

# GENERAL INSURANCE CLAIMS SETTLEMENT STATISTICS IN SRI LANKA FOR 2023



30<sup>th</sup> September 2024

# Claims Settlement Statistics – 2023

## General Insurance Business

This report presents a detailed analysis of claims data from general insurance companies in Sri Lanka for the year 2023, focusing on the "**Claims Settlement Ratio.**" These statistics provide insights into insurers' commitment to settling claims effectively.

## Claims Settlement Ratio (CSR)



The claims settlement ratio is the percentage of claims an insurer has settled during the financial year against the total claims received, including pending claims carried forward from the previous years.

$$\text{Claims Settlements Ratio} = \frac{\text{Claims Settled}}{\text{Claims Received}} * 100$$



## General Industry Claims Highlights

Chart 1 – Claims Highlights: General Insurance

 No. of Claims Settled	 Value of Claims Settled
<b>2023</b>  <b>1,268,401</b>  <b>80%</b>	Over <b>Rs. 72 Billion</b> Claims settled <b>61%</b>
<b>2022</b>  <b>1,052,594</b>  <b>75%</b>	Over <b>Rs. 65 Billion</b> Claims Settled <b>60%</b>

# Claims Statistics 2023

## General Insurance Business

**Table 1 - Claims Statistics - General Insurance Companies**

Year	Total Claims*		Total Claims Settled during the year		Claims rejected		Total Claims Outstanding (End of the year)	
	No.	Value Rs. '000	No.	Value Rs. '000	No.	Value Rs. '000	No.	Value Rs. '000
2023	1,593,276	117,546,195	1,268,401	72,093,137,	128,590	4,429,308	153,224	37,192,808

*\*Total claims is the sum of the total claims intimated during the year and the pending claims carried forward from previous years.*

The claims settlement by general insurance companies is Rs. 72 billion for the year 2023 in terms of value and the total no. of claims settled is 1,268,401.

**Table 2 – Claims Settlement Ratios of the General Insurance Companies**

Year	Total Claims Settlement Ratio		Total Claims Rejection Ratio		Total Claims Outstanding Ratio (End of the year)	
	Number	Value	Number	Value	Number	Value
2023	79.6%	61.3%	8.1%	3.8%	9.6%	31.6%

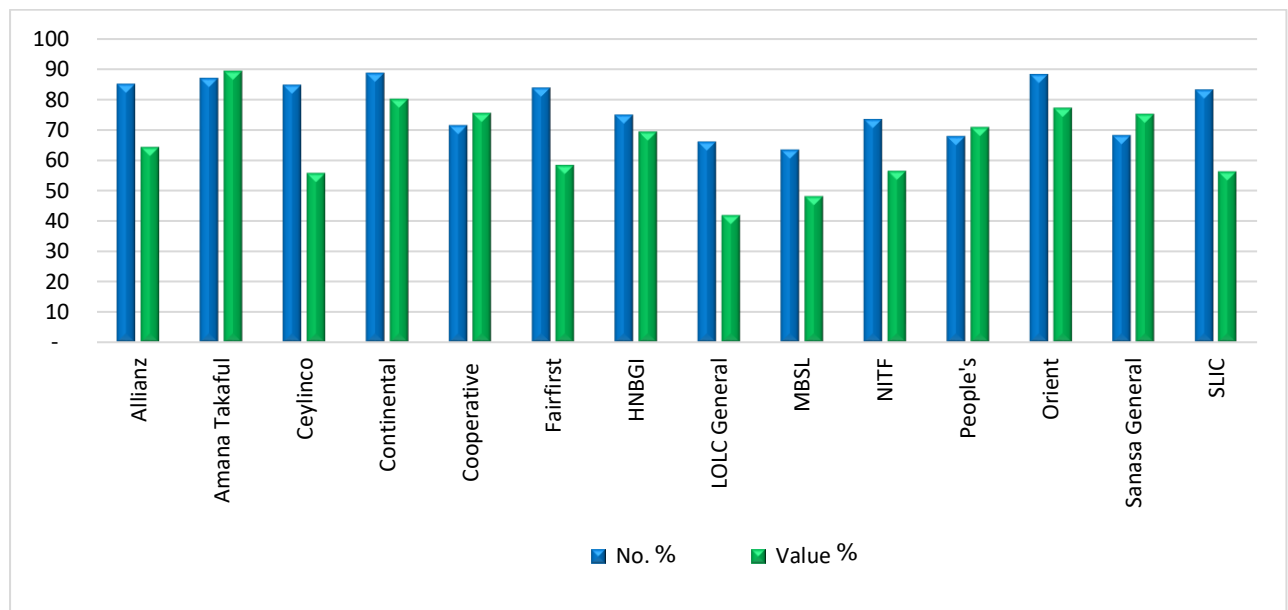
The average claims settlement ratio by number stands at 79.6%, while the average settlement ratio by value is 61.3%. A considerable amount of claims not settled during the year is carried over to 2024. According to the statistics submitted, the percentage of claims carried forward for 2024 is 9.6% in number and 31.6% in value.

## Claims Settlements Ratios – Company wise

Chart 02 depicts the total claims settled as a percentage of total claims for each general insurance company.

As illustrated in Chart 02, seven (07) general insurance companies maintain a claims settlement ratio above the industry average of 79.6% in terms of the number of claims, while eight (08) companies meet or exceed the industry average of 61.3% in terms of the value of claims.

**Chart 02 – General Insurance Claims Settlement Ratios – Company Wise**



	Allianz	Amana Takaful	Ceylinco	Continental	Cooperative	Fairfirst	HNBGI	LOLC General	MBSL	NITF	People's	Orient	Sanasa General	SLIC
<b>No. %</b>	85.1	87.1	84.8	88.8	71.5	83.9	75.1	58.8	63.6	73.6	68.0	88.4	68.3	83.3
<b>Value %</b>	64.5	89.5	55.9	80.3	75.7	58.6	69.6	54.0	48.3	56.6	71.0	77.4	75.4	56.4



Further to the above-stated claims settlement ratios of each general insurance company, Table 3 illustrates claims ratios such as claims outstanding at the end of the year, claims closed and claims rejected ratios for each general insurance company.

**Table 3 - Company Wise Claims Ratios**

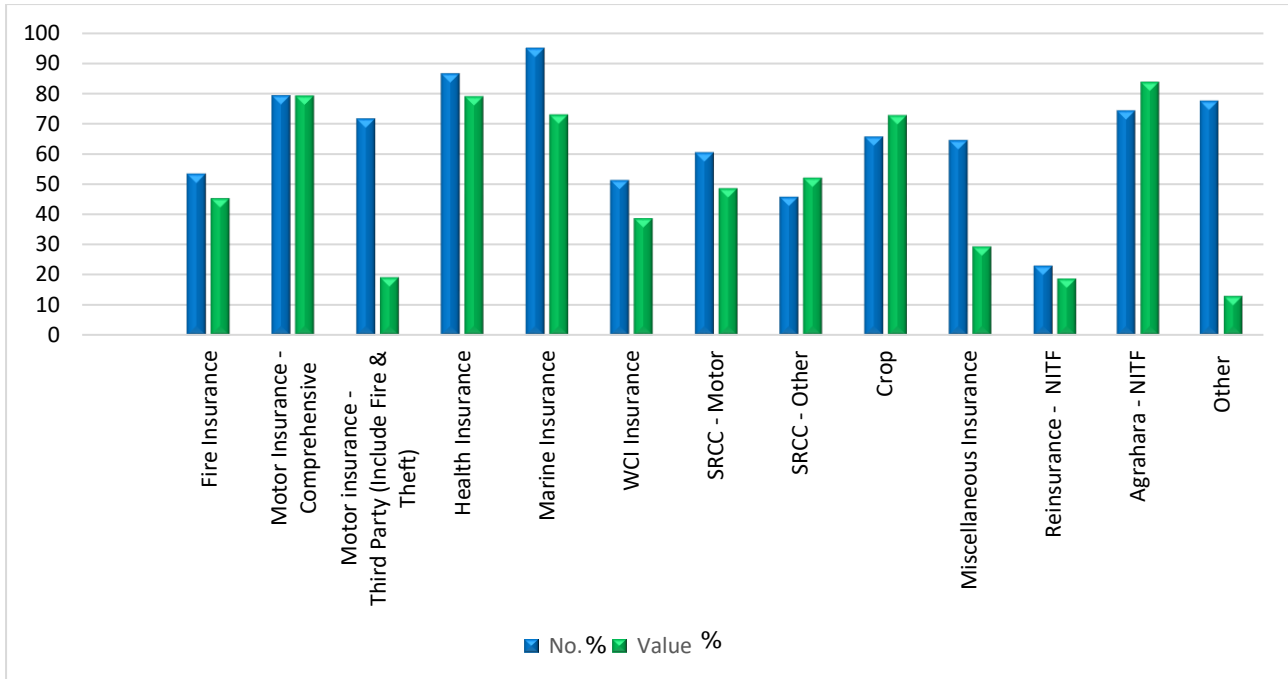
No.	Name of Insurer	Claims outstanding at the end of year Ratio %		Claims closed Ratio %		Claims Rejected Ratio%	
		No.	Value	No.	Value	No.	Value
1	Allianz	5.8	30.5	0.0	0.0	9.0	5.0
2	Amana Takaful	7.8	2.4	1.4	0.8	3.6	7.3
3	Ceylinco	11.5	41.3	2.9	1.7	0.8	1.0
4	Continental	8.4	14.6	1.5	3.3	1.3	1.7
5	Cooperative	18.8	20.4	5.1	1.7	4.6	2.1
6	Fairfirst	4.4	32.2	0.0	0.0	11.7	9.2
7	HNBGI	11.9	18.6	7.9	4.3	5.2	7.5
8	LOLC General	13.2	29.1	21.7	13.3	6.2	3.7
9	MBSL	16.2	44.4	13.1	2.5	7.1	4.8
10	NITF	10.8	40.9	0.1	2.3	15.5	0.1
11	People's	19.8	23.8	10.3	3.8	1.9	1.3
12	Orient	9.2	20.4	0.0	0.0	2.4	2.1
13	Sanasa General	28.3	22.6	0.0	0.0	3.4	2.0
14	SLIC	6.9	33.3	0.9	3.8	8.8	6.5
Total		9.6	31.6	2.7	3.3	8.1	3.8

It is observed that a considerable number of unsettled claims have been carried over to 2024 by many insurance companies.



## Claims Settlements - Subcategory Wise

**Chart 3 - Total Claims Settled as a Percentage of Total Claims for each Subcategory**



	Fire Insurance	Motor Insurance - Comprehensive	Motor insurance - Third Party (Include Fire & Theft)	Health Insurance	Marine Insurance	WCI Insurance	SRCC - Motor	SRCC - Other	Crop	Miscellaneous Insurance	Reinsurance - NITF	Agrahara - NITF	Other
<b>No. %</b>	53.6	76.9	70.5	86.8	94.8	51.6	62.1	45.9	65.8	62.4	23.1	74.4	80.0
<b>Value %</b>	45.3	77.5	18.3	79.2	72.7	39.0	48.8	52.1	72.8	27.8	18.8	83.9	13.2

Chart 3 illustrates the total claims settled by subcategory as a percentage of the total claims within each category, which includes Fire, Motor, Health, Marine, Workmen's Compensation Insurance (WCI), SRCC, Crop, Miscellaneous and others. Notably, 86.8% of health insurance claims are settled by number, and 79.2% are settled by value.

**Table 04 - Total Claims Settled as a Percentage of Total Claims for each Subcategory**

Subcategory	Total Claims for the year		Total Claims paid during the year		Total Claims settled during the year as a percentage of Total claims for each category	
	No.	Value Rs.000'	No.	Value Rs.000'	No.	Value 000'
Fire Insurance	35,034	18,286,224	18,776	8,285,544	53.6	45.3
Motor Insurance Comprehensive	609,822	47,272,402	468,889	36,635,822	76.9	77.5
Motor Insurance - 3rd party	24,672	5,553,433	17,395	1,017,928	70.5	18.3
Health Insurance	452,438	9,898,568	392,546	7,842,130	86.8	79.2
Marine Insurance	116,053	7,663,063	109,983	5,574,227	94.8	72.7
WCI Insurance	4,232	961,948	2,184	375,123	51.6	39.0
SRCC - Motor	2,531	1,212,348	1,571	591,427	62.1	48.8
SRCC - Other	172	1,237,349	79	644,076	45.9	52.1
Crop Insurance	316	1,079,290	208	785,664	65.8	72.8
Miscellaneous Insurance	21,638	4,253,206	13,507	1,181,230	62.4	27.8
Reinsurance - NITF	1,911	5,801,701	442	1,087,673	23.1	18.8
Agrahara - NITF	298,039	8,747,785	221,706	7,337,048	74.4	83.9
Other	26,418	5,578,878	21,115	735,244	80.0	13.2
<b>Grand Total</b>	<b>1,593,276</b>	<b>117,546,195</b>	<b>1,268,401</b>	<b>72,093,137</b>	<b>79.6</b>	<b>61.3</b>

**Note - Tables and charts depicted in this report are based on the statistics provided by the insurance companies and any specific notes provided along with the statistics.**