



INSURANCE REGULATORY AUTHORITY

Insurance Industry Quarterly Claims Statistics for the Period

July – September 2020

Prepared by
Insurance Regulatory Authority

October 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 third 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** – 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 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 Q3 2020, the proportion of declined general liability claims had a marginal decrease to 0.03% from 0.04% recorded in Q2 2020. The proportion of declined general non-liability claims also decreased to 0.27% in Q3 2020 from 0.3% reported in Q2 2020.

In addition, the proportion of declined long term business claims in Q3 2020 decreased to 0.11% from 0.14% recorded in Q2 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 Q3 2020, the proportion of general business liability claims closed as no claims increased to 1.8% compared to 1.6% observed in Q2 2020. The proportion of general business non-liability claims closed as no claims remained the same at 0.7%.

The proportion of long-term insurance business claims closed as no claims also remained the same at 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 Q3 2020, the claims payment ratio for general liability claims increased to 8.4% compared to 7.1% observed in Q2 2020. Similarly, the claims payment ratio for general non-liability claims grew from 64.2% reported in Q2 2020 to 70.3% observed in Q3 2020.

The claims payment ratio for the long-term insurance business increased to 72.3% compared to 70.7% observed in the previous quarter.

1.3 Appendices

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

Claims Payment Statistics for Q3 2020

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 30th September 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 %	
											Q3 2020 (4/(4+5+6+7))	Q2 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	15	11	-	10	-	-	15	-	-	40.0	31.8
2	AFRICAN MERCHANT ASSURANCE	1,414	101	65	128	-	-	1,387	-	-	8.4	6.3
3	AIG INSURANCE COMPANY LIMITED	1,238	64	10	38	-	61	1,203	-	4.7	2.9	1.1
4	ALLIANZ INSURANCE COMPANY	216	46	14	14	-	3	245	-	1.1	5.3	6.5
5	APA INSURANCE COMPANY LIMITED	5,303	421	2,441	907	-	-	5,059	-	-	15.2	11.7
6	BRITAM GENERAL INSURANCE	4,852	135	2,332	153	-	-	4,834	-	-	3.1	2.2
7	CIC GENERAL INSURANCE COMPANY	3,680	748	1,005	1,535	-	-	2,893	-	-	34.7	28.9
8	CORPORATE INSURANCE COMPANY	1,043	34	-	46	-	1	1,030	-	0.1	4.3	10.2
9	DIRECTLINE ASSURANCE COMPANY	14,703	1,346	-	625	-	-	15,424	-	-	3.9	5.7
10	FIDELITY SHIELD INSURANCE	1,902	155	391	211	-	45	1,801	-	2.2	10.3	8.7
11	FIRST ASSURANCE COMPANY	1,844	573	-	133	-	528	1,756	-	21.8	5.5	3.1
12	GA INSURANCE LIMITED	8,073	813	518	519	-	108	8,259	-	1.2	5.8	3.9
13	GEMINIA INSURANCE COMPANY	9,710	1,132	2,245	794	-	18	10,030	-	0.2	7.3	4.3
14	HERITAGE INSURANCE COMPANY	5,084	434	1,237	322	-	32	5,164	-	0.6	5.8	4.2
15	ICEA LION GENERAL INSURANCE	249	246	292	224	-	12	259	-	2.4	45.3	37.6
16	INTRA-AFRICA ASSURANCE COMPANY	1,197	237	277	138	1	2	1,293	0.1	0.1	9.6	10.0
17	INVESCO ASSURANCE COMPANY	4,313	219	372	320	-	-	4,212	-	-	7.1	4.7
18	JUBILEE GENERAL INSURANCE	2,955	447	208	195	-	22	3,185	-	0.6	5.7	5.3
19	JUBILEE HEALTH INSURANCE	-	-	-	-	-	-	-	-	-	-	-
20	KENINDIA ASSURANCE COMPANY	8,027	629	-	418	-	102	8,136	-	1.2	4.8	4.4
21	KENYA ORIENT INSURANCE COMPANY	1,814	215	218	39	-	6	1,984	-	0.3	1.9	0.9
22	MADISON INSURANCE COMPANY	242	462	14	444	7	-	253	1.0	-	63.1	60.4
23	MAYFAIR INSURANCE COMPANY	2,681	1,322	871	1,039	-	472	2,492	-	11.8	26.0	18.6
24	METROPOLITAN CANNON GENERAL	3,975	220	141	56	-	73	4,066	-	1.7	1.3	1.8
25	MUA INSURANCE COMPANY	626	127	-	60	-	147	546	-	19.5	8.0	6.3
26	OCCIDENTAL INSURANCE COMPANY	2,023	339	4	180	-	25	2,157	-	1.1	7.6	3.2
27	PACIS INSURANCE COMPANY	2,049	86	237	76	1	-	2,058	0.0	-	3.6	2.1
28	PIONEER GENERAL INSURANCE	176	33	27	9	-	-	206	-	-	4.2	1.1
29	RESOLUTION INSURANCE COMPANY	379	21	38	26	-	-	394	-	-	6.2	5.0
30	SAHAM INSURANCE COMPANY	542	18	-	17	-	-	543	-	-	3.0	7.4
31	SANLAM GENERAL INSURANCE	374	384	621	203	-	115	440	-	15.2	26.8	26.1
32	TAKAFUL INSURANCE OF AFRICA	337	14	-	32	-	-	319	-	-	9.1	13.6
33	TAUSI ASSURANCE COMPANY	1,418	98	28	30	-	43	1,443	-	2.8	2.0	1.4
34	THE KENYAN ALLIANCE INSURANCE	150	243	382	247	-	-	150	-	-	62.2	63.1
35	THE MONARCH INSURANCE COMPANY	2,550	498	434	148	20	260	2,620	0.7	8.5	4.86	1.1
36	TRIDENT INSURANCE COMPANY	2,868	397	35	127	-	105	3,033	-	3.2	3.9	3.1
37	UAP INSURANCE COMPANY LIMITED	2,960	217	1,869	284	4	-	2,889	0.1	-	8.9	11.4
38	XPLICO INSURANCE COMPANY	3,979	203	36	130	-	-	4,052	-	-	3.1	3.0
	Industry	104,961	12,688	16,362	9,877	33	2,180	105,830	0.03	1.8	8.4	7.1

Claims Payment Statistics for Q3 2020

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 30th September 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 (%)	
											Q3 2020 (4/(4+5+6+7))	Q2 2020
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	17,031	58,705	-	65,178	94	1,276	9,188	0.1	1.7	86.1	72.9
2	AFRICAN MERCHANT ASSURANCE	2,364	260	79	152	1	-	2,471	0.0	-	5.8	7.3
3	AIG INSURANCE COMPANY LIMITED	2,236	879	233	806	-	62	2,247	-	2.0	25.9	25.8
4	ALLIANZ INSURANCE COMPANY	489	1,525	114	1,375	-	23	616	-	1.1	68.3	68.2
5	APA INSURANCE COMPANY LIMITED	3,181	2,626	4,080	2,434	-	-	3,373	-	-	41.9	44.8
6	BRITAM GENERAL INSURANCE	39,388	40,021	3,559	37,049	-	-	42,360	-	-	46.7	42.2
7	CIC GENERAL INSURANCE COMPANY	5,684	2,028	2,699	3,260	-	-	4,452	-	-	42.3	44.9
8	CORPORATE INSURANCE COMPANY	852	505	-	236	-	3	1,118	-	0.2	17.4	15.8
9	DIRECTLINE ASSURANCE COMPANY	195	58	-	47	-	-	206	-	-	18.6	24.7
10	FIDELITY SHIELD INSURANCE	2,006	1,432	1,420	1,321	11	168	1,938	0.3	4.9	38.4	37.2
11	FIRST ASSURANCE COMPANY	33,635	37,053	-	29,746	-	6,703	34,239	-	9.5	42.1	39.5
12	GA INSURANCE LIMITED	4,865	2,785	477	2,696	215	-	4,739	2.8	-	35.2	31.9
13	GEMINIA INSURANCE COMPANY	6,289	2,412	4,792	1,308	-	300	7,093	-	3.4	15.0	11.6
14	HERITAGE INSURANCE COMPANY	9,162	21,934	7,180	20,514	4	909	9,669	0.0	2.9	66.0	64.9
15	ICEA LION GENERAL INSURANCE	1,592	2,099	3,122	2,616	4	183	888	0.1	5.0	70.9	58.3
16	INTRA-AFRICA ASSURANCE COMPANY	969	477	157	313	-	10	1,123	-	0.7	21.6	25.7
17	INVESCO ASSURANCE COMPANY	987	44	83	61	-	-	970	-	-	5.9	5.1
18	JUBILEE GENERAL INSURANCE	6,658	2,500	1,986	2,042	-	1,000	6,116	-	10.9	22.3	17.3
19	JUBILEE HEALTH INSURANCE	334,390	984,406	-	1,039,215	-	-	279,581	-	-	78.8	72.4
20	KENINDIA ASSURANCE COMPANY	8,494	3,457	-	3,981	-	452	7,518	-	3.8	33.3	22.3
21	KENYA ORIENT INSURANCE COMPANY	8,286	622	1,066	131	23	151	8,603	0.3	1.7	1.5	1.8
22	MADISON INSURANCE COMPANY	22,026	49,122	167	68,205	1,245	-	1,698	1.7	-	95.9	68.5
23	MAYFAIR INSURANCE COMPANY	298	431	247	328	-	86	315	-	11.8	45.0	54.2
24	METROPOLITAN CANNON GENERAL	1,577	703	709	299	-	253	1,728	-	11.1	13.1	9.1
25	MUA INSURANCE COMPANY	725	513	-	362	-	213	663	-	17.2	29.2	34.0
26	OCCIDENTAL INSURANCE COMPANY	1,882	1,301	1	1,208	-	16	1,959	-	0.5	38.0	30.4
27	PACIS INSURANCE COMPANY	2,388	941	886	610	2	4	2,713	0.1	0.1	18.3	26.2
28	PIONEER GENERAL INSURANCE	383	704	1,544	632	12	1	442	1.1	0.1	58.1	52.0
29	RESOLUTION INSURANCE COMPANY	41,946	74,025	(729)	71,560	2,892	-	41,519	2.5	-	61.7	60.7
30	SAHAM INSURANCE COMPANY	11,890	22,906	-	25,323	793	-	8,680	2.3	-	72.8	72.4
31	SANLAM GENERAL INSURANCE	19,426	21,306	1,130	25,634	5	182	14,911	0.0	0.4	62.9	52.8
32	TAKAFUL INSURANCE OF AFRICA	9,540	321	-	260	-	-	9,602	-	-	2.6	43.1
33	TAUSI ASSURANCE COMPANY	619	392	78	241	-	52	718	-	5.1	23.8	28.6
34	THE KENYAN ALLIANCE INSURANCE	11,833	29,434	593	20,263	15	-	18,890	0.0	-	51.7	67.1
35	THE MONARCH INSURANCE COMPANY	6,020	1,733	973	1,475	104	224	5,950	1.3	2.9	19.0	18.7
36	TRIDENT INSURANCE COMPANY	43,914	469	641	1,193	94	1,417	41,679	0.2	3.2	2.7	1.0
37	UAP INSURANCE COMPANY LIMITED	1,933	1,276	4,095	1,059	54	-	2,096	1.7	-	33.0	38.5
38	XPLICO INSURANCE COMPANY	2,786	124	34	83	-	-	2,827	-	-	2.9	2.6
	Industry	667,939	1,371,529	41,416	1,433,216	5,568	13,688	584,898	0.27	0.7	70.3	64.2

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 30th September 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 (%)	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Q3 2020 (4/(4+5+6+7))	Q2 2020 (10)
1	ABSA LIFE ASSURANCE	419	1,185	2	1,178	-	-	426	-	-	73.4	66.5
2	APA LIFE ASSURANCE COMPANY	503	407	-	369	17	21	503	1.9	2.3	40.5	42.6
3	BRITAM LIFE INSURANCE COMPANY	2,866	22,188	-	21,997	19	-	3,038	0.1	-	87.8	87.0
4	CAPEX LIFE ASSURANCE COMPANY	15	702	1	712	-	-	9	-	-	98.8	97.9
5	CIC LIFE ASSURANCE COMPANY	1,883	2,273	342	1,949	2	-	2,205	0.0	-	46.9	42.7
6	CORPORATE INSURANCE COMPANY	799	387	-	624	-	-	775	-	-	44.6	43.9
7	GA LIFE ASSURANCE LIMITED	4	1,928	-	1,932	-	-	-	-	-	100.0	99.8
8	GEMINIA INSURANCE COMPANY	408	71	-	78	-	-	401	-	-	16.3	15.5
9	ICEA LION LIFE ASSURANCE	2,389	14,279	-	14,307	1	-	2,360	0.0	-	85.8	85.1
10	JUBILEE INSURANCE COMPANY	2,232	11,000	14	10,948	2	3	2,279	0.0	0.0	82.7	80.2
11	KENINDIA ASSURANCE COMPANY	357	1,485	1	1,420	-	-	422	-	-	77.1	82.7
12	KENYA ORIENT LIFE ASSURANCE	21	42	-	32	-	6	25	-	9.5	50.8	48.9
13	KUSCCO MUTUAL ASSURANCE	500	511	-	591	-	-	420	-	-	58.5	50.7
14	LIBERTY LIFE ASSURANCE KENYA	1,457	1,563	-	2,134	19	21	846	0.6	0.7	70.7	59.4
15	MADISON INSURANCE COMPANY	2,441	7,578	-	7,536	-	-	2,483	-	-	75.2	72.7
16	METROPOLITAN CANNON INSURANCE	964	289	-	393	-	-	860	-	-	31.4	11.9
17	OLD MUTUAL ASSURANCE COMPANY	1,699	2,062	1	1,827	1	32	1,901	0.0	0.9	48.6	50.6
18	PIONEER ASSURANCE COMPANY	7,853	5,856	-	4,709	-	-	9,000	-	-	34.3	29.6
19	PRUDENTIAL LIFE ASSURANCE	669	831	-	820	-	-	680	-	-	54.7	55.5
20	SAHAM INSURANCE COMPANY	25	115	-	113	-	-	27	-	-	80.7	82.4
21	SANLAM LIFE INSURANCE LIMITED	1,805	3,894	-	4,029	59	1	1,610	1.0	0.0	70.7	65.1
22	TAKAFUL INSURANCE OF AFRICA	3	-	-	-	-	-	3	-	-	N/A	N/A
23	THE KENYAN ALLIANCE INSURANCE	88	1,160	3	1,170	-	-	78	-	-	93.8	92.3
24	THE MONARCH INSURANCE COMPANY	37	142	-	110	-	-	69	-	-	61.5	69.9
25	UAP LIFE ASSURANCE COMPANY	226	1,876	-	1,747	-	-	355	-	-	83.1	88.5
	Industry	29,663	81,824	364	80,725	120	84	30,775	0.11	0.1	72.3	70.7