.0
17	OLD MUTUAL ASSURANCE COMPANY	1,413	1,856	-	1,928	-	8	1,333	-	0.2	59.0	53.4
18	PIONEER ASSURANCE COMPANY	5,258	4,851	-	5,040	-	-	5,069	-	-	49.9	51.0
19	PRUDENTIAL LIFE ASSURANCE	947	993	-	1,167	-	-	773	-	-	60.2	50.7
20	SAHAM INSURANCE COMPANY	32	139	-	144	-	-	27	-	-	84.2	80.7
21	SANLAM LIFE INSURANCE LIMITED	1,505	3,890	-	3,744	130	165	1,356	2.4	3.1	69.4	70.1
22	TAKAFUL INSURANCE OF AFRICA	3	-	-	-	-	-	3	-	-	-	-
23	THE KENYAN ALLIANCE INSURANCE	81	1,088	6	1,095	1	1	72	0.1	0.1	93.7	91.4
24	THE MONARCH INSURANCE COMPANY	33	84	-	93	-	-	24	-	-	79.5	71.3
25	UAP LIFE ASSURANCE COMPANY	300	1,706	-	1,772	-	-	234	-	-	88.3	86.7
	Industry	27,033	72,676	280	73,942	162	230	25,076	0.16	0.2	74.4	73.5