



INSURANCE REGULATORY AUTHORITY

Insurance Industry Quarterly Claims Statistics for the Period

October – December 2020

Prepared by

Insurance Regulatory Authority

January 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 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 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 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 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;

¹ 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 Q4 2020, the proportion of declined general liability claims increased to 0.05% from 0.03% recorded in Q3 2020. The proportion of declined general non-liability claims also decreased to 0.17% in Q4 2020 from 0.27% reported in Q3 2020.

In addition, the proportion of declined long term business claims in Q4 2020 increased to 0.21% from 0.11% recorded in Q3 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 Q4 2020, the proportion of general business liability claims closed as no claims increased to 2.3% compared to 1.8% observed in Q3 2020. The proportion of general business non-liability claims closed as no claims decreased to 0.6% in Q4 2020 from 0.7% in Q3 2020.

The proportion of long-term insurance business claims closed as no claims increased to 0.2% in Q4 2020 from 0.1% in Q3 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 Q4 2020, the claims payment ratio for general liability claims remained the same at 8.4%. Similarly, the claims payment ratio for general non-liability claims remained the same at 70.3% in Q4 2020.

The claims payment ratio for the long-term insurance business increased to 73.1% compared to 72.3% observed in the previous quarter.

1.3 Appendices

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

Claims Payment Statistics for Q4 2020

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 31st December 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 %	
											Q4 2020 (4/(4+5+6+7))	Q3 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	15	11	-	2	-	1	23	-	3.8	7.7	40.0
2	AFRICAN MERCHANT ASSURANCE	1,387	98	66	129	-	-	1,356	-	-	8.7	8.4
3	AIG INSURANCE COMPANY LIMITED	1,203	93	47	45	-	54	1,197	-	4.2	3.5	2.9
4	ALLIANZ INSURANCE COMPANY	245	23	22	27	-	18	223	-	6.7	10.1	5.3
5	APA INSURANCE COMPANY LIMITED	5,059	383	1,285	841	-	-	5,447	-	-	13.4	15.2
6	BRITAM GENERAL INSURANCE	4,834	135	1,775	98	-	(766)	5,637	-	(15.4)	2.0	3.1
7	CIC GENERAL INSURANCE COMPANY	2,893	790	636	1,252	-	-	2,431	-	-	34.0	34.7
8	CORPORATE INSURANCE COMPANY	1,030	16	-	102	-	1	943	-	0.1	9.8	4.3
9	DIRECTLINE ASSURANCE COMPANY	15,424	1,078	-	229	-	-	16,273	-	-	1.4	3.9
10	FIDELITY SHIELD INSURANCE	1,801	208	827	145	4	157	1,703	0.2	7.8	7.2	10.3
11	FIRST ASSURANCE COMPANY	1,756	588	-	140	-	466	1,738	-	19.9	6.0	5.5
12	GA INSURANCE LIMITED	8,259	1,058	189	468	-	672	8,177	-	7.2	5.0	5.8
13	GEMINIA INSURANCE COMPANY	10,030	1,637	2,239	793	-	73	10,801	-	0.6	6.8	7.3
14	HERITAGE INSURANCE COMPANY	5,164	371	1,516	356	26	106	5,047	0.5	1.9	6.4	5.8
15	ICEA LION GENERAL INSURANCE	259	308	366	160	1	48	358	0.2	8.5	28.2	45.3
16	INTRA-AFRICA ASSURANCE COMPANY	1,293	250	540	182	1	46	1,314	0.1	3.0	11.8	9.6
17	INVESCO ASSURANCE COMPANY	4,212	152	440	221	-	-	4,143	-	-	5.1	7.1
18	JUBILEE GENERAL INSURANCE	3,185	413	299	209	-	859	2,530	-	23.9	5.8	5.7
19	JUBILEE HEALTH INSURANCE	-	-	-	-	-	-	-	-	-	-	-
20	KENINDIA ASSURANCE COMPANY	8,136	913	-	1,383	-	201	7,465	-	2.2	15.3	4.8
21	KENYA ORIENT INSURANCE COMPANY	1,984	154	200	129	-	-	2,009	-	-	6.0	1.9
22	MADISON INSURANCE COMPANY	253	461	129	526	8	-	180	1.1	-	73.7	63.1
23	MAYFAIR INSURANCE COMPANY	2,513	940	44	490	-	-	2,963	-	-	14.2	26.0
24	METROPOLITAN CANNON GENERAL	4,066	142	122	52	-	289	3,867	-	6.9	1.2	1.3
25	MUA INSURANCE COMPANY	546	159	-	80	-	78	547	-	11.1	11.3	8.0
26	OCCIDENTAL INSURANCE COMPANY	2,169	433	2	208	-	59	2,335	-	2.3	8.0	7.6
27	PACIS INSURANCE COMPANY	2,058	63	444	73	-	21	2,027	-	1.0	3.4	3.6
28	PIONEER GENERAL INSURANCE	206	40	18	9	-	-	237	-	-	3.7	4.2
29	RESOLUTION INSURANCE COMPANY	394	67	(374)	102	-	-	359	-	-	22.1	6.2
30	SAHAM INSURANCE COMPANY	543	23	-	58	-	-	508	-	-	10.2	3.0
31	SANLAM GENERAL INSURANCE	440	401	633	213	1	46	581	0.1	5.5	25.3	26.8
32	TAKAFUL INSURANCE OF AFRICA	319	39	-	53	-	144	161	-	40.2	14.8	9.1
33	TAUSI ASSURANCE COMPANY	1,443	163	32	28	-	105	1,473	-	6.5	1.7	2.0
34	THE KENYAN ALLIANCE INSURANCE	150	347	1,108	333	-	-	164	-	-	67.0	62.2
35	THE MONARCH INSURANCE COMPANY	2,619	1,022	1,441	277	20	100	3,244	0.5	2.7	7.61	4.9
36	TRIDENT INSURANCE COMPANY	3,033	767	116	211	-	-	3,589	-	-	5.6	3.9
37	UAP INSURANCE COMPANY LIMITED	2,889	412	2,538	547	1	1	2,752	0.0	0.0	16.6	8.9
38	XPLICO INSURANCE COMPANY	4,052	594	11	52	-	-	4,594	-	-	1.1	3.1
	Industry	105,862	14,752	16,711	10,223	62	2,779	108,396	0.05	2.3	8.4	8.4

Claims Payment Statistics for Q4 2020

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 31st December 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 (%)	
											Q4 2020 (4/(4+5+6+7))	Q3 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	9,188	68,703	-	61,406	23	2,296	14,166	0.0	2.9	78.8	86.1
2	AFRICAN MERCHANT ASSURANCE	2,471	212	86	71	-	-	2,612	-	-	2.6	5.8
3	AIG INSURANCE COMPANY LIMITED	2,247	968	247	764	-	146	2,305	-	4.5	23.8	25.9
4	ALLIANZ INSURANCE COMPANY	616	1,445	143	1,506	-	26	529	-	1.3	73.1	68.3
5	APA INSURANCE COMPANY LIMITED	3,373	2,580	2,978	1,845	-	-	4,108	-	-	31.0	41.9
6	BRITAM GENERAL INSURANCE	42,360	54,347	5,612	50,355	-	(4,137)	50,489	-	(4.3)	52.1	46.7
7	CIC GENERAL INSURANCE COMPANY	4,452	2,458	2,319	2,599	-	-	4,311	-	-	37.6	42.3
8	CORPORATE INSURANCE COMPANY	1,118	757	-	308	-	6	1,561	-	0.3	16.4	17.4
9	DIRECTLINE ASSURANCE COMPANY	206	99	-	56	-	-	249	-	-	18.4	18.6
10	FIDELITY SHIELD INSURANCE	1,938	1,184	2,521	985	19	478	1,640	0.6	15.3	31.6	38.4
11	FIRST ASSURANCE COMPANY	34,239	58,325	-	39,394	-	6,196	46,974	-	6.7	42.6	42.1
12	GA INSURANCE LIMITED	4,739	2,537	565	2,572	75	-	4,629	1.0	-	35.3	35.2
13	GEMINIA INSURANCE COMPANY	7,093	2,049	4,983	1,735	-	1,675	5,732	-	18.3	19.0	15.0
14	HERITAGE INSURANCE COMPANY	9,669	25,872	7,642	25,138	4	1,010	9,389	0.0	2.8	70.7	66.0
15	ICEA LION GENERAL INSURANCE	888	2,069	5,310	2,021	20	305	611	0.7	10.3	68.3	70.9
16	INTRA-AFRICA ASSURANCE COMPANY	1,123	510	335	278	-	27	1,328	-	1.7	17.0	21.6
17	INVESCO ASSURANCE COMPANY	970	47	99	54	-	-	963	-	-	5.3	5.9
18	JUBILEE GENERAL INSURANCE	6,116	2,723	1,879	2,573	-	2,031	4,235	-	23.0	29.1	22.3
19	JUBILEE HEALTH INSURANCE	279,581	1,055,124	-	1,044,203	-	-	290,502	-	-	78.2	78.8
20	KENINDIA ASSURANCE COMPANY	7,518	4,813	-	5,072	-	587	6,672	-	4.8	41.1	33.3
21	KENYA ORIENT INSURANCE COMPANY	8,603	581	769	155	28	166	8,835	0.3	1.8	1.7	1.5
22	MADISON INSURANCE COMPANY	1,698	41,895	147	37,502	737	-	5,354	1.7	-	86.0	95.9
23	MAYFAIR INSURANCE COMPANY	323	274	55	247	-	-	350	-	-	41.4	45.0
24	METROPOLITAN CANNON GENERAL	1,728	621	811	271	-	175	1,903	-	7.4	11.5	13.1
25	MUA INSURANCE COMPANY	663	519	-	468	-	101	613	-	8.5	39.6	29.2
26	OCCIDENTAL INSURANCE COMPANY	1,959	1,248	-	1,051	-	66	2,084	-	2.1	32.8	38.0
27	PACIS INSURANCE COMPANY	2,713	1,010	971	771	-	187	2,765	-	5.0	20.7	18.3
28	PIONEER GENERAL INSURANCE	442	709	1,412	735	4	-	412	0.3	-	63.9	58.1
29	RESOLUTION INSURANCE COMPANY	41,519	69,672	(3,991)	75,556	1,852	-	33,783	1.7	-	68.0	61.7
30	SAHAM INSURANCE COMPANY	8,680	23,710	-	23,197	653	-	8,540	2.0	-	71.6	72.8
31	SANLAM GENERAL INSURANCE	14,911	26,074	1,355	34,282	5	347	6,351	0.0	0.8	83.6	62.9
32	TAKAFUL INSURANCE OF AFRICA	9,602	1,531	-	2,413	-	34	8,686	-	0.3	21.7	2.6
33	TAUSI ASSURANCE COMPANY	718	440	119	354	-	166	638	-	14.3	30.6	23.8
34	THE KENYAN ALLIANCE INSURANCE	18,890	33,231	1,166	36,094	3	-	16,024	0.0	-	69.3	51.7
35	THE MONARCH INSURANCE COMPANY	5,949	1,440	1,793	2,131	80	1,440	3,738	1.1	19.5	28.8	19.0
36	TRIDENT INSURANCE COMPANY	41,680	1,997	261	1,518	24	-	42,142	0.1	-	3.5	2.7
37	UAP INSURANCE COMPANY LIMITED	2,096	1,754	3,899	1,659	6	-	2,185	0.2	-	43.1	33.0
38	XPLICO INSURANCE COMPANY	2,827	65	19	24	-	-	2,868	-	-	0.8	2.9
	Industry	584,906	1,493,593	43,505	1,461,363	3,533	13,328	600,276	0.17	0.6	70.3	70.3

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 31st December 2020													
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 (%)		
											Q4 2020 (4/(4+5+6+7))	Q3 2020 (11)	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	ABSA LIFE ASSURANCE	426	1,558	2	1,645	-	-	339	-	-	82.9	73.4	
2	APA LIFE ASSURANCE COMPANY	503	404	-	327	13	222	345	1.4	24.5	36.1	40.5	
3	BRITAM LIFE INSURANCE COMPANY	3,038	21,531	-	21,537	-	25	3,007	-	0.1	87.7	87.8	
4	CAPEX LIFE ASSURANCE COMPANY	9	506	-	498	-	-	17	-	-	96.7	98.8	
5	CIC LIFE ASSURANCE COMPANY	2,205	2,353	512	2,173	7	-	2,378	0.2	-	47.7	46.9	
6	CORPORATE INSURANCE COMPANY	775	236	-	624	-	-	443	-	-	58.5	44.6	
7	GA LIFE ASSURANCE LIMITED	-	927	-	924	1	-	2	0.1	-	99.7	100.0	
8	GEMINIA INSURANCE COMPANY	401	81	-	98	-	-	384	-	-	20.3	16.3	
9	ICEA LION LIFE ASSURANCE	2,360	15,931	-	15,725	-	-	2,566	-	-	86.0	85.8	
10	JUBILEE INSURANCE COMPANY	2,279	11,993	21	11,900	2	25	2,345	0.0	0.2	83.4	82.7	
11	KENINDIA ASSURANCE COMPANY	422	1,286	-	1,424	-	1	283	-	0.1	83.4	77.1	
12	KENYA ORIENT LIFE ASSURANCE	25	32	-	33	5	-	20	8.6	-	56.9	50.8	
13	KUSCCO MUTUAL ASSURANCE	420	404	-	473	-	-	351	-	-	57.4	58.5	
14	LIBERTY LIFE ASSURANCE KENYA	846	1,749	-	1,740	31	-	824	1.2	-	67.1	70.7	
15	MADISON INSURANCE COMPANY	2,483	7,698	-	7,467	-	-	2,714	-	-	73.3	75.2	
16	METROPOLITAN CANNON INSURANCE	860	390	-	538	-	-	712	-	-	43.0	31.4	
17	OLD MUTUAL ASSURANCE COMPANY	1,901	2,122	-	1,909	-	1	2,113	-	0.0	47.5	48.6	
18	PIONEER ASSURANCE COMPANY	9,000	4,644	-	5,142	-	-	8,502	-	-	37.7	34.3	
19	PRUDENTIAL LIFE ASSURANCE	680	905	-	985	-	-	600	-	-	62.1	54.7	
20	SAHAM INSURANCE COMPANY	27	102	-	102	-	-	27	-	-	79.1	80.7	
21	SANLAM LIFE INSURANCE LIMITED	1,610	4,286	-	4,214	175	2	1,505	3.0	0.0	71.5	70.7	
22	TAKAFUL INSURANCE OF AFRICA	3	-	-	-	-	-	3	-	-	N/A	N/A	
23	THE KENYAN ALLIANCE INSURANCE	85	1,256	4	1,246	-	-	95	-	-	92.9	93.8	
24	THE MONARCH INSURANCE COMPANY	69	95	-	92	-	-	72	-	-	56.1	61.5	
25	UAP LIFE ASSURANCE COMPANY	355	1,994	-	2,030	-	1	318	-	0.0	86.4	83.1	
	Industry	30,782	82,483	539	82,846	234	277	29,965	0.21	0.2	73.1	72.3	