



YEARBOOK 2021

Industry Statistics 2020/2019

- LIFE, HEALTH AND GROUP INSURANCE
 - GENERAL INSURANCE

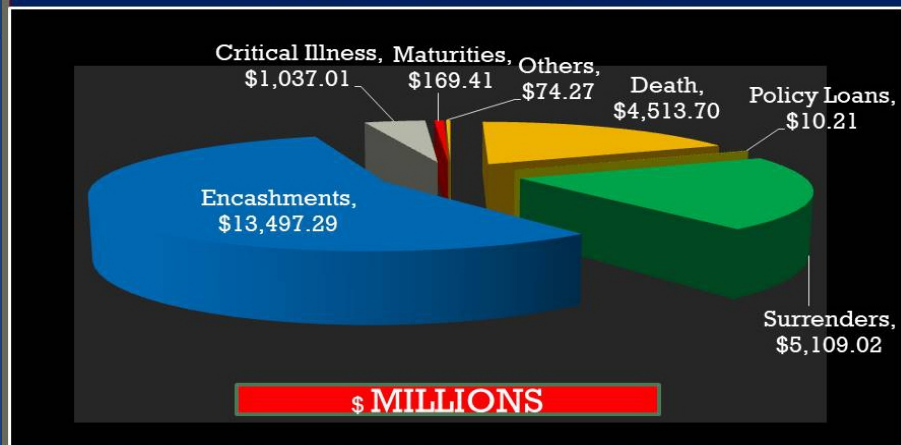
THE LIFE INSURANCE SECTOR

\$44.8 BILLION PAID OUT IN 2020

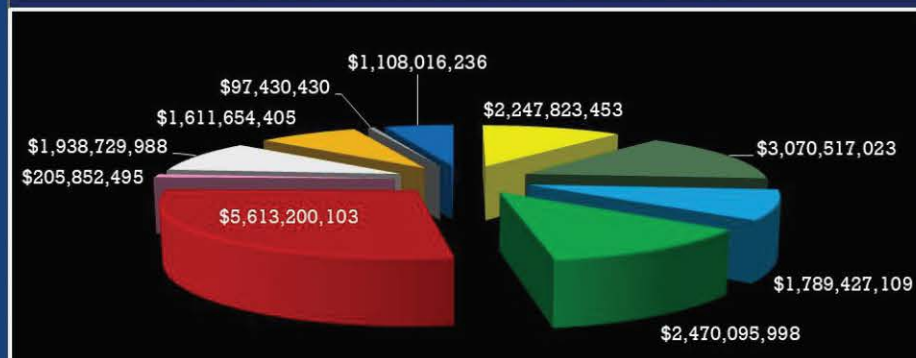
IN LIVING AND DEATH BENEFITS. \$24.4 BILLION FOR LIVING AND DEATH BENEFITS AND \$20.4 BILLION IN HEALTH INSURANCE BENEFITS



LIFE INSURANCE CASH DISBURSEMENTS 2020



Health Benefits Paid Out 2020



SUMMARY OF LIFE, HEALTH AND GROUP INSURANCE OPERATIONS 2020/2019

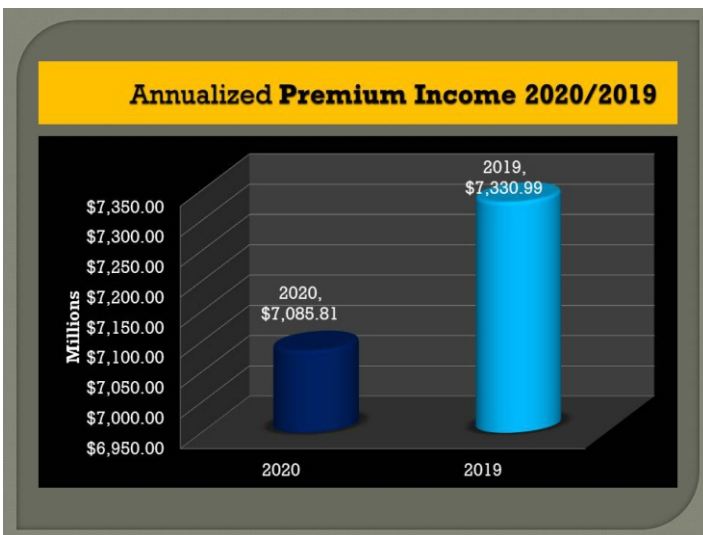
The year 2020 was a challenging one for the life insurance sector as a result of protocols that came into existence as a result of the spread of Covid-19. The selling of life insurance is generally a face to face relationship although online transactions are rapidly coming into existence.

Some Covid-19 protocols included social distancing, mask wearing, sanitation requirements and other demands coupled with lock downs for certain periods imposed by government.

As a result of adjusted operational procedures, especially for those who had to see clients and potential clients by appointment, there were visible shifts in results for 2020 over 2019.

ANNUALISED PREMIUMS

Annualized premiums for new business in 2020



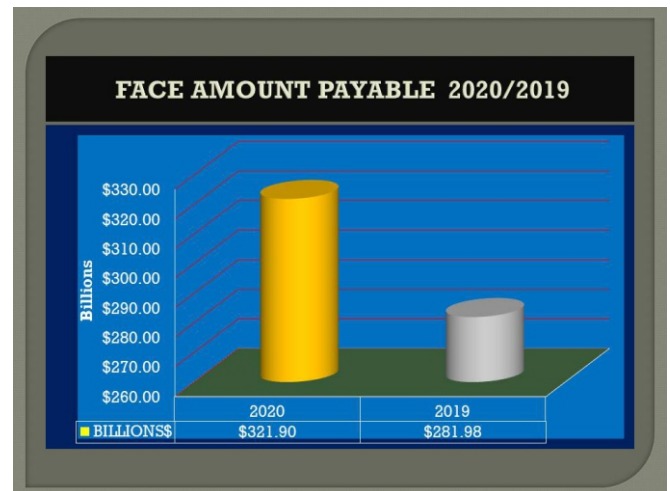
was \$7,086 million against \$7,331 million for 2019. This represented a -3% decline in 2020.

TOTAL PREMIUM INCOME

Total premium income for inforce business collected for 2020 was \$44.61 billion representing 0.2% increase over \$44.54 billion for 2019.

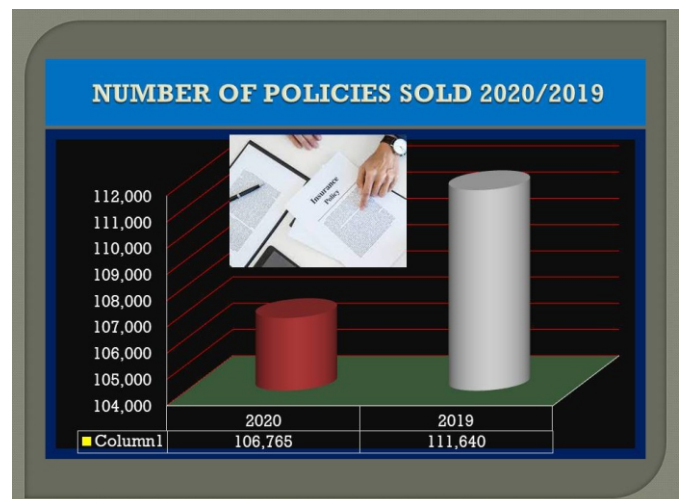
FACE AMOUNT PAYABLE

Face amount payable on new 2020 life sales was **\$322 billion** compared with **\$282 billion** for 2019, an increase of **14.2%**. This increase in Amount Payable in 2020, although annualized premiums was lower than 2019, has a bearing on many young persons acquiring more coverage for lower premiums against older persons purchasing in 2019 with higher premiums because of age.



NUMBER OF POLICIES SOLD

A total of 106,765 were sold in 2020 against 111,640 sold in 2019. This represents a -4%



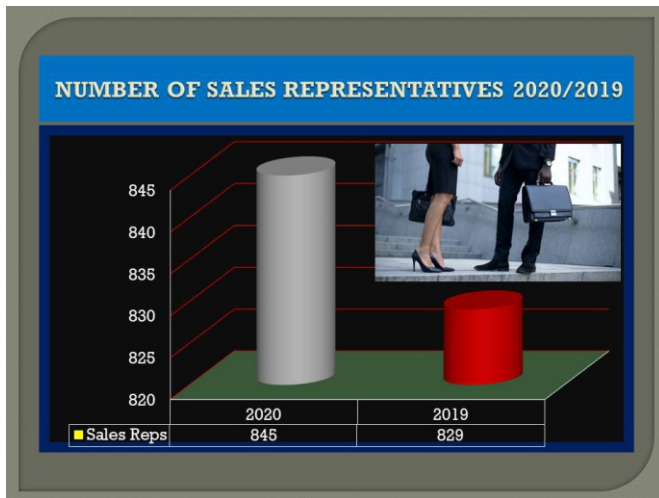
decline in number of policies.

CONSERVATION OF BUSINESS

Conservation rate at 88.40% at the end of 2020 was a miniscule 0.1% decrease from 88.45% at the end of 2019.

NUMBER OF SALES REPRESENTATIVES

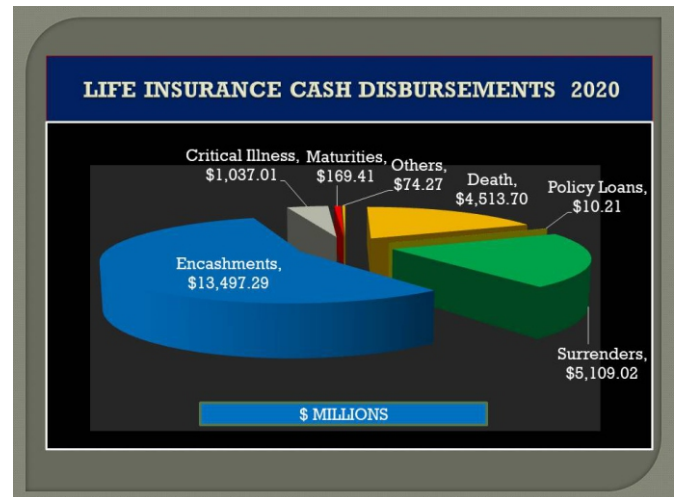
The number of sales representatives grew to 845 at the end of 2020 against 829 at the end of 2019 an increase of 2%.



CASH DISBURSEMENTS.

The major role of insurance companies is to pay promised benefits when contingencies covered by policies occur. In this regard the life sector paid out \$24.41 billion in policy benefits 2020. This was a 5% increase over the \$23.28 billion paid out in 2019. Categories involved were:

- **Death**, \$4,513.70 million for 2020 an increase of 19% over 3,792.35 million paid in 2019.
- **Policy Loans**, \$10.21 million against \$10.98 million for 2019 a decrease of -7%.
- **Surrenders**, \$5,109.02 million an increase of 17% over \$4,373.06 paid out in 2019.
- **Encashments**, \$13,497.29 million a -5% decline against \$14,149.27 encashed in 2019.
- **Critical Illness**, \$1,037.01 million, a 32% increase over \$786.39 million paid out in 2019.
- **Maturities**, \$169.41 million, 3% over \$165.05 paid in 2019.



- **Others**, \$74.27 million, 1,185% over \$5.78 million paid out in 2019. Others usually includes, refunds for declined cases etc.

LIFE INSURANCE PLANS SOLD

Plans sold by the majority of companies during 2020 included:

- Term 2, 872 policies for risk premium of \$164.65 million.
- Whole Life, 5,550 policies for \$242.87 million risk premium.
- Personal Accident, 11,393 policies for \$639.00 million risk premium.
- Critical Illness, 27,181 policies for \$1,191.70 million comprised \$1,185.05 million risk premium and \$6,650.28 million investment premium – AAIP.
- Universal/Interest Sensitive, 51,113 policies for \$8,498.30 million comprising \$3,363.13 million risk premium, \$834.07 million Investment Premium – AAIP and \$4,301.09 million Investment Premium Lump Sum.
- Universal/Equity Linked, 12,669 policies for \$1,837.29 million, comprising \$724.516 million Risk Premium and \$1,112.78 million Investment Premium – AAIP.

POLICIES MARKETED BY ONLY TWO COMPANIES

- Individual Health, 763 policies for \$81.16 million Risk Premium.
- Riders, 3,609 policies for \$225.09 million Risk Premium.

HIGHEST SALES

Top five products in sales for 2020 were:

- Universal/Interest Sensitive 68%
- Universal/Equity Linked 15%
- Critical Illness 9%
- Personal Accident 5%
- Whole Life 2%

GROUP LIFE INSURANCE

The year 2019 ended with 1,871 contracts in force with number of Employees/Pensioners 259,067 with total premiums of \$700.91 million and Annualized premium of \$3.08 million..

There was an increase of contracts amounting to 2,072 at the end of 2020 with 257,488 Employees/Pensioners with premiums of \$765.94 million and annualized premium of \$3.17 million.

HEALTH INSURANCE CLAIMS PAID OUT FOR 2020

The life sector paid out **\$20.15 billion** in Health Claims for 2020 comprising:

Hospitalization - \$2.25 billion, **Surgery** - \$3.07 billion, **Doctor's Fees** - \$1.79 billion, **Lab/Xray** - \$2.47 billion, **Prescription Drugs** - \$5.61 billion, **Maternity** - \$205.85 million, **Dental** - \$1.94 billion, **Optical** - \$1.61 billion, **Disability** \$97.43 million and **Others** \$1.11 billion. Of the **\$20.15 billion** payout, Prescription drugs was 28%, Surgery 15%, Lab/xray 12%.

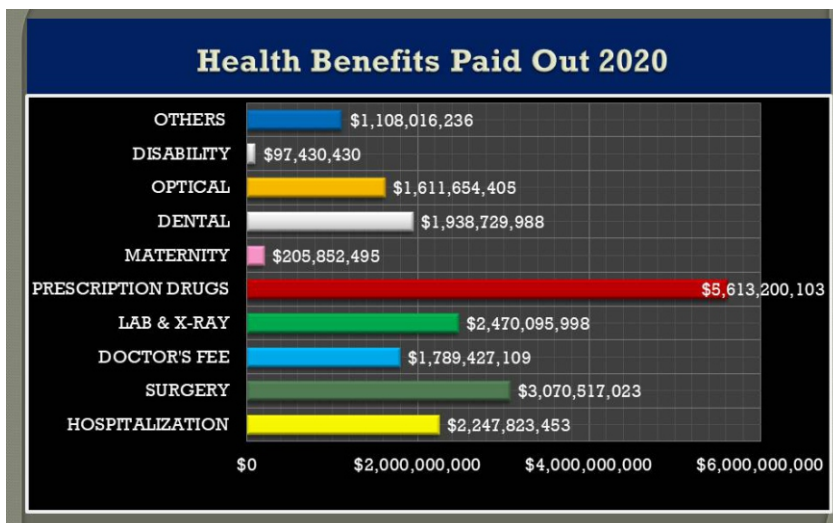
Hospitalization 11%, Doctors Fees 9, Dental 10%, Optical 8%, Others 5%, Maternity 1% and Disability 0%.

GROUP HEALTH

Number of contracts in force at the end of 2019 was 2,214 with 279,133 Employees/Pensioners and 168,686 Dependents with total lives of 451,347. At the

| Group Product Level Data December 2019-2020 Group Health | | |
|---|--------------|--------------|
| YEAR | 2019 | 2020 |
| CATEGORY | Group Health | Group Health |
| Number of Contracts | 2,214 | 2,405 |
| Number of Employees/ Pensioners | 279,133 | 270,059 |
| Single Premium/Creditor Life Only \$ | NA | NA |
| Number of Dependents | 168,686 | 157,750 |
| Total Lives | 451,347 | 438,409 |
| Annualised Billed Premium/ Fees \$ | \$18,420,463 | \$19,755,183 |
| Single Premium/Creditor Life Only \$ | NA | NA |

end of 2020, number of contracts were 2,405 with Employees/Pensioners 270,059, Dependents 157,750 and total lives 438,409.



CREDITOR LIFE

Creditor Life contracts in force at the end of 2019 were 192, with 2,020,782 Employees/Pensioners, Single premiums of \$765.94 million, Annualized billed premiums/Fees \$5.58 million and Single Premium \$481,771.

Contracts at the end of 2020 were 182 with 1,953,699 Employees/Pensioners, Single Premium \$781.92 million,

Annualized Billed premium of \$10.72 million and single premium of \$8.21 million.

ADMINISTRATIVE SERVICES ONLY (ASO)

Number of contracts at the end of 2019 were 13. Number of Employees/Pensioners 229,114, Number of Dependents 101,482, Total lives 330,456, Annualized Billed Premium/Fees \$8.04 million.

At the end of 2020 there were 13 contracts in force, Number of Employees/Pensioners 233,217, number of Dependents 104,928, Total Lives 338,004, Annualized Premiums Billed/Fees \$8.17 million.

PENSION FUNDS UNDER MANAGEMENT

There was a decrease of approximately \$123.49 billion decrease in Pension Funds Under Management at the end of 2020 compared with 2019. 2019 ended with 445 contracts in force. Number of employees/pensioners was 76,560 and pension funds under management was **\$369.07 billion**.

At the end of 2020 there were 391 contracts in force with number of employees/pensioners at 62,482 and pension funds under management of **\$245.58 billion**.



Group Product Level Data December 2019-2020 Creditor Life

| YEAR | 2019 | 2020 |
|--------------------------------------|----------------------|----------------------|
| CATEGORY | Creditor Life | Creditor Life |
| Number of Contract | 192 | 182 |
| Number of Employees/ Pensioners | 2,020,782 | 1,953,699 |
| Single Premium/Creditor Life Only \$ | 765,943,749 | 781,924,773 |
| Number of Dependents | N.A | N.A |
| Total Lives | N.A | N.A |
| Annualised Billed Premium/ Fees \$ | 5,580,362 | 10,771,867 |
| Single Premium/Creditor Life Only \$ | 481,771 | 8,206,378 |

ADMINISTRATIVE SERVICES ONLY (ASO)

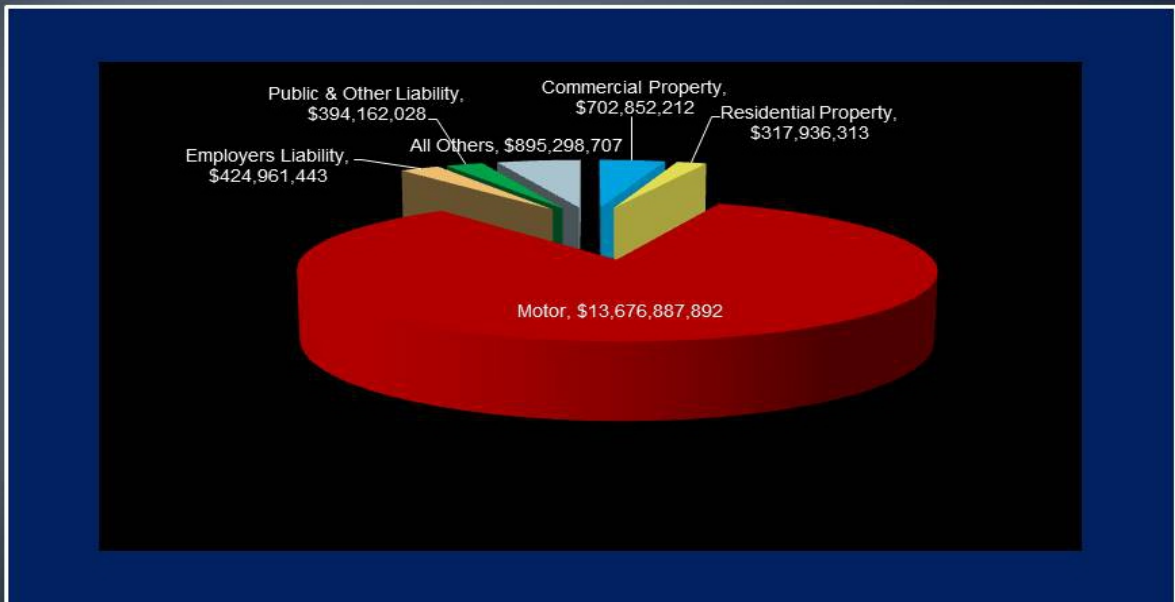
| YEAR | 2019 | 2020 |
|---------------------------------|--------------|--------------|
| CATEGORY | (ASO) | (ASO) |
| Number of Contract | 13 | 13 |
| Number of Employees/ Pensioners | 229,114 | 233,217 |
| Sum Assured | NA | NA |
| Number of Dependents | 101,482 | 104,928 |
| Total Lives | 330,456 | 338,008 |
| Annualised Billed Premium/ Fees | \$8,039,130 | \$8,169,564 |

THE GENERAL INSURANCE SECTOR

\$16.4 BILLION PAID OUT IN 2020
IN GENERAL INSURANCE CLAIMS



\$16.41 BILLION CLAIMS IN 2020
by line of business



GENERAL INSURANCE SUMMARY 2020/2019

Like all other sections of the Jamaican Insurance Industry, the General Insurance sector was faced with many challenges throughout 2020, some associated with adjustments which had to be made to cope with restrictions associated with Covid-19. All operators responded the challenges admirably and ended 2020 with respectable performances including benefits paid out to policy holders of over \$26billion.

GROSS WRITTEN PREMIUM

Gross written Premiums for 2020 was **\$56.00 billion**, 8% over **\$52.05 billion** written in 2019.

The Categories involved were:

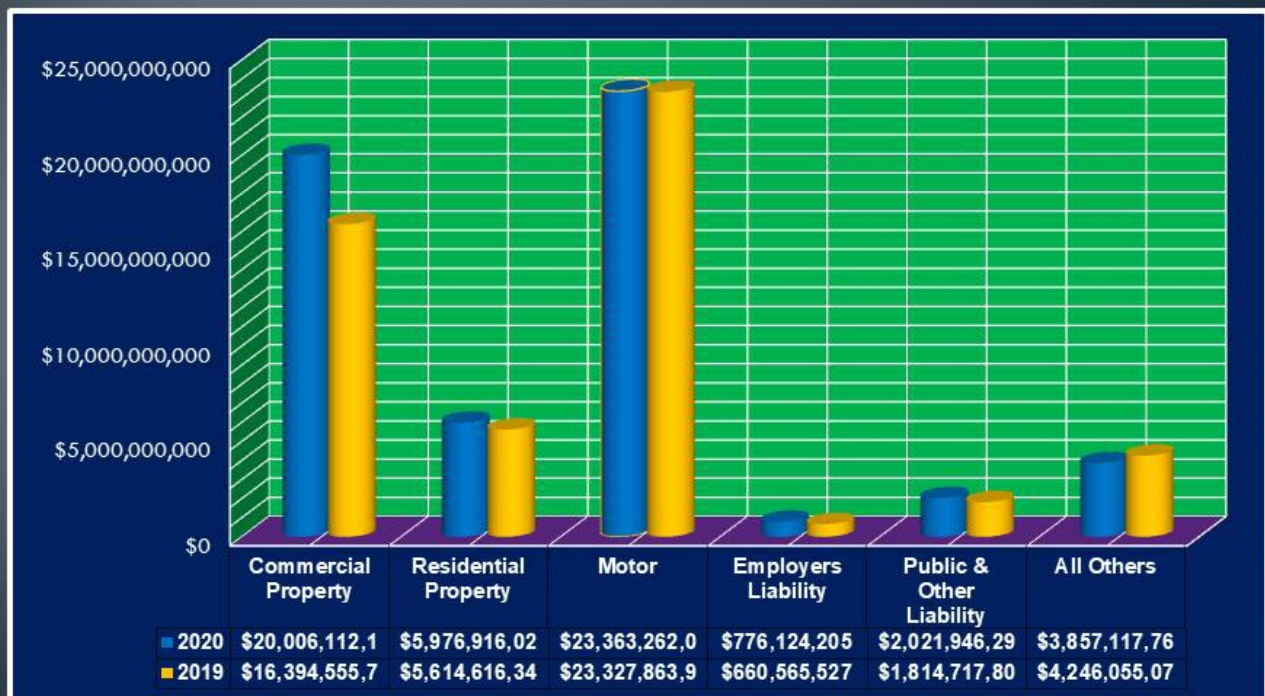
- **Property:** Commercial \$20,006,112,136, Residential \$5,976,916,025.

- **Motor** \$23,363,262,002.
- **Liability:** Employers \$776,124,205, Public and Other \$2,021,946,291.
- **All Others** \$3,857,117,760.

After making adjustments for:

- **Proportional Reinsurance** (\$34.05 billion), 11% above (\$30.64 billion) for 2019.
- **Net Written Premiums** of \$ 21.94 billion, 2% above \$21.40 billion for the previous year.
- **Excess of Loss** (\$1,39 billion) 11% over (\$1.25 billion) for 2019.
- **Unearned Premium Adjustments** was \$113.23 million for 2020 a - 137% below (\$306.92 million) for 2019.
- **Net earned premiums** was \$20.66

Gross Written Premiums by Line of Business 2020/2019



\$16.41 BILLION CLAIMS IN 2020 by line of business



billion, 4% above \$19.84 billion for the previous year.

- **Commission Earned** was \$6,15 billion, 22% above \$5.05 billion in 2019.
- Therefore, **Total Underwriting Income** amounted to **\$26.82 billion** for 2020, 8% over **\$24.90 billion** for 2019.

TOTAL UNDERWRITING INCOME

Total Underwriting Income comprised the following Categories:

- Property Insurance, Commercial **\$2.65 billion** and Residential **\$1.08 billion**.
- Motor Insurance **\$20.31 billion**
- Liability, Employers **\$609.27 million**, Public and Other **\$855.47 million**.
- All Others **\$1.29 billion**.

TOTAL UNDERWRITING EXPENSES

Total Underwriting Expenses amounted to **\$26.29 billion** for 2020 against **\$24.67 billion** for 2019 an increase 7%. This

comprised:

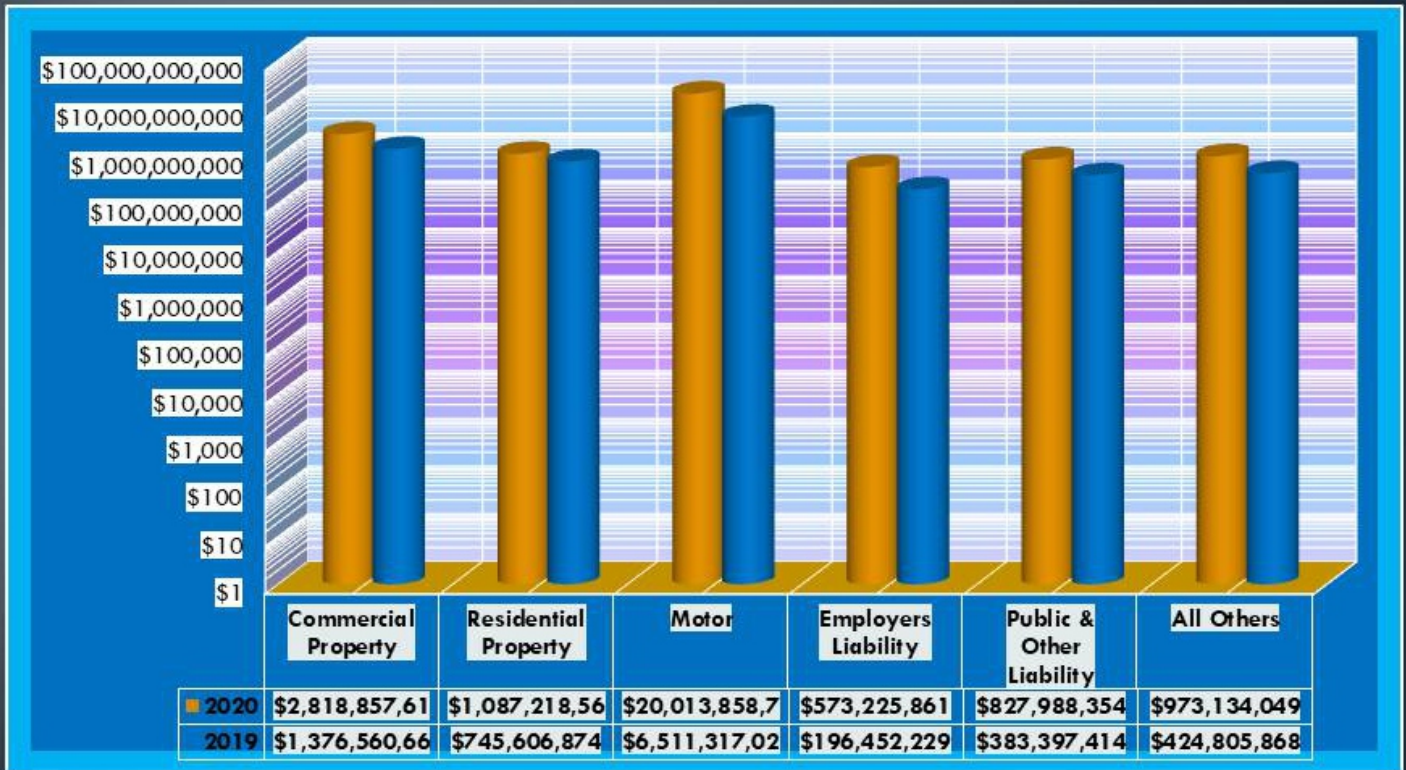
- **Gross Claims incurred** of **\$16.41 billion**, -2% against **\$16.19 billion** for 2019.
- **Less: Reinsurance** on Claims of \$4.03 billion a decrease of -18% against \$4.90 billion for 2019.
- **Commission Outward** of \$3.57 billion, 10% over \$3.25 billion for 2019.
- **All operating expenses** of \$10.33 billion 7% over \$9.63 billion for the previous year.

NET UNDERWRITING RESULTS

Net Underwriting Results after taking Total Underwriting Income of \$26.82 billion and Total Underwriting Expenses of \$26.29 billion into consideration was \$527.19 million 2020, against \$223.01 million for 2019 an increase of 136%. Net Underwriting Results for categories were as follows:

- **Property: Commercial** (\$157.29 million), Residential \$2.55 million.
- **Motor Insurance** \$300.44 million.
- **Liability: Employers** \$36.04 million, Public and Other \$27.48 million.

All Operating Expenses by Line of Business 2019/2018



- **All Others** \$317.96million.

SUMS INSURED

At the end of 2020 the amount of General Insurance Coverage in force was **\$3,225.69 billion**, a decrease of -29% against \$4,512.98 billion on record for 2019. Sums Insured relating to categories were as follows:

- Property: Commercial \$ 1,884.90 billion, Residential \$ 642.55 billion.
- Motor Insurance \$ 396.05 billion.
- Liability: Employers \$ 16.13 billion, Public and Other \$ 127.24 billion.
- All Others \$158.80 billion.

POLICY, RISK AND CLAIM COUNT

- **Policy count** at the end of 2020 was

460,424, 3% above 447,435 for 2019.

- **Risk Count** was 564,931, -1% below 569,561 for 2019.
- **Claim Count** was 53,535, -15% below 62,960 for 2019.

AVERAGES

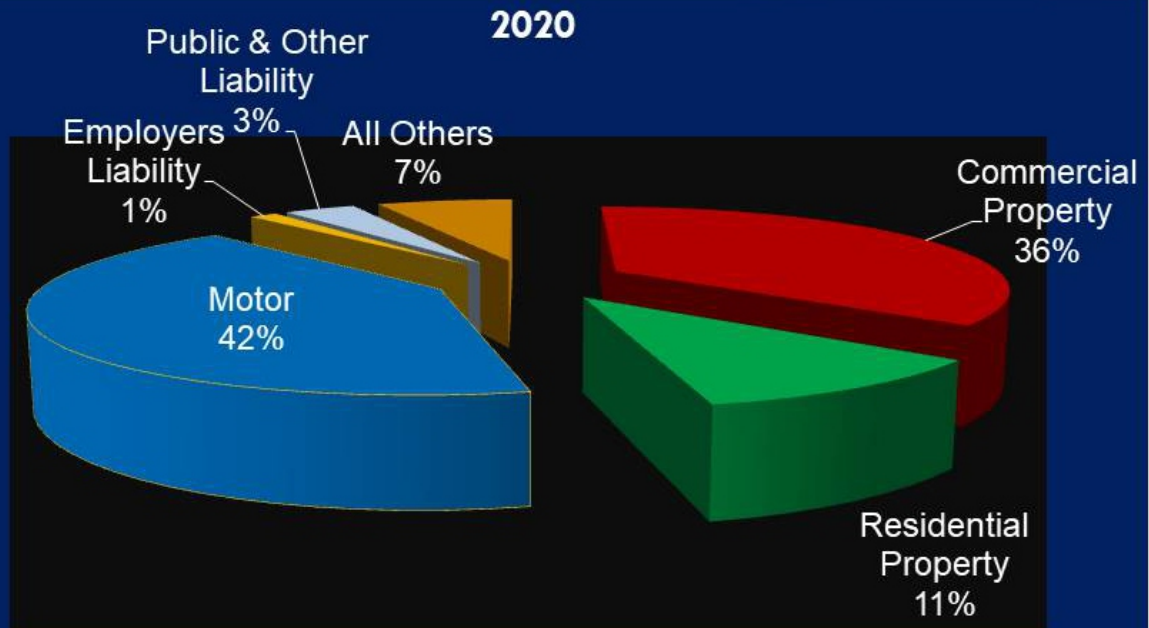
- Average Size Policy \$7,005,933 for 2020, 10,086,342 for the previous year, a -31% decline.
- Average Premium per policy \$121,630 for 2020, 5% over 116,348 for 2019.

CATEGORIES RELATING TO POLICY SIZE

- **Property: Commercial** \$124,566,555, Residential \$ 20,460,871.
- **Motor** \$1,015,787.
- **Liability: Employers** \$6,254,789, Public and Other \$ 26,390,346.

All Others \$48,904

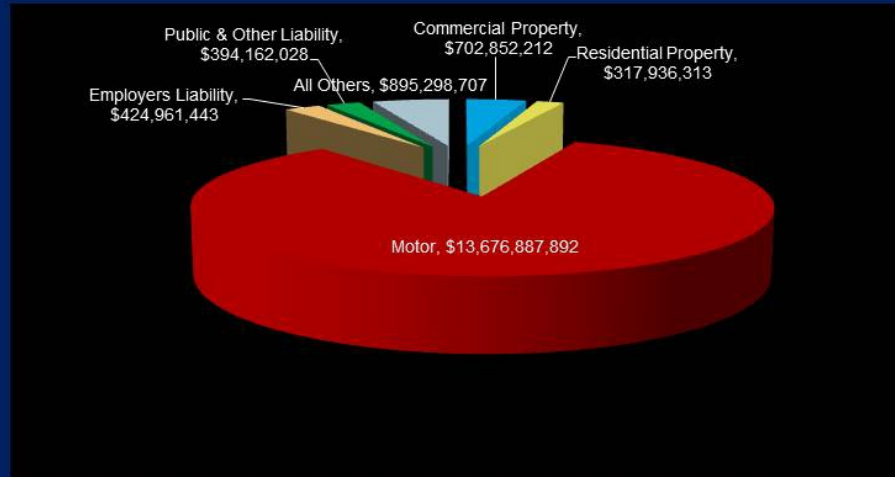
Gross Written Premiums Percentage by Line of Business 2020



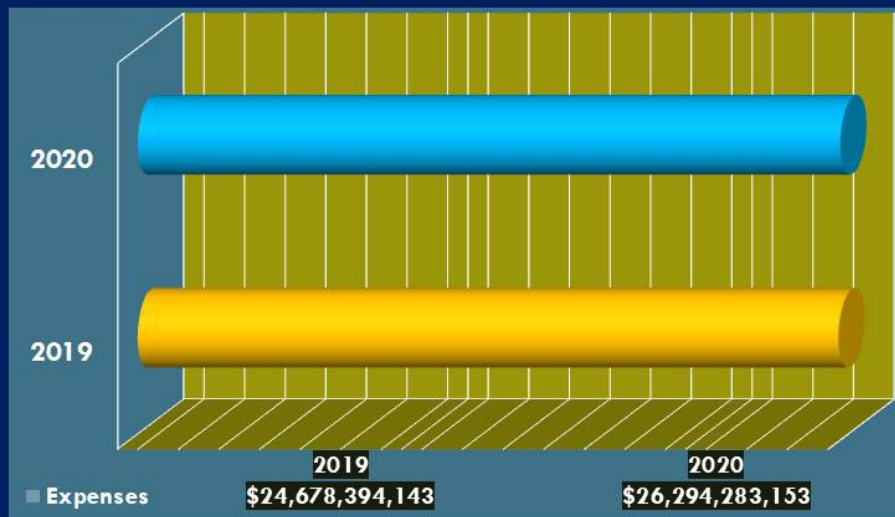
Total Underwriting Income 2020/2019



\$16.41 BILLION CLAIMS IN 2020 by line of business



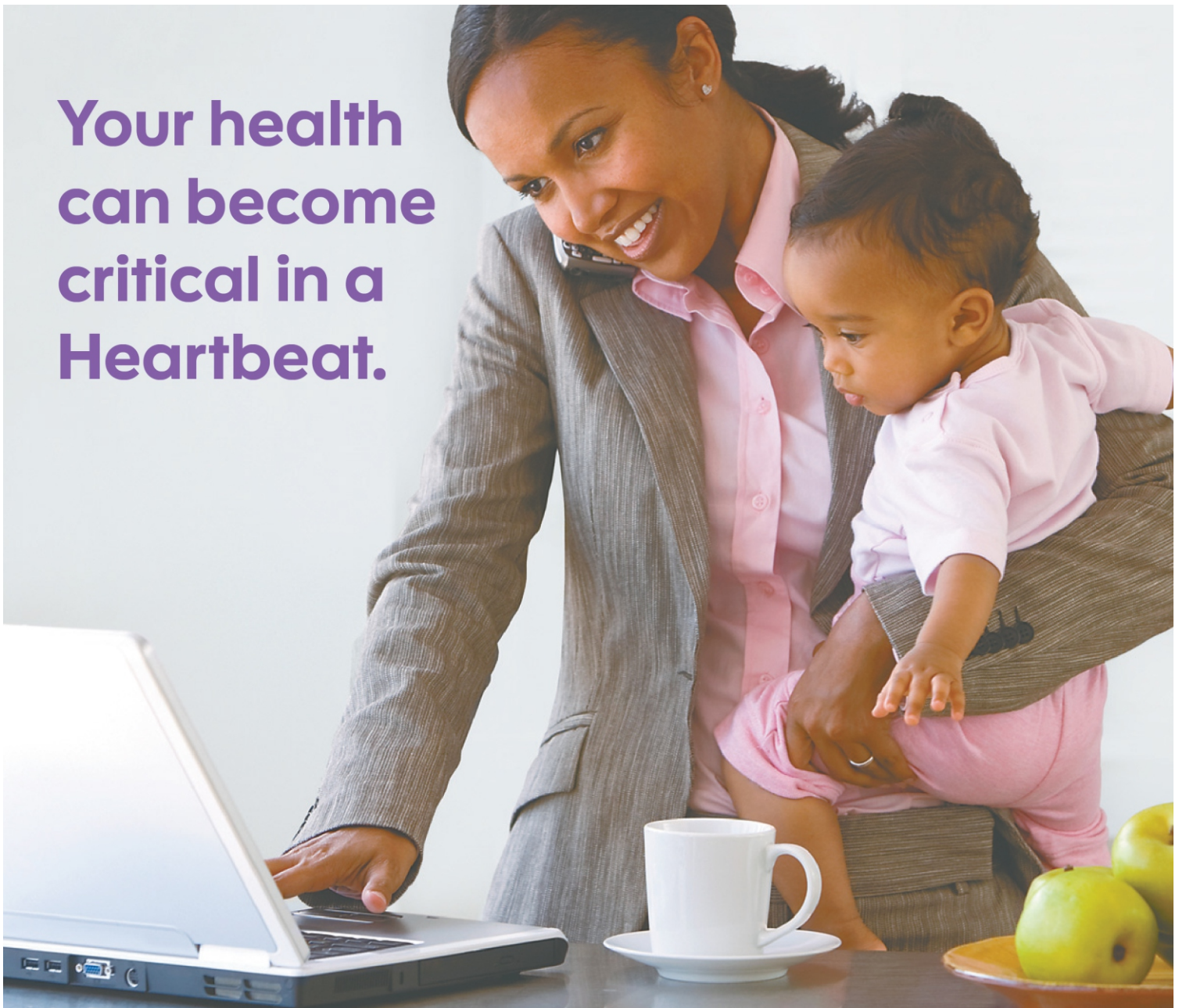
Total Underwriting Expenses 2020/2019



**GENERAL INSURANCE MARKET STATISTICS
JANUARY TO DECEMBER 2020**

| CATEGORY | PROPERTY | | MOTOR | LIABILITY | | ALL OTHERS | TOTAL AS AT DEC 31, 2020 | 2020 Mark et Share % | TOTAL AS AT DEC 31, 2019 | Com pany Change Y-O-Y |
|--------------------------------------|------------------------|------------------------|-------------------------|----------------------|----------------------|----------------------|-----------------------------|----------------------------------|-----------------------------|--------------------------------|
| | Commercial | Residential | | Employers | Public & Other | | | | | |
| Gross Written Premiums | 20,006,112,136 | 5,976,916,025 | 23,363,262,002 | 776,124,205 | 2,021,946,291 | 3,857,117,760 | 56,001,478,419 | 100 | 52,058,374,443 | 8% |
| Proportional Reinsurance | (19,154,114,030) | (5,478,773,219) | (4,837,291,296) | (202,201,956) | (1,249,796,546) | (3,137,712,089) | (34,059,889,135) | 100 | (30,649,018,194) | 11% |
| Net Written Premiums | 851,998,106 | 498,142,806 | 18,525,970,706 | 573,922,249 | 772,149,745 | 719,405,672 | 21,941,589,284 | 100 | 21,409,356,249 | 2% |
| Excess Of Loss Unearned Premium Adj. | (566,517,049) | (351,502,424) | (394,923,275) | (7,424,157) | (14,981,615) | (56,334,513) | (1,391,683,033) | 100 | (1,258,214,884) | 11% |
| Net Earned Premiums | 337,938,510 | 132,377,273 | 18,130,324,627 | 587,305,700 | 766,023,727 | 709,172,683 | 20,663,142,520 | 100 | 19,844,214,168 | 4% |
| Commission Earned | 2,323,623,007 | 957,392,258 | 2,183,975,378 | 21,964,863 | 89,452,512 | 581,928,457 | 6,158,336,475 | 100 | 5,057,195,887 | 22% |
| TOTAL UW INCOME | 2,661,561,516 | 1,089,769,531 | 20,314,300,005 | 609,270,562 | 855,476,239 | 1,291,101,140 | 26,821,478,994 | 100 | 24,901,410,055 | 8% |
| Gross Claims Incurred | (702,852,212) | (317,936,313) | (13,676,887,892) | (424,961,443) | (394,162,028) | (896,298,707) | (16,413,098,596) | 100 | (16,694,795,150) | -2% |
| Less: Reins On Claims | 627,500,734 | 291,362,086 | 2,085,990,662 | 125,495,490 | 149,173,915 | 753,652,885 | 4,033,175,773 | 100 | 4,909,176,849 | -18% |
| Net Claims Incurred | (75,351,478) | (26,574,227) | (11,590,897,230) | (299,465,953) | (244,988,113) | (142,645,822) | (12,379,922,824) | 100 | (11,785,618,301) | 5% |
| Commission Outward | (1,215,707,533) | (328,540,049) | (1,531,896,709) | (61,447,884) | (139,624,757) | (298,802,854) | (3,576,019,786) | 100 | (3,254,635,769) | 10% |
| All Operating Expenses | (1,527,798,601) | (732,104,284) | (6,891,064,777) | (212,312,024) | (443,375,484) | (531,685,373) | (10,338,340,543) | 100 | (9,638,140,072) | 7% |
| TOTAL UW EXPENSES | (2,818,857,612) | (1,087,218,561) | (20,013,858,716) | (573,225,861) | (827,988,354) | (973,134,049) | (26,294,283,153) | 100 | (24,678,394,143) | 7% |
| NET UW RESULTS | (157,296,096) | 2,550,970 | 300,441,290 | 36,044,701 | 27,487,885 | 317,967,091 | 527,195,841 | 100 | 223,015,912 | 136% |

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