



INSURANCE REGULATORY AUTHORITY

Insurance Industry Quarterly Claims Statistics for the Period

July – September 2019

Prepared by

Insurance Regulatory Authority

October 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, 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 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 the insureds'/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** – the sum 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 Q3 2019, the proportion of declined general liability claims improved to 0.01% compared to 0.04% recorded in Q2 2019. However, the proportion of declined general non-liability claims remained unchanged at 0.5% compared to Q2 2019.

For the long-term business the proportion of declined claims in Q3 2019 improved to 0.09% from 0.17% recorded in Q2 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 Q3 2019, the proportion of general business liability claims closed as no claims increased to 3.3% compared to 2.2% observed in Q2 2019. The proportion of general business non-liability claims closed as no claims decreased marginally to 0.6% from 0.7% reported in Q2 2019.

There was a slight decline in the proportion of long term insurance business claims closed as no claims remained unchanged at 0.1% compared to Q2 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 Q3 2019, the claims payment ratio for general liability claims increased to 10.0% compared to 8.2% observed in Q2 2019. Over the same period, the claims payment ratio for general non-liability claims also increased to 71.4% compared to 67.4% observed in the previous quarter.

The claims payment ratio for the longterm insurance business increased to 73.5% compared to 72.2% observed in the previous quarter.

The overall claim payment ratio for the industry improved in Q3 2019 compared to the previous quarter.

1.3 Appendices

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

Claims Payment Statistics for Q3 2019

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 30th September 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 %	
											Q3 2019 (4/(4+5+6+7))	Q2 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	8	4	-	2	-	-	10	-	-	16.7	33.3
2	AFRICAN MERCHANT ASSURANCE	1,705	159	215	215	-	-	1,649	-	-	11.5	9.0
3	AIG INSURANCE COMPANY LIMITED	1,012	77	17	32	-	10	1,047	-	0.9	2.9	3.2
4	ALLIANZ INSURANCE COMPANY	153	48	7	13	-	1	187	-	0.5	6.5	1.3
5	APA INSURANCE COMPANY LIMITED	9,250	460	1,198	1,029	-	1,812	6,869	-	18.7	10.6	7.4
6	BRITAM GENERAL INSURANCE	2,918	1,050	-	860	-	29	3,079	-	0.7	21.7	24.7
7	CIC GENERAL INSURANCE COMPANY	6,988	1,299	1,227	1,304	-	-	6,983	-	-	15.7	12.6
8	CORPORATE INSURANCE COMPANY	320	591	-	56	-	83	772	-	9.1	6.1	7.4
9	DIRECTLINE ASSURANCE COMPANY	13,952	1,701	-	1,353	-	-	14,300	-	-	8.6	7.3
10	FIDELITY SHIELD INSURANCE	1,970	171	265	201	-	4	1,936	-	0.2	9.4	8.7
11	FIRST ASSURANCE COMPANY	2,313	917	-	193	-	754	2,283	-	23.3	6.0	6.0
12	GA INSURANCE LIMITED	8,150	457	228	952	-	-	7,655	-	-	11.1	3.8
13	GEMINIA INSURANCE COMPANY	8,248	1,006	852	515	-	-	8,739	-	-	5.6	5.4
14	HERITAGE INSURANCE COMPANY	5,291	465	1,410	326	4	66	5,360	0.1	1.1	5.7	4.6
15	ICEA LION GENERAL INSURANCE	376	331	9,152	222	-	35	450	-	5.0	31.4	39.6
16	INTRA-AFRICA ASSURANCE COMPANY	803	381	466	195	-	26	963	-	2.2	16.5	9.2
17	INVESCO ASSURANCE COMPANY	4,787	380	628	544	-	-	4,623	-	-	10.5	6.0
18	JUBILEE INSURANCE COMPANY	1,895	609	194	192	-	31	2,281	-	1.2	7.7	8.6
19	KENINDIA ASSURANCE COMPANY	6,571	706	-	649	-	-	6,628	-	-	8.9	6.8
20	KENYA ORIENT INSURANCE COMPANY	1,370	272	243	100	-	9	1,533	-	0.5	6.1	5.3
21	MADISON INSURANCE COMPANY	271	513	25	490	1	-	293	0.1	-	62.5	69.3
22	MAYFAIR INSURANCE COMPANY	2,391	769	-	773	-	-	2,387	-	-	24.5	18.1
23	METROPOLITAN CANNON GENERAL	5,559	352	-	170	-	96	5,645	-	1.6	2.9	2.4
24	MUA INSURANCE COMPANY	683	77	-	35	-	68	657	-	8.9	4.6	10.0
25	OCCIDENTAL INSURANCE COMPANY	2,675	272	15	235	-	413	2,299	-	14.0	8.0	5.1
26	PACIS INSURANCE COMPANY	2,039	116	366	70	-	36	2,049	-	1.7	3.2	8.8
27	PIONEER GENERAL INSURANCE	81	25	21	6	-	-	111	-	-	5.1	14.8
28	RESOLUTION INSURANCE COMPANY	224	33	12	103	-	-	162	-	-	38.9	9.3
29	SAHAM INSURANCE COMPANY	445	144	-	34	-	-	593	-	-	5.4	4.9
30	SANLAM GENERAL INSURANCE	984	168	155	404	-	110	638	-	9.5	35.1	11.6
31	TAKAFUL INSURANCE OF AFRICA	358	38	-	25	-	-	371	-	-	6.3	7.3
32	TAUSI ASSURANCE COMPANY	1,652	155	67	85	-	257	1,465	-	14.2	4.7	1.7
33	THE KENYAN ALLIANCE INSURANCE	102	170	56	106	-	-	166	-	-	39.0	49.5
34	THE MONARCH INSURANCE COMPANY	200	20	1	8	-	28	184	-	12.7	3.6	1.0
35	TRIDENT INSURANCE COMPANY	2,341	110	18	3	-	4	2,444	-	0.2	0.1	0.3
36	UAP INSURANCE COMPANY LIMITED	2,712	89	1,568	126	3	-	2,672	0.1	-	4.5	5.7
37	XPLICO INSURANCE COMPANY	3,047	529	56	249	-	-	3,327	-	-	7.0	5.3
	Industry	103,844	14,664	18,462	11,875	8	3,872	102,810	0.01	3.3	10.0	8.2

Claims Payment Statistics for Q3 2019

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 30th September 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 (%)	
											Q3 2019 (4/(4+5+6+7))	Q2 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	21,614	84,422	-	79,546	961	2,099	23,430	0.9	2.0	75.0	77.4
2	AFRICAN MERCHANT ASSURANCE	1,907	444	170	346	-	-	2,005	-	-	14.7	20.2
3	AIG INSURANCE COMPANY LIMITED	1,562	1,223	394	979	-	47	1,759	-	1.7	35.2	37.4
4	ALLIANZ INSURANCE COMPANY	418	1,183	50	1,170	-	28	403	-	1.7	73.1	55.1
5	APA INSURANCE COMPANY LIMITED	3,450	2,639	4,250	2,364	-	-	3,725	-	-	38.8	39.0
6	BRITAM GENERAL INSURANCE	50,374	45,352	-	50,398	-	37	45,291	-	0.0	52.6	52.8
7	CIC GENERAL INSURANCE COMPANY	12,157	6,055	2,192	7,283	-	-	10,929	-	-	40.0	14.5
8	CORPORATE INSURANCE COMPANY	1,092	242	-	181	-	599	554	-	44.9	13.6	12.8
9	DIRECTLINE ASSURANCE COMPANY	99	78	-	51	-	-	126	-	-	28.8	32.7
10	FIDELITY SHIELD INSURANCE	2,724	1,748	1,627	1,706	5	56	2,705	0.1	1.3	38.1	44.3
11	FIRST ASSURANCE COMPANY	42,084	38,448	-	34,327	-	4,849	41,356	-	6.0	42.6	39.5
12	GA INSURANCE LIMITED	4,722	5,573	166	4,911	376	-	5,008	3.7	-	47.7	57.5
13	GEMINIA INSURANCE COMPANY	3,123	2,218	1,940	1,210	-	-	4,131	-	-	22.7	18.6
14	HERITAGE INSURANCE COMPANY	13,164	32,765	6,873	33,214	23	1,031	11,661	0.1	2.2	72.3	70.7
15	ICEA LION GENERAL INSURANCE	2,426	1,561	15,544	2,492	13	299	1,183	0.3	7.5	62.5	49.6
16	INTRA-AFRICA ASSURANCE COMPANY	599	590	446	471	1	1	716	0.1	0.1	39.6	24.5
17	INVESCO ASSURANCE COMPANY	1,112	48	114	119	-	-	1,041	-	-	10.3	8.9
18	JUBILEE INSURANCE COMPANY	257,554	953,023	2,944	991,483	-	46	219,048	-	0.0	81.9	77.1
19	KENINDIA ASSURANCE COMPANY	3,932	4,212	-	3,617	-	-	4,527	-	-	44.4	58.2
20	KENYA ORIENT INSURANCE COMPANY	8,170	699	642	421	27	24	8,398	0.3	0.3	4.7	3.0
21	MADISON INSURANCE COMPANY	26,174	74,813	422	74,678	2,855	-	23,454	2.8	-	73.9	68.4
22	MAYFAIR INSURANCE COMPANY	394	283	-	318	-	-	359	-	-	47.0	44.0
23	METROPOLITAN CANNON GENERAL	1,207	347	-	282	-	14	1,258	-	0.9	18.1	18.1
24	MUA INSURANCE COMPANY	858	383	-	361	-	223	657	-	18.0	29.1	24.4
25	OCCIDENTAL INSURANCE COMPANY	2,023	1,234	2	1,013	-	341	1,903	-	10.5	31.1	31.7
26	PACIS INSURANCE COMPANY	2,080	1,019	1,210	820	6	232	2,041	0.2	7.5	26.5	28.3
27	PIONEER GENERAL INSURANCE	268	535	1,132	551	9	-	243	1.1	-	68.6	59.1
28	RESOLUTION INSURANCE COMPANY	38,010	117,710	729	104,523	4,902	5	46,290	3.1	0.0	67.1	71.1
29	SAHAM INSURANCE COMPANY	18,084	36,093	789	36,565	1,320	614	13,154	2.6	1.2	70.8	48.9
30	SANLAM GENERAL INSURANCE	25,203	18,874	902	21,224	109	952	21,792	0.2	2.2	48.2	39.3
31	TAKAFUL INSURANCE OF AFRICA	425	155	-	193	-	-	387	-	-	33.3	24.0
32	TAUSI ASSURANCE COMPANY	724	379	92	317	-	175	611	-	15.9	28.7	24.6
33	THE KENYAN ALLIANCE INSURANCE	1,276	9,060	463	7,876	63	-	2,397	0.6	-	76.2	67.5
34	THE MONARCH INSURANCE COMPANY	8,196	1,906	76	1,298	11	326	8,470	0.1	3.2	12.8	7.9
35	TRIDENT INSURANCE COMPANY	47,824	5,027	531	2,219	-	995	49,537	-	1.9	4.2	4.2
36	UAP INSURANCE COMPANY LIMITED	1,731	910	2,020	776	9	-	1,856	0.3	-	29.4	51.3
37	XPLICO INSURANCE COMPANY	2,498	227	13	191	-	227	2,534	-	-	7.0	4.1
	Industry	609,258	1,451,478	45,733	1,469,494	10,690	12,993	564,939	0.5	0.6	71.4	67.4

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 30th September 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 (%)	
											Q3 2019 (4/(4+5+6+7))	Q2 2019 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	APA LIFE ASSURANCE COMPANY	428	1,065	-	1,045	6	27	415	0.4	1.8	70.0	69.4
2	BARCLAYS LIFE ASSURANCE	263	909	-	857	-	-	315	-	-	73.1	82.8
3	BRITAM LIFE INSURANCE COMPANY	2,913	16,040	-	14,873	5	41	4,034	0.0	0.2	78.5	82.8
4	CAPEX LIFE ASSURANCE COMPANY	3	601	-	581	-	-	31	-	-	94.9	99.5
5	CIC LIFE ASSURANCE COMPANY	1,595	1,918	151	2,047	19	1	1,446	0.5	0.0	58.3	45.9
6	CORPORATE INSURANCE COMPANY	366	636	-	624	-	-	634	-	-	49.6	63.0
7	FIRST ASSURANCE COMPANY	-	-	-	-	-	-	-	-	-	-	29.1
8	GA LIFE ASSURANCE LIMITED	3	1,396	-	1,396	-	-	3	-	-	99.8	99.9
9	GEMINIA INSURANCE COMPANY	555	31	-	21	-	-	565	-	-	3.6	5.0
10	ICEA LION LIFE ASSURANCE	618	16,523	-	15,802	-	-	1,339	-	-	92.2	96.0
11	JUBILEE INSURANCE COMPANY	2,096	9,320	68	9,549	16	16	1,835	0.1	0.1	83.6	82.9
12	KENINDIA ASSURANCE COMPANY	378	1,587	-	1,536	-	6	423	-	0.3	78.2	83.6
13	KENYA ORIENT LIFE ASSURANCE	19	29	-	48	-	-	-	-	-	100.0	63.5
14	LIBERTY LIFE ASSURANCE KENYA	6,826	2,620	-	5,852	21	-	3,573	0.2	-	62.0	30.2
15	MADISON INSURANCE COMPANY	1,905	5,829	-	5,648	-	-	2,106	-	-	72.8	73.0
16	METROPOLITAN CANNON INSURANCE	174	1,404	-	836	-	-	742	-	-	53.0	71.2
17	OLD MUTUAL ASSURANCE COMPANY	1,472	1,618	-	1,650	1	26	1,413	0.0	0.8	53.4	54.4
18	PIONEER ASSURANCE COMPANY	4,764	5,975	-	5,481	-	-	5,258	-	-	51.0	49.6
19	PRUDENTIAL LIFE ASSURANCE	934	988	-	975	-	-	947	-	-	50.7	51.9
20	SAHAM INSURANCE COMPANY	29	137	-	134	-	-	32	-	-	80.7	6.5
21	SANLAM LIFE INSURANCE LIMITED	1,284	3,839	-	3,591	27	-	1,505	0.5	-	70.1	74.8
22	TAKAFUL INSURANCE OF AFRICA	3	-	-	-	-	-	3	-	-	-	-
23	THE KENYAN ALLIANCE INSURANCE	83	892	-	891	2	1	81	0.2	0.1	91.4	92.8
24	THE MONARCH INSURANCE COMPANY	34	87	-	82	-	-	33	-	-	71.3	56.4
25	UAP LIFE ASSURANCE COMPANY	213	2,050	-	1,963	-	-	300	-	-	86.7	88.4
	Industry	26,958	75,494	219	75,482	97	118	27,033	0.09	0.1	73.5	72.2