

Claims are our business

As Altrisk grows, so do the number of our clients which results in an increase in the number of claims handled. We have naturally seen an increase in the value of claims over the past four and a half years. This can be seen in the table below:

Payment year	Number of claims handled	Value of claims paid	Growth
2007	251	R 90.6m	
2008	377	R 144.8m	+ 60%
2009	482	R 237.9m	+ 64%
2010	584	R 237.4m	- 0%
2011 (6 months)	362	R 146.1m	+23%

The growth in claims paid is well within expectations and in line with the growth of our business book.

The largest claim paid to date was a R20 million death claim. While we don't receive claims of this size that often, it's through our reinsurance arrangements with Hannover Re, RGA and Gen Re that we're able to efficiently process such claims and make the relevant payments.

Accidents, cancer and cardiovascular-related claims have made up 82% of claims by value over the last 4 and a half years.

There are, of course, times when claims are declined. In the majority of cases the reasons are:

- Non-disclosure of material information at the time of the application
- Claims criteria not being met

There are also times when the claims decisions we've made are referred to the Life Insurance Ombudsman. To date, only one claim decision has been found against Altrisk, even though the initial decision was in Altrisk's favour. In reaching their decision, the ombudsman's office described the chances of both parties as evenly balanced.

By carefully managing the risk we take on through the design of our products, appropriate reinsurance, our underwriting and the assessment of claims, we are always able to meet our claims obligations.