

# ACTUARIAL VALUATION REPORTS FOR GENERAL INSURANCE COMPANIES IN JAMAICA

The Regulator's View



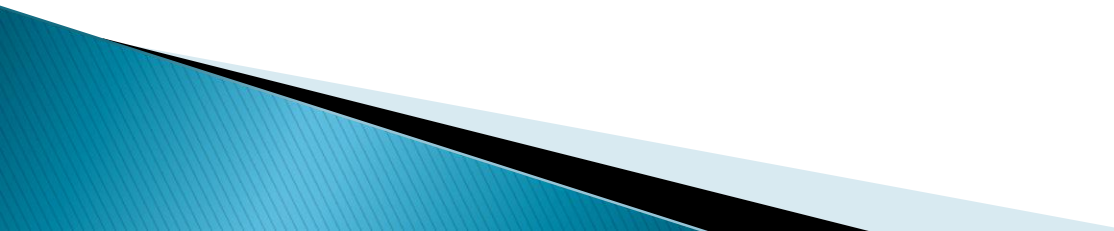
Angela Beckford,  
Financial Services Commission, Jamaica  
December 2, 2011

# General Insurance Industry in Jamaica

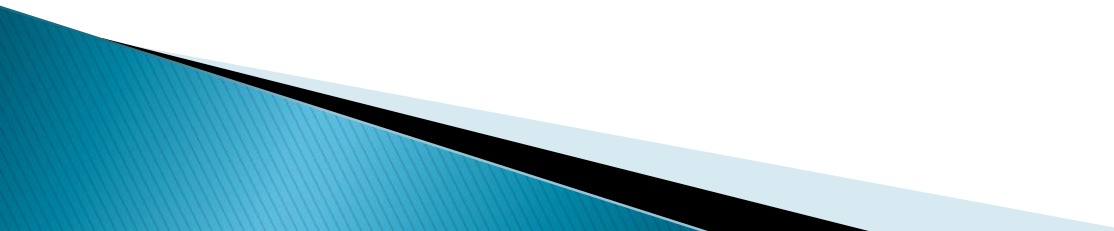
- ▶ Ten general insurance companies.

	2010 J\$ Billion
Total Assets	48.0
Investment Assets	32.6
Total Liabilities	30.1
Gross Premium Written	26.1
Net Premium Written	12.4
Net Premium Earned	12.2
Net Income after taxes	1.4

# ACTUARIAL VALUATION REPOTS FOR GENERAL INSURANCE COMPANIES IN JAMAICA

- ▶ Overall View
  - ▶ Data
  - ▶ Methods
  - ▶ Assumptions
  - ▶ Analysis & Recommendations
  - ▶ Conclusion
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# OVERALL VIEW

- ▶ Pleased with results of requirement
  - ▶ Data provided adequate and quality of reports acceptable
  - ▶ Liabilities are beings subject to rigorous annual review
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# DATA

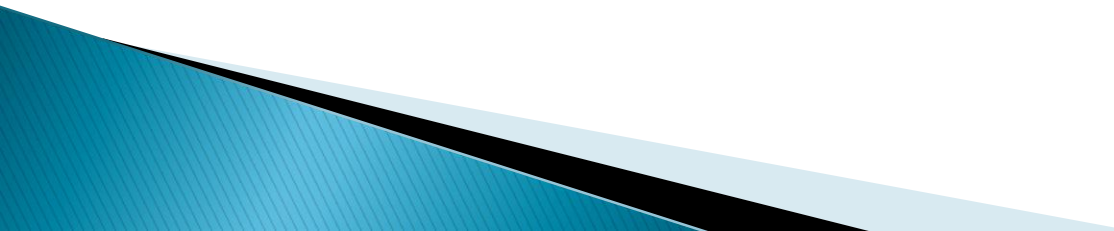
## ▶ Segregation

- At Minimum analyze Motor line separately
- Encourage the analysis of Personal Injury claims separately from other claims

## ▶ Separation of Catastrophe Claims

## ▶ Business Changes and Initiatives

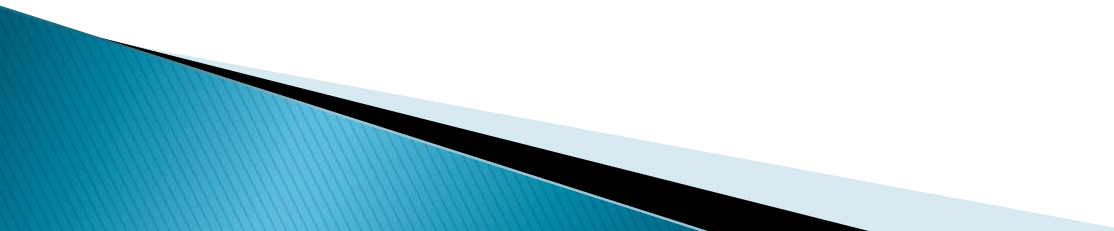
# METHODS

- ▶ Use Paid and Incurred Methods
  - ▶ Include Claim Counts – Frequency and Severity Analysis
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# ASSUMPTIONS

- ▶ **Loss Ratios**
  - Bornhuetter–Ferguson
  - Policy Liabilities

# ANALYSIS & RECOMMENDATIONS

- ▶ Change in Prior Year Liabilities
  - ▶ Actual vs. Expected Experience
  - ▶ Gross, Ceded, Net Data and Valuation Results
    - Include exhibits that examine relationships
  - ▶ Recommendations
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# CONCLUSION

- ▶ Increased understanding
- ▶ Viewed as useful management tool that adds value to the organization not just the means to a number.

# ACTUARIAL VALUATION REPORTS FOR GENERAL INSURANCE COMPANIES IN JAMAICA

▶ Thank you

