



## **INSURANCE REGULATORY AUTHORITY**

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

**April – June 2021**

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Prepared by

Insurance Regulatory Authority

July 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 second quarter of 2021 except for Xplico Insurance who had not submitted claims returns for the month of April 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 crystalize 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 of 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 2021, the proportion of declined general liability claims increased to 0.08% from 0.04% recorded in Q1 2021. The proportion of declined general non-liability claims also increased to 0.25% in Q2 2021 from 0.19% reported in Q1 2021.

In addition, the proportion of declined long term business claims in Q2 2021 decreased to 0.07% from 0.15% recorded in Q1 2021.

### **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 2021, the proportion of general business liability claims closed as no claims increased to 4.0% compared to 1.9% observed in Q1 2021. The proportion of general business non-liability claims closed as no claims also increased to 0.7% in Q2 2021 from 0.5% in Q1 2021.

The proportion of long-term insurance business claims closed as no claims increased to 0.13% in Q2 2021 from 0.08% in Q1 2021

### **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 2021, the claims payment ratio for general liability claims increased to 9.3% (Q1 2021: 9.2%). The claims payment ratio for general non-liability claims increased to 65.8% in Q2 2021 from 64.7% reported in Q1 2021.

The claims payment ratio for the long-term insurance business increased to 73.9% compared to 73.7% observed in the previous quarter.

## **1.3 Appendices**

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

Claims Payment Statistics for Q2 2021

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 30th June 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 %	
											Q2 2021 (4/(4+5+6+7))	Q1 2021 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	24	8	-	1	1	-	30	3.1	-	3.1	22.6
2	AFRICAN MERCHANT ASSURANCE	1,297	129	63	192	-	-	1,234	-	-	13.5	11.6
3	AIG INSURANCE COMPANY LIMITED	1,165	70	16	83	-	136	1,016	-	11.0	6.7	2.5
4	ALLIANZ INSURANCE COMPANY	234	28	9	7	-	18	235	-	6.9	2.7	1.9
5	APA INSURANCE COMPANY LIMITED	5,778	332	1,061	863	-	-	5,841	-	-	12.9	12.2
6	BRITAM GENERAL INSURANCE	3,789	1,093	-	655	-	1,480	2,747	-	30.3	13.4	33.1
7	CIC GENERAL INSURANCE COMPANY	2,344	640	600	630	-	-	2,354	-	-	21.1	26.0
8	CORPORATE INSURANCE COMPANY	848	211	-	145	-	5	909	-	0.5	13.7	7.5
9	DIRECTLINE ASSURANCE COMPANY	17,122	1,307	-	403	-	-	18,026	-	-	2.2	2.3
10	FIDELITY SHIELD INSURANCE	1,733	427	225	313	2	39	1,806	0.1	1.8	14.5	9.8
11	FIRST ASSURANCE COMPANY	1,783	794	-	201	-	755	1,621	-	29.3	7.8	4.8
12	GA INSURANCE LIMITED	7,684	1,038	151	667	-	924	7,131	-	10.6	7.6	5.3
13	GEMINIA INSURANCE COMPANY	11,034	1,210	1,450	980	-	11	11,253	-	0.1	8.0	8.6
14	HERITAGE INSURANCE COMPANY	5,024	460	1,693	335	74	230	4,845	1.3	4.2	6.1	5.2
15	ICEA LION GENERAL INSURANCE	431	227	260	147	-	15	496	-	2.3	22.3	32.0
16	INTRA-AFRICA ASSURANCE COMPANY	1,383	136	778	90	1	1	1,427	0.1	0.1	5.9	10.1
17	INVESCO ASSURANCE COMPANY	4,216	239	420	154	-	-	4,301	-	-	3.5	6.9
18	JUBILEE GENERAL INSURANCE	2,716	582	3,249	305	-	881	2,112	-	26.7	9.2	5.1
19	JUBILEE HEALTH INSURANCE	-	-	-	-	-	-	-	-	-	-	-
20	KENINDIA ASSURANCE COMPANY	7,450	830	136	634	-	65	7,581	-	0.8	7.7	5.3
21	KENYA ORIENT INSURANCE COMPANY	1,862	323	266	314	-	-	1,871	-	-	14.4	12.7
22	MADISON INSURANCE COMPANY	284	779	372	714	5	-	344	0.5	-	67.2	54.7
23	MAYFAIR INSURANCE COMPANY	3,308	965	1	896	-	-	3,377	-	-	21.0	16.4
24	METROPOLITAN CANNON GENERAL	3,841	82	149	71	-	162	3,690	-	4.1	1.8	3.0
25	MUA INSURANCE COMPANY	543	124	-	85	-	1	581	-	0.1	12.7	8.1
26	OCCIDENTAL INSURANCE COMPANY	2,544	484	-	512	-	85	2,431	-	2.8	16.9	9.6
27	PACIS INSURANCE COMPANY	2,054	51	337	62	-	9	2,034	-	0.4	2.9	2.7
28	PIONEER GENERAL INSURANCE	265	53	412	77	-	2	239	-	0.6	24.2	1.5
29	RESOLUTION INSURANCE COMPANY	321	90	262	133	-	-	278	-	-	32.4	27.2
30	SAHAM INSURANCE COMPANY	473	29	-	75	-	-	427	-	-	14.9	9.6
31	SANLAM GENERAL INSURANCE	810	465	259	156	-	-	1,119	-	-	12.2	21.1
32	TAKAFUL INSURANCE OF AFRICA	162	73	-	46	-	-	189	-	-	19.6	14.3
33	TAUSI ASSURANCE COMPANY	1,500	112	35	35	-	18	1,559	-	1.1	2.2	2.2
34	THE KENYAN ALLIANCE INSURANCE	185	270	332	296	-	-	159	-	-	65.1	62.9
35	THE MONARCH INSURANCE COMPANY	3,073	388	221	387	20	90	2,964	0.6	2.6	11.18	17.0
36	TRIDENT INSURANCE COMPANY	3,802	307	411	400	-	-	3,709	-	-	9.7	4.0
37	UAP INSURANCE COMPANY LIMITED	2,939	232	1,002	460	2	-	2,709	0.1	-	14.5	8.1
38	XPLICO INSURANCE COMPANY	-	178	12	98	-	-	5,173	-	-	1.9	1.5
	<b>Industry</b>	<b>104,021</b>	<b>14,766</b>	<b>14,182</b>	<b>11,622</b>	<b>105</b>	<b>4,927</b>	<b>107,818</b>	<b>0.08</b>	<b>4.0</b>	<b>9.3</b>	<b>9.2</b>

Claims Payment Statistics for Q2 2021

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 30th June 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 (%)	
											Q2 2021 (4/(4+5+6+7))	Q1 2021
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	20,886	84,713	-	78,906	332	2,804	26,557	0.3	2.6	72.7	70.0
2	AFRICAN MERCHANT ASSURANCE	2,661	223	60	245	-	-	2,639	-	-	8.5	7.3
3	AIG INSURANCE COMPANY LIMITED	2,034	879	350	1,098	-	229	1,586	-	7.9	37.7	33.8
4	ALLIANZ INSURANCE COMPANY	517	1,447	138	1,363	-	7	594	-	0.4	69.4	70.7
5	APA INSURANCE COMPANY LIMITED	3,700	2,571	3,594	2,313	-	-	3,958	-	-	36.9	45.9
6	BRITAM GENERAL INSURANCE	47,574	125,440	-	108,754	-	4,249	60,011	-	2.5	62.9	59.8
7	CIC GENERAL INSURANCE COMPANY	3,375	2,196	2,319	1,602	-	-	4,030	-	-	28.4	49.3
8	CORPORATE INSURANCE COMPANY	1,631	931	-	724	-	4	1,834	-	0.2	28.3	31.7
9	DIRECTLINE ASSURANCE COMPANY	265	115	-	102	-	-	278	-	-	26.8	25.6
10	FIDELITY SHIELD INSURANCE	1,191	3,374	1,229	1,205	15	75	3,270	0.3	1.6	26.4	50.6
11	FIRST ASSURANCE COMPANY	53,120	56,711	-	54,057	-	6,948	48,826	-	6.3	49.2	40.5
12	GA INSURANCE LIMITED	4,307	3,474	327	3,005	196	8	4,572	2.5	0.1	38.6	40.8
13	GEMINIA INSURANCE COMPANY	7,383	3,078	3,290	1,851	-	117	8,493	-	1.1	17.7	10.8
14	HERITAGE INSURANCE COMPANY	10,817	24,965	8,248	24,654	96	1,148	9,884	0.3	3.2	68.9	71.0
15	ICEA LION GENERAL INSURANCE	1,186	2,551	3,321	2,463	9	154	1,111	0.2	4.1	65.9	62.4
16	INTRA-AFRICA ASSURANCE COMPANY	656	475	433	402	-	10	719	-	0.9	35.5	62.4
17	INVESCO ASSURANCE COMPANY	973	29	49	20	-	-	982	-	-	2.0	4.3
18	JUBILEE GENERAL INSURANCE	4,335	3,069	4,549	2,360	-	3,180	1,864	-	42.9	31.9	41.5
19	JUBILEE HEALTH INSURANCE	360,079	1,418,447	-	1,243,313	-	-	502,033	-	-	71.2	70.7
20	KENINDIA ASSURANCE COMPANY	5,630	3,228	295	3,386	-	170	5,302	-	1.9	38.2	33.4
21	KENYA ORIENT INSURANCE COMPANY	8,745	859	609	693	26	44	8,841	0.3	0.5	7.2	6.5
22	MADISON INSURANCE COMPANY	15,950	90,500	299	86,824	2,980	-	16,646	2.8	-	81.6	77.7
23	MAYFAIR INSURANCE COMPANY	316	491	-	350	-	-	457	-	-	43.4	50.3
24	METROPOLITAN CANNON GENERAL	2,451	995	1,084	353	-	159	2,934	-	4.6	10.2	13.1
25	MUA INSURANCE COMPANY	775	585	-	471	-	25	864	-	1.8	34.6	38.0
26	OCCIDENTAL INSURANCE COMPANY	2,614	1,530	-	1,315	-	51	2,778	-	1.2	31.7	29.9
27	PACIS INSURANCE COMPANY	3,064	977	1,070	804	-	18	3,219	-	0.4	19.9	20.1
28	PIONEER GENERAL INSURANCE	370	733	1,371	681	3	19	400	0.3	1.7	61.7	70.5
29	RESOLUTION INSURANCE COMPANY	38,267	59,763	2,161	57,852	2,519	-	37,659	2.6	-	59.0	61.7
30	SAHAM INSURANCE COMPANY	5,635	26,603	-	22,681	368	6	9,183	1.1	0.0	70.4	82.5
31	SANLAM GENERAL INSURANCE	12,474	27,975	1,953	21,350	5	153	18,941	0.0	0.4	52.8	42.3
32	TAKAFUL INSURANCE OF AFRICA	8,820	5,414	-	3,483	-	-	10,751	-	-	24.5	29.5
33	TAUSI ASSURANCE COMPANY	687	549	99	322	-	56	858	-	4.5	26.1	33.1
34	THE KENYAN ALLIANCE INSURANCE	30,878	38,848	336	29,292	8	-	40,417	0.0	-	42.0	44.2
35	THE MONARCH INSURANCE COMPANY	2,932	916	398	1,050	93	183	2,522	2.4	4.8	27.3	32.8
36	TRIDENT INSURANCE COMPANY	42,089	4,129	156	3,668	107	2	42,444	0.2	0.0	7.9	6.6
37	UAP INSURANCE COMPANY LIMITED	2,468	1,455	2,870	1,971	44	-	1,909	1.1	-	50.2	33.6
38	XPLICO INSURANCE COMPANY	-	43	43	48	10	-	2,860	0.3	-	1.6	2.3
	<b>Industry</b>	<b>710,855</b>	<b>2,000,281</b>	<b>40,651</b>	<b>1,765,031</b>	<b>6,811</b>	<b>19,819</b>	<b>892,226</b>	<b>0.25</b>	<b>0.7</b>	<b>65.8</b>	<b>64.7</b>

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 30th June 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 (%)	
											Q2 2021 (4/(4+5+6+7))	Q1 2021 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	ABSA LIFE ASSURANCE	399	1,778	-	1,798	-	-	379	-	-	82.6	81.4
2	APA LIFE ASSURANCE COMPANY	392	2,803	-	2,563	1	87	544	0.0	2.7	80.2	76.0
3	BRITAM LIFE INSURANCE COMPANY	2,702	23,608	-	22,657	-	-	3,653	-	-	86.1	89.4
4	CAPEX LIFE ASSURANCE COMPANY	5	745	-	741	-	-	12	-	-	98.4	99.4
5	CIC LIFE ASSURANCE COMPANY	2,310	2,765	1,031	2,609	4	-	2,462	0.1	-	51.4	54.5
6	CORPORATE INSURANCE COMPANY	422	536	-	571	-	-	623	-	-	47.8	54.9
7	GA LIFE ASSURANCE LIMITED	-	3,376	-	3,373	-	-	3	-	-	99.9	100.0
8	GEMINIA INSURANCE COMPANY	161	56	-	74	-	-	143	-	-	34.1	17.4
9	ICEA LION LIFE ASSURANCE	2,677	17,392	-	17,338	43	-	2,688	0.2	-	86.4	85.9
10	JUBILEE INSURANCE COMPANY	2,453	10,413	57	10,376	2	4	2,484	0.0	0.0	80.6	81.0
11	KENINDIA ASSURANCE COMPANY	327	1,427	3	1,402	-	-	352	-	-	79.9	81.5
12	KENYA ORIENT LIFE ASSURANCE	32	35	-	39	3	1	24	4.5	1.5	58.2	30.5
13	KUSCCO MUTUAL ASSURANCE	207	689	-	485	-	-	411	-	-	54.1	80.0
14	LIBERTY LIFE ASSURANCE KENYA	1,272	2,085	-	2,191	7	-	1,159	0.2	-	65.3	46.6
15	MADISON INSURANCE COMPANY	2,072	8,163	-	8,527	-	-	1,708	-	-	83.3	81.3
16	METROPOLITAN CANNON INSURANCE	603	270	-	225	-	-	648	-	-	25.8	34.4
17	OLD MUTUAL ASSURANCE COMPANY	1,710	2,094	-	2,116	-	27	1,661	-	0.7	55.6	54.2
18	PIONEER ASSURANCE COMPANY	9,584	4,597	-	4,487	-	-	9,694	-	-	31.6	33.2
19	PRUDENTIAL LIFE ASSURANCE	680	1,172	-	1,136	-	-	716	-	-	61.3	53.2
20	SAHAM INSURANCE COMPANY	24	88	-	86	-	-	26	-	-	76.8	82.1
21	SANLAM LIFE INSURANCE LIMITED	1,572	4,825	-	4,498	26	44	1,829	0.4	0.7	70.3	69.7
22	TAKAFUL INSURANCE OF AFRICA	-	-	-	-	-	-	-	-	-	N/A	N/A
23	THE KENYAN ALLIANCE INSURANCE	114	1,152	-	1,121	-	-	135	-	-	89.3	91.2
24	THE MONARCH INSURANCE COMPANY	71	91	-	56	-	-	106	-	-	34.6	54.5
25	UAP LIFE ASSURANCE COMPANY	250	1,818	-	1,835	1	2	230	0.0	0.1	88.7	87.9
<b>Industry</b>		<b>30,039</b>	<b>91,978</b>	<b>1,091</b>	<b>90,304</b>	<b>87</b>	<b>165</b>	<b>31,690</b>	<b>0.07</b>	<b>0.13</b>	<b>73.9</b>	<b>73.7</b>