



**INSURANCE REGULATORY AUTHORITY**

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**Insurance Industry Quarterly Claims Statistics for the Period**

**April – June 2020**

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Prepared by

Insurance Regulatory Authority

July, 2020



## **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 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 second quarter of 2020.

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 liability<sup>1</sup> 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.

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<sup>1</sup> 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 Claims Declined Ratio**

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

In Q2 2020, the proportion of declined general liability claims decreased to 0.04% compared to 0.07% recorded in Q1 2020. The proportion of declined general non-liability claims also decreased to 0.3% in Q2 2020 from 0.8% reported in Q1 2020.

In addition, the proportion of declined long term business claims in Q2 2020 decreased to 0.14% from 1.12% recorded in Q1 2020.

### **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 Q2 2020, the proportion of general business liability claims closed as no claims decreased to 1.6% compared to 2.4% observed in Q1 2020. The proportion of general business non-liability claims closed as no claims slightly increased to 0.7% from 0.6% reported in Q1 2020.

The proportion of long-term insurance business claims closed as no claims remained the same at 0.1% in Q2 2020.

### **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 Q2 2020, the claims payment ratio for general liability claims declined to 7.1% compared to 10.9% observed in Q1 2020. Similarly, the claims payment ratio for general non-liability claims declined from 69.8% reported in Q1 2020 to 64.2% observed in Q2 2020.

The claims payment ratio for the long-term insurance business slightly decreased to 70.7% compared to 71.7% observed in the previous quarter.

## **1.3 Appendices**

Appendices 1, 2 and 3 show the companies' claims data for quarter two of 2020 categorized into general insurance business liability, general insurance business non-liability and long-term insurance business respectively:

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 30th June 2020												
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	Claims declined ratio % (5/(4+5+6+7))	Claims closed as no claims ratio % (6/(4+5+6+7))	Claim payment ratio %	
											Q2 2020 (4/(4+5+6+7))	Q1 2020 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	8	14	-	7	-	-	15	-	-	31.8	27.3
2	AFRICAN MERCHANT ASSURANCE	1,428	81	118	95	-	-	1,414	-	-	6.3	10.2
3	AIG INSURANCE COMPANY LIMITED	1,161	95	9	14	-	4	1,238	-	0.3	1.1	1.3
4	ALLIANZ INSURANCE COMPANY	202	29	9	15	-	-	216	-	-	6.5	5.6
5	APA INSURANCE COMPANY LIMITED	5,710	296	1,408	703	-	-	5,303	-	-	11.7	15.7
6	BRITAM GENERAL INSURANCE	3,451	1,511	868	110	-	-	4,852	-	-	2.2	13.0
7	CIC GENERAL INSURANCE COMPANY	4,273	906	977	1,499	-	-	3,680	-	-	28.9	50.5
8	CORPORATE INSURANCE COMPANY	1,153	17	-	119	-	8	1,043	-	0.7	10.2	8.0
9	DIRECTLINE ASSURANCE COMPANY	14,597	995	-	889	-	-	14,703	-	-	5.7	7.8
10	FIDELITY SHIELD INSURANCE	1,909	182	203	181	-	8	1,902	-	0.4	8.7	10.0
11	FIRST ASSURANCE COMPANY	1,895	493	-	75	-	469	1,844	-	19.6	3.1	3.9
12	GA INSURANCE LIMITED	7,855	675	802	336	-	121	8,073	-	1.4	3.9	4.7
13	GEMINIA INSURANCE COMPANY	9,246	916	932	437	-	15	9,710	-	0.1	4.3	7.6
14	HERITAGE INSURANCE COMPANY	5,105	241	845	226	4	32	5,084	0.1	0.6	4.2	6.6
15	ICEA LION GENERAL INSURANCE	115	292	213	153	1	4	249	0.2	1.0	37.6	60.2
16	INTRA-AFRICA ASSURANCE COMPANY	1,100	263	216	136	-	30	1,197	-	2.2	10.0	10.8
17	INVESCO ASSURANCE COMPANY	4,392	135	362	214	-	-	4,313	-	-	4.7	5.9
18	JUBILEE GENERAL INSURANCE	2,849	452	365	176	-	170	2,955	-	5.1	5.3	8.5
19	JUBILEE HEALTH INSURANCE	-	-	-	-	-	-	-	-	-	-	-
20	KENINDIA ASSURANCE COMPANY	7,908	494	-	367	-	8	8,027	-	0.1	4.4	3.1
21	KENYA ORIENT INSURANCE COMPANY	1,696	136	95	17	-	1	1,814	-	0.1	0.9	2.0
22	MADISON INSURANCE COMPANY	324	295	-	374	3	-	242	0.5	-	60.4	48.6
23	MAYFAIR INSURANCE COMPANY	2,632	644	-	609	-	-	2,667	-	-	18.6	15.8
24	METROPOLITAN CANNON GENERAL	4,634	133	266	87	-	705	3,975	-	14.8	1.8	1.5
25	MUA INSURANCE COMPANY	648	22	-	42	-	2	626	-	0.3	6.3	6.4
26	OCCIDENTAL INSURANCE COMPANY	1,914	186	4	68	-	9	2,023	-	0.4	3.2	6.6
27	PACIS INSURANCE COMPANY	2,056	38	175	45	-	-	2,049	-	-	2.1	2.1
28	PIONEER GENERAL INSURANCE	148	25	50	2	-	-	176	-	-	1.1	2.6
29	RESOLUTION INSURANCE COMPANY	372	29	(172)	20	2	-	379	0.5	-	5.0	4.6
30	SAHAM INSURANCE COMPANY	556	38	-	44	8	-	542	1.3	-	7.4	4.6
31	SANLAM GENERAL INSURANCE	357	256	662	160	-	79	374	-	12.9	26.1	21.2
32	TAKAFUL INSURANCE OF AFRICA	385	5	-	53	-	-	337	-	-	13.6	1.0
33	TAUSI ASSURANCE COMPANY	1,447	98	33	22	-	105	1,418	-	6.8	1.4	2.7
34	THE KENYAN ALLIANCE INSURANCE	162	245	285	257	-	-	150	-	-	63.1	73.6
35	THE MONARCH INSURANCE COMPANY	179	2,452	-	29	22	18	2,550	0.8	0.7	1.11	1.9
36	TRIDENT INSURANCE COMPANY	2,714	250	53	91	-	5	2,868	-	0.2	3.1	2.2
37	UAP INSURANCE COMPANY LIMITED	2,721	651	2,911	385	4	23	2,960	0.1	0.7	11.4	3.3
38	XPLICO INSURANCE COMPANY	3,744	360	13	125	-	-	3,979	-	-	3.0	3.6
	<b>Industry</b>	<b>101,046</b>	<b>13,950</b>	<b>11,702</b>	<b>8,182</b>	<b>44</b>	<b>1,816</b>	<b>104,947</b>	<b>0.04</b>	<b>1.6</b>	<b>7.1</b>	<b>10.9</b>

Claims Payment Statistics for Q2 2020

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 30th June 2020												
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	Claims declined ratio (%) (5/(4+5+6+7))	Claims closed as no claims ratio (%) (6/(4+5+6+7))	Claim payment ratio (%)	
											Q2 2020 (4/(4+5+6+7))	Q1 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	22,854	45,329	-	49,736	46	1,370	17,031	0.1	2.0	72.9	74.1
2	AFRICAN MERCHANT ASSURANCE	2,307	244	74	187	-	-	2,364	-	-	7.3	5.9
3	AIG INSURANCE COMPANY LIMITED	2,266	873	218	810	-	93	2,236	-	3.0	25.8	22.3
4	ALLIANZ INSURANCE COMPANY	556	1,097	102	1,128	-	36	489	-	2.2	68.2	71.6
5	APA INSURANCE COMPANY LIMITED	3,503	2,256	4,107	2,578	-	-	3,181	-	-	44.8	49.6
6	BRITAM GENERAL INSURANCE	45,845	22,344	5,285	28,801	-	-	39,388	-	-	42.2	62.0
7	CIC GENERAL INSURANCE COMPANY	7,736	2,598	2,891	4,644	-	-	5,690	-	-	44.9	61.5
8	CORPORATE INSURANCE COMPANY	682	340	-	161	-	9	852	-	0.9	15.8	37.8
9	DIRECTLINE ASSURANCE COMPANY	207	52	-	64	-	-	195	-	-	24.7	16.2
10	FIDELITY SHIELD INSURANCE	2,348	910	1,264	1,211	21	20	2,006	0.6	0.6	37.2	37.8
11	FIRST ASSURANCE COMPANY	39,833	23,524	-	25,042	-	4,680	33,635	-	7.4	39.5	46.3
12	GA INSURANCE LIMITED	5,144	2,617	720	2,476	419	1	4,865	2,476	5.4	31.9	36.4
13	GEMINIA INSURANCE COMPANY	5,134	2,082	2,168	840	-	87	6,289	-	1.2	11.6	20.4
14	HERITAGE INSURANCE COMPANY	11,852	17,181	6,064	18,839	1	1,031	9,162	0.0	3.6	64.9	71.9
15	ICEA LION GENERAL INSURANCE	2,280	1,701	2,543	2,319	18	52	1,592	0.5	1.3	58.3	53.0
16	INTRA-AFRICA ASSURANCE COMPANY	861	474	184	343	-	23	969	-	1.7	25.7	32.7
17	INVESCO ASSURANCE COMPANY	1,010	30	75	53	-	-	987	-	-	5.1	4.8
18	JUBILEE GENERAL INSURANCE	7,187	1,755	1,883	1,546	-	738	6,658	-	8.3	17.3	16.5
19	JUBILEE HEALTH INSURANCE	249,411	960,054	-	875,075	-	-	334,390	-	-	72.4	79.6
20	KENINDIA ASSURANCE COMPANY	8,077	3,334	-	2,540	-	377	8,494	-	3.3	22.3	16.9
21	KENYA ORIENT INSURANCE COMPANY	8,005	472	708	150	16	39	8,286	0.2	0.5	1.8	2.9
22	MADISON INSURANCE COMPANY	32,727	41,429	123	50,776	1,354	-	22,026	1.8	-	68.5	73.3
23	MAYFAIR INSURANCE COMPANY	386	264	-	352	-	-	298	-	-	54.2	40.6
24	METROPOLITAN CANNON GENERAL	1,459	336	411	163	-	55	1,577	-	3.1	9.1	12.4
25	MUA INSURANCE COMPANY	670	439	-	377	-	7	725	-	0.6	34.0	35.2
26	OCCIDENTAL INSURANCE COMPANY	1,765	953	2	827	-	9	1,882	-	0.3	30.4	37.0
27	PACIS INSURANCE COMPANY	2,447	796	486	851	-	4	2,388	-	0.1	26.2	21.7
28	PIONEER GENERAL INSURANCE	250	559	1,204	421	5	-	383	0.6	-	52.0	73.9
29	RESOLUTION INSURANCE COMPANY	44,268	70,754	366	69,865	3,211	-	41,946	2.8	-	60.7	62.0
30	SAHAM INSURANCE COMPANY	2,173	43,056	-	32,759	580	-	11,890	1.3	-	72.4	88.9
31	SANLAM GENERAL INSURANCE	19,361	21,957	1,167	21,957	-	93	19,426	-	0.2	52.8	57.4
32	TAKAFUL INSURANCE OF AFRICA	12,796	3,973	-	7,229	-	-	9,540	-	-	43.1	1.4
33	TAUSI ASSURANCE COMPANY	633	387	78	292	-	109	619	-	10.7	28.6	32.3
34	THE KENYAN ALLIANCE INSURANCE	11,444	24,565	626	24,163	13	-	11,833	0.0	-	67.1	48.9
35	THE MONARCH INSURANCE COMPANY	9,219	2,085	964	2,109	17	3,149	6,020	0.2	27.9	18.7	5.4
36	TRIDENT INSURANCE COMPANY	44,609	743	703	476	-	962	43,914	-	2.1	1.0	1.3
37	UAP INSURANCE COMPANY LIMITED	1,871	1,301	3,446	1,221	18	-	1,933	0.6	-	38.5	47.3
38	XPLICO INSURANCE COMPANY	2,681	179	9	74	-	-	2,786	-	-	2.6	1.6
	<b>Industry</b>	<b>615,857</b>	<b>1,303,043</b>	<b>37,871</b>	<b>1,232,297</b>	<b>5,719</b>	<b>12,944</b>	<b>667,945</b>	<b>0.3</b>	<b>0.7</b>	<b>64.2</b>	<b>69.8</b>

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 30th June 2020												
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	Claims declined ratio (%) (5/(4+5+6+7))	Claims closed as no claims ratio (%) (6/(4+5+6+7))	Claim payment ratio (%)	
											Q2 2020 (4/(4+5+6+7))	Q1 2020 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	ABSA LIFE ASSURANCE	461	791	2	832	-	1	419	-	0.1	66.5	65.6
2	APA LIFE ASSURANCE COMPANY	447	484	-	397	10	21	503	1.1	2.3	42.6	64.7
3	BRITAM LIFE INSURANCE COMPANY	2,743	19,257	-	19,134	-	-	2,866	-	-	87.0	84.0
4	CAPEX LIFE ASSURANCE COMPANY	3	702	-	690	-	-	15	-	-	97.9	99.6
5	CIC LIFE ASSURANCE COMPANY	1,741	1,553	(103)	1,406	5	-	1,883	0.2	-	42.7	53.2
6	CORPORATE INSURANCE COMPANY	487	639	-	624	-	-	799	-	-	43.9	56.2
7	GA LIFE ASSURANCE LIMITED	1	2,446	-	2,443	-	-	4	-	-	99.8	99.8
8	GEMINIA INSURANCE COMPANY	449	34	-	75	-	-	408	-	-	15.5	47.2
9	ICEA LION LIFE ASSURANCE	1,974	14,106	-	13,691	-	-	2,389	-	-	85.1	87.6
10	JUBILEE INSURANCE COMPANY	2,164	9,173	7	9,097	6	2	2,232	0.1	0.0	80.2	77.9
11	KENINDIA ASSURANCE COMPANY	367	1,702	1	1,712	-	-	357	-	-	82.7	81.5
12	KENYA ORIENT LIFE ASSURANCE	6	41	-	23	1	2	21	2.1	4.3	48.9	76.2
13	KUSCCO MUTUAL ASSURANCE	253	762	-	515	-	-	500	-	-	50.7	68.8
14	LIBERTY LIFE ASSURANCE KENYA	1,599	2,032	-	2,158	16	-	1,457	0.4	-	59.4	46.1
15	MADISON INSURANCE COMPANY	2,033	7,237	-	6,736	93	-	2,441	1.0	-	72.7	76.1
16	METROPOLITAN CANNON INSURANCE	945	149	-	130	-	-	964	-	-	11.9	15.5
17	OLD MUTUAL ASSURANCE COMPANY	1,683	1,804	-	1,763	-	25	1,699	-	0.7	50.6	44.1
18	PIONEER ASSURANCE COMPANY	6,517	4,640	-	3,304	-	-	7,853	-	-	29.6	39.7
19	PRUDENTIAL LIFE ASSURANCE	631	872	-	834	-	-	609	-	-	55.5	55.3
20	SAHAM INSURANCE COMPANY	26	116	-	117	-	-	25	-	-	82.4	81.3
21	SANLAM LIFE INSURANCE LIMITED	1,676	3,661	-	3,474	17	41	1,805	0.3	0.8	65.1	66.1
22	TAKAFUL INSURANCE OF AFRICA	3	-	-	-	-	-	3	-	-	N/A	N/A
23	THE KENYAN ALLIANCE INSURANCE	77	1,063	-	1,052	-	-	88	-	-	92.3	93.5
24	THE MONARCH INSURANCE COMPANY	42	81	-	86	-	-	37	-	-	69.9	60.4
25	UAP LIFE ASSURANCE COMPANY	303	1,915	-	1,963	-	29	226	-	1.3	88.5	83.8
	<b>Industry</b>	<b>26,631</b>	<b>75,260</b>	<b>(93)</b>	<b>72,256</b>	<b>148</b>	<b>121</b>	<b>29,663</b>	<b>0.14</b>	<b>0.1</b>	<b>70.7</b>	<b>71.7</b>