

Reinsurance Claims Audits

Independent assurance on complex and high value exposures

Reinsurance claims can represent material financial exposures within a portfolio. As these claims mature, reinsurers can face uncertainty regarding treaty compliance, reserving accuracy, recoverability, and final disclosure. This is particularly acute with large, long tail, or legacy claims.

Without independent assurance, you risk avoidable leakage, disputed recoveries and governance headaches. Our audits provide a practical route to identify these risks - turning uncertainty into defensible, measurable outcomes.

The value at stake

Market reviews consistently show that claims leakage sits in the high single digits. The impact on the bottom line is real.

FOR EXAMPLE

a treaty with **\$100m of ceded losses**, a **5% leakage factor** represents **\$5m of value at stake** in a single underwriting year. This directly influences loss ratios, profit commissions, collateral requirements, and renewal pricing.

Footnote: The 5-10% leakage range is a conservative estimate based on wider industry benchmarks for complex or legacy portfolios.

When to trigger a reinsurance claims audit

Audits are most effective when reinsurers encounter:

- **Deteriorating performance:** Poor financial results on specific treaties.
- **Complex losses:** Large or long tail losses with material exposure.
- **Data issues:** Frequent errors, inconsistencies or delays in claims reporting.
- **Strategic shifts:** Treaties approaching renewal, significant portfolio changes, or new market entries.
- **Oversight needs:** Regulatory scrutiny on reserving or a need to verify internal claims handling.



OUR APPROACH

Pro Global provides independent, outcome focused audits designed to give you confidence without placing a heavy burden on your internal teams. We go beyond simple peer review. Our work is informed by deep technical claims expertise which allows us to identify not just where issues exist, but why they exist and how to fix them.

Our reinsurance claims audits focus on:

- Compliance with treaty terms and reporting requirements.
- Appropriateness of claims handling and reserving.
- Accuracy of allocations and recoverability.
- Identification of dispute risk and undisclosed exposure.
- Clear findings that support underwriting, claims and finance decision making.



WHY PRO GLOBAL?

- **Specialist expertise:** Independent assurance delivered by dedicated reinsurance claims experts.
- **Cost effective:** An efficient alternative to traditional audits that avoids significant internal resource commitment.
- **Market breadth:** Experience across a wide range of treaty structures, claim classes and, cedent profiles.
- **Commercial focus:** Pragmatic reporting designed to support stronger



Let's discuss your requirements

Most engagements begin with an initial discussion to define priorities and scope before committing to a full audit.

Please get in touch to discuss how we can assist with your specific portfolio needs.



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