



## **INSURANCE REGULATORY AUTHORITY**

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

**January – March 2021**

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Prepared by

Insurance Regulatory Authority

May 2021



## **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 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 first quarter of 2021.

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 and revived**

- i. **Claims intimated** this comprises of the number of claims that have been reported to the insurers during the quarter;
  - ii. **Revived claims** – these are claims previously closed but have been revived by the policyholders/claimant during the quarter;
2. **Claims revised** - these are the claims whose reserves amount changed 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;

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<sup>1</sup> Liability Claims are third parties' claims while non liability claims are policyholders' claims.

4. **Claims declined**– these are claims that the insurer has declined to pay during the quarter for various reasons per policy document or otherwise.
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 Q1 2021, the proportion of declined general liability claims decreased to 0.04% from 0.05% recorded in Q4 2020. The proportion of declined general non-liability claims also increased to 0.19% in Q1 2021 from 0.17% reported in Q4 2020.

In addition, the proportion of declined long term business claims in Q1 2021 decreased to 0.15% from 0.21% recorded in Q4 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 Q1 2021, the proportion of general business liability claims closed as no claims decreased to 1.9% compared to 2.3% observed in Q4 2020. The proportion of general business non-liability claims closed as no claims decreased to 0.5% in Q1 2021 from 0.6% in Q4 2020.

The proportion of long-term insurance business claims closed as no claims decreased to 0.1% in Q1 2021 from 0.2% in Q4 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 Q1 2021, the claims payment ratio for general liability claims increased to 9.2% (Q4 2020: 8.4%). The claims payment ratio for general non-liability claims decreased to 64.7% in Q1 2021 from 70.3% reported in Q4 2020.

The claims payment ratio for the long-term insurance business increased to 73.7% compared to 73.1% observed in the previous quarter.

## **1.3 Appendices**

Appendices 1, 2 and 3 show the companies' claims data for quarter one of 2021 categorized into general insurance business liability, general insurance business non-liability and long-term insurance business respectively:

Claims Payment Statistics for Q1 2021

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 31st March 2021												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated and revived during the quarter	Claims revised 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 %	
											Q1 2021 (4/(4+5+6+7))	Q4 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	23	8	-	7	-	-	24	-	-	22.6	7.7
2	AFRICAN MERCHANT ASSURANCE	1,356	112	79	171	-	-	1,297	-	-	11.6	8.7
3	AIG INSURANCE COMPANY LIMITED	1,197	51	64	31	-	52	1,165	-	4.2	2.5	3.5
4	ALLIANZ INSURANCE COMPANY	223	44	16	5	-	28	234	-	10.5	1.9	10.1
5	APA INSURANCE COMPANY LIMITED	5,447	346	1,256	801	-	-	5,778	-	-	12.2	13.4
6	BRITAM GENERAL INSURANCE	5,637	113	544	1,906	-	55	3,789	-	1.0	33.1	2.0
7	CIC GENERAL INSURANCE COMPANY	2,431	735	610	822	-	-	2,344	-	-	26.0	34.0
8	CORPORATE INSURANCE COMPANY	943	28	-	73	-	50	848	-	5.1	7.5	9.8
9	DIRECTLINE ASSURANCE COMPANY	16,273	1,247	-	398	-	-	17,122	-	-	2.3	1.4
10	FIDELITY SHIELD INSURANCE	1,703	230	182	189	1	10	1,733	0.1	0.5	9.8	7.2
11	FIRST ASSURANCE COMPANY	1,738	553	-	109	-	399	1,783	-	17.4	4.8	6.0
12	GA INSURANCE LIMITED	8,177	1,078	234	494	-	1,077	7,684	-	11.6	5.3	5.0
13	GEMINIA INSURANCE COMPANY	10,801	1,292	1,283	1,044	-	15	11,034	-	0.1	8.6	6.8
14	HERITAGE INSURANCE COMPANY	5,047	452	1,440	287	35	153	5,024	0.6	2.8	5.2	6.4
15	ICEA LION GENERAL INSURANCE	358	277	304	203	-	1	431	-	0.2	32.0	28.2
16	INTRA-AFRICA ASSURANCE COMPANY	1,314	234	308	156	-	9	1,383	-	0.6	10.1	11.8
17	INVESCO ASSURANCE COMPANY	4,143	384	496	311	-	-	4,216	-	-	6.9	5.1
18	JUBILEE GENERAL INSURANCE	2,530	346	207	148	-	12	2,716	-	0.4	5.1	5.8
19	JUBILEE HEALTH INSURANCE	-	-	-	-	-	-	-	-	-	-	-
20	KENINDIA ASSURANCE COMPANY	7,465	619	252	429	-	205	7,450	-	2.5	5.3	15.3
21	KENYA ORIENT INSURANCE COMPANY	2,009	124	194	271	-	-	1,862	-	-	12.7	6.0
22	MADISON INSURANCE COMPANY	180	460	47	350	6	-	284	0.9	-	54.7	73.7
23	MAYFAIR INSURANCE COMPANY	2,963	993	-	648	-	-	3,308	-	-	16.4	14.2
24	METROPOLITAN CANNON GENERAL	3,867	98	112	120	-	4	3,841	-	0.1	3.0	1.2
25	MUA INSURANCE COMPANY	547	46	-	48	-	2	543	-	0.3	8.1	11.3
26	OCCIDENTAL INSURANCE COMPANY	2,335	480	2	269	-	2	2,544	-	0.1	9.6	8.0
27	PACIS INSURANCE COMPANY	2,027	84	200	57	-	-	2,054	-	-	2.7	3.4
28	PIONEER GENERAL INSURANCE	237	31	11	4	-	-	265	-	-	1.5	3.7
29	RESOLUTION INSURANCE COMPANY	359	89	(50)	122	5	-	321	1.1	-	27.2	22.1
30	SAHAM INSURANCE COMPANY	508	15	-	50	-	-	473	-	-	9.6	10.2
31	SANLAM GENERAL INSURANCE	581	448	402	217	-	2	810	-	0.2	21.1	25.3
32	TAKAFUL INSURANCE OF AFRICA	161	28	-	27	-	-	162	-	-	14.3	14.8
33	TAUSI ASSURANCE COMPANY	1,473	144	32	35	-	82	1,500	-	5.1	2.2	1.7
34	THE KENYAN ALLIANCE INSURANCE	164	335	449	314	-	-	185	-	-	62.9	67.0
35	THE MONARCH INSURANCE COMPANY	3,244	687	662	668	4	186	3,073	0.1	4.7	16.99	7.6
36	TRIDENT INSURANCE COMPANY	3,589	372	173	159	-	-	3,802	-	-	4.0	5.6
37	UAP INSURANCE COMPANY LIMITED	2,752	448	1,416	258	3	-	2,939	0.1	-	8.1	16.6
38	XPLICO INSURANCE COMPANY	4,594	412	-	75	-	-	4,931	-	-	1.5	1.1
	<b>Industry</b>	<b>108,396</b>	<b>13,443</b>	<b>10,925</b>	<b>11,276</b>	<b>54</b>	<b>2,344</b>	<b>108,952</b>	<b>0.04</b>	<b>1.9</b>	<b>9.2</b>	<b>8.4</b>

Claims Payment Statistics for Q1 2021

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 31st March 2021												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated and revived during the quarter	Claims revised 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 (%)	
											Q1 2021 (4/(4+5+6+7))	Q4 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	14,166	67,167	5	56,900	230	3,317	20,886	0.3	4.1	70.0	78.8
2	AFRICAN MERCHANT ASSURANCE	2,612	260	86	211	-	-	2,661	-	-	7.3	2.6
3	AIG INSURANCE COMPANY LIMITED	2,305	1,018	298	1,122	-	167	2,034	-	5.0	33.8	23.8
4	ALLIANZ INSURANCE COMPANY	529	1,404	149	1,367	-	49	517	-	2.5	70.7	73.1
5	APA INSURANCE COMPANY LIMITED	4,108	2,733	4,007	3,141	-	-	3,700	-	-	45.9	31.0
6	BRITAM GENERAL INSURANCE	50,489	62,425	3,671	66,755	-	(2,655)	47,574	-	(2.4)	59.8	52.1
7	CIC GENERAL INSURANCE COMPANY	4,311	2,352	2,319	3,288	-	-	3,375	-	-	49.3	37.6
8	CORPORATE INSURANCE COMPANY	1,563	862	-	769	-	25	1,631	-	1.0	31.7	16.4
9	DIRECTLINE ASSURANCE COMPANY	249	107	-	91	-	-	265	-	-	25.6	18.4
10	FIDELITY SHIELD INSURANCE	1,640	914	1,227	1,293	12	58	1,191	0.5	2.3	50.6	31.6
11	FIRST ASSURANCE COMPANY	46,974	52,647	-	40,375	-	6,126	53,120	-	6.1	40.5	42.6
12	GA INSURANCE LIMITED	4,629	2,858	730	3,058	98	24	4,307	1.3	0.3	40.8	35.3
13	GEMINIA INSURANCE COMPANY	5,732	2,650	2,915	907	-	92	7,383	-	1.1	10.8	19.0
14	HERITAGE INSURANCE COMPANY	9,389	31,615	9,026	29,126	44	1,017	10,817	0.1	2.5	71.0	70.7
15	ICEA LION GENERAL INSURANCE	611	2,973	3,568	2,238	11	149	1,186	0.3	4.2	62.4	68.3
16	INTRA-AFRICA ASSURANCE COMPANY	1,328	553	233	1,174	-	51	656	-	2.7	62.4	17.0
17	INVESCO ASSURANCE COMPANY	963	54	71	44	-	-	973	-	-	4.3	5.3
18	JUBILEE GENERAL INSURANCE	4,235	3,390	1,593	3,162	-	128	4,335	-	1.7	41.5	29.1
19	JUBILEE HEALTH INSURANCE	290,502	1,198,161	-	1,052,667	-	-	435,996	-	-	70.7	78.2
20	KENINDIA ASSURANCE COMPANY	6,672	4,010	376	3,567	-	1,485	5,630	-	13.9	33.4	41.1
21	KENYA ORIENT INSURANCE COMPANY	8,835	676	695	616	25	48	8,822	0.3	0.5	6.5	1.7
22	MADISON INSURANCE COMPANY	5,354	72,076	202	60,133	1,327	-	15,950	1.7	-	77.7	86.0
23	MAYFAIR INSURANCE COMPANY	350	286	-	320	-	-	316	-	-	50.3	41.4
24	METROPOLITAN CANNON GENERAL	1,903	972	1,104	378	-	46	2,451	-	1.6	13.1	11.5
25	MUA INSURANCE COMPANY	613	662	-	484	-	16	775	-	1.3	38.0	39.6
26	OCCIDENTAL INSURANCE COMPANY	2,084	1,709	3	1,135	-	44	2,614	-	1.2	29.9	32.8
27	PACIS INSURANCE COMPANY	2,765	1,083	950	774	6	4	3,064	0.2	0.1	20.1	20.7
28	PIONEER GENERAL INSURANCE	412	853	1,770	892	3	-	370	0.2	-	70.5	63.9
29	RESOLUTION INSURANCE COMPANY	33,783	70,764	(2,124)	64,544	1,735	1	38,267	1.7	0.0	61.7	68.0
30	SAHAM INSURANCE COMPANY	8,540	26,483	-	28,904	484	-	5,635	1.4	-	82.5	71.6
31	SANLAM GENERAL INSURANCE	11,309	10,475	1,924	9,214	4	92	12,474	0.0	0.4	42.3	83.6
32	TAKAFUL INSURANCE OF AFRICA	8,696	3,809	-	3,683	-	2	8,820	-	0.0	29.5	21.7
33	TAUSI ASSURANCE COMPANY	638	485	96	372	-	64	687	-	5.7	33.1	30.6
34	THE KENYAN ALLIANCE INSURANCE	16,024	39,318	489	24,464	-	-	30,878	-	-	44.2	69.3
35	THE MONARCH INSURANCE COMPANY	3,738	1,993	1,123	1,880	96	823	2,932	1.7	14.4	32.8	28.8
36	TRIDENT INSURANCE COMPANY	42,142	3,050	97	3,000	104	-	42,089	0.2	-	6.6	3.5
37	UAP INSURANCE COMPANY LIMITED	2,185	1,596	3,153	1,269	44	-	2,468	1.2	-	33.6	43.1
38	XPLICO INSURANCE COMPANY	2,868	64	-	67	-	-	2,865	-	-	2.3	0.8
	<b>Industry</b>	<b>605,246</b>	<b>1,674,507</b>	<b>39,756</b>	<b>1,473,404</b>	<b>4,223</b>	<b>11,173</b>	<b>789,714</b>	<b>0.19</b>	<b>0.5</b>	<b>64.7</b>	<b>70.3</b>

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 31st March 2021												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated and revived during the quarter	Claims revised 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 (%)	
											Q1 2021 (4/(4+5+6+7))	Q4 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	ABSA LIFE ASSURANCE	339	1,801	1	1,741	-	-	399	-	-	81.4	82.9
2	APA LIFE ASSURANCE COMPANY	345	1,449	-	1,363	32	7	392	1.8	0.4	76.0	36.1
3	BRITAM LIFE INSURANCE COMPANY	3,007	22,468	-	22,773	-	-	2,702	-	-	89.4	87.7
4	CAPEX LIFE ASSURANCE COMPANY	17	781	-	793	-	-	5	-	-	99.4	96.7
5	CIC LIFE ASSURANCE COMPANY	2,378	2,709	648	2,772	5	-	2,310	0.1	-	54.5	47.7
6	CORPORATE INSURANCE COMPANY	443	253	-	513	-	-	422	-	-	54.9	58.5
7	GA LIFE ASSURANCE LIMITED	2	526	-	528	-	-	-	-	-	100.0	99.7
8	GEMINIA INSURANCE COMPANY	384	(189)	479	34	-	-	161	-	-	17.4	20.3
9	ICEA LION LIFE ASSURANCE	2,566	16,430	-	16,317	2	-	2,677	0.0	-	85.9	86.0
10	JUBILEE INSURANCE COMPANY	2,345	10,625	15	10,504	11	2	2,453	0.1	0.0	81.0	83.4
11	KENINDIA ASSURANCE COMPANY	283	1,488	5	1,444	-	-	327	-	-	81.5	83.4
12	KENYA ORIENT LIFE ASSURANCE	21	52	-	25	25	-	32	30.5	-	30.5	56.9
13	KUSCCO MUTUAL ASSURANCE	351	684	-	828	-	-	207	-	-	80.0	57.4
14	LIBERTY LIFE ASSURANCE KENYA	824	1,687	-	1,169	70	-	1,272	2.8	-	46.6	67.1
15	MADISON INSURANCE COMPANY	2,714	8,366	-	9,008	-	-	2,072	-	-	81.3	73.3
16	METROPOLITAN CANNON INSURANCE	712	207	-	316	-	-	603	-	-	34.4	43.0
17	OLD MUTUAL ASSURANCE COMPANY	2,113	1,722	-	2,077	-	48	1,710	-	1.3	54.2	47.5
18	PIONEER ASSURANCE COMPANY	8,502	5,853	-	4,771	-	-	9,584	-	-	33.2	37.7
19	PRUDENTIAL LIFE ASSURANCE	600	854	-	774	-	-	680	-	-	53.2	62.1
20	SAHAM INSURANCE COMPANY	27	113	-	115	1	-	24	0.7	-	82.1	79.1
21	SANLAM LIFE INSURANCE LIMITED	1,505	3,878	-	3,753	24	34	1,572	0.4	0.6	69.7	71.5
22	TAKAFUL INSURANCE OF AFRICA	3	-	-	-	3	-	-	100.0	-	N/A	N/A
23	THE KENYAN ALLIANCE INSURANCE	95	1,202	2	1,183	-	-	114	-	-	91.2	92.9
24	THE MONARCH INSURANCE COMPANY	72	84	-	85	-	-	71	-	-	54.5	56.1
25	UAP LIFE ASSURANCE COMPANY	318	1,758	-	1,825	-	1	250	-	0.0	87.9	86.4
<b>Industry</b>		<b>29,966</b>	<b>84,801</b>	<b>1,150</b>	<b>84,711</b>	<b>173</b>	<b>92</b>	<b>30,039</b>	<b>0.15</b>	<b>0.1</b>	<b>73.7</b>	<b>73.1</b>