



## Analysis of Development Indicators of the Insurance Services Market in Uzbekistan

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### ANNOTATION.

The article discusses the mechanisms for creating a competitive environment in the insurance market in a market economy, ensuring its positive impact on the development of the activities of insurance companies. Recently, the desire of the population to protect their social status, property interests, and increase the level of profitability creates the basis for the creation of legal entities wishing to work in the insurance industry and the creation of competitive insurance services.

**Keywords:** insurance, insurance risks, insurance, insurance premiums, digitalization of the insurance market, health insurance, premiums.

Insurance companies operating in the national insurance market of our country specialize in a certain branch of insurance activity and at the same time carry out universal activities. The demand for the authorized capital of insurance organizations is increasing from year to year. Such changes are supported by legislative documents.

An analysis of indicators for the development of the insurance services market in Uzbekistan, an analysis of the practice of health insurance in our country and its features, as well as the procedure for calculating basic rates of health insurance have been developed. In addition, comparative comparisons and assessment of the results of the activities of insurance companies JSC "Guarantee Insurance Company", JSC "Capital Insurance" and JSC "ALSKOM" in this direction were carried out.

The functioning of the health insurance mechanism is a process of interaction between participants in insurance relations at the macro, meso and micro levels. This mechanism includes methods, methods and means of insurance. Let's consider the share of insurance payments made in the voluntary health insurance market of Uzbekistan in relation to collected insurance premiums.

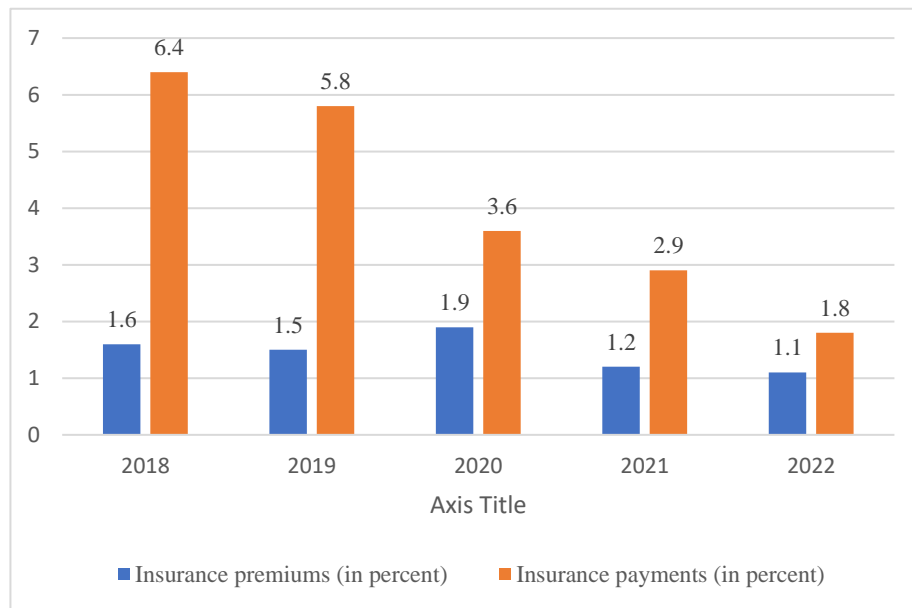
**Table 1. Share of insurance payments made in the voluntary health insurance market of Uzbekistan in relation to collected insurance premiums<sup>1</sup>**

Years	Insurance premiums(billion soums)	Insurance payments(billion soums)	Share of insurance payments in relation to insurance premiums (V %)	Increase (+) or decrease compared to previous year (-) (V %)
2018	8.7	6.7	76.9	60.0
2019	9.3	7.3	77.7	0.7
2020	18.0	10.7	59.3	-18.4
2021	19.5	11.4	58.4	-0.9
2022	23.9	15.4	64.5	6.1

From the table data we see that by 2022, the share of insurance payments made in the health insurance market of Uzbekistan compared to collected insurance premiums increased by 6.1% compared to 2021. It can be concluded that more than half of the collected insurance premiums have been paid.

The share of health insurance in our country is very small, and the share of payments for voluntary health insurance and insurance premiums compared to insurance payments and insurance premiums produced in the insurance market of Uzbekistan is 3 - this can be seen in the figure.

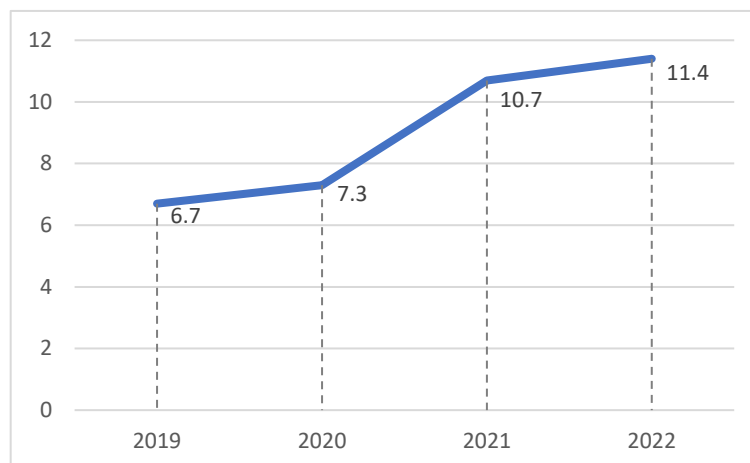
<sup>1</sup>Prepared by the author based on information from the Ministry of Finance of the Republic of Uzbekistan.



**Figure 1. Ratio of insurance payments and health insurance payments to insurance premiums produced in the insurance market of Uzbekistan<sup>2</sup>**

If we consider 100 percent of insurance payments made in the insurance market of Uzbekistan, then only 1.0 percent of the total volume of collected insurance premiums accounts for contributions for voluntary health insurance, and 1.9 percent for voluntary accounts for payments for health insurance. We can estimate this figure as very low.

We see that insurance payments for voluntary health insurance in our country are covered (Figure 2.3).



**Figure 2. Insurance payments for voluntary health insurance in the Republic of Uzbekistan (billion soums)<sup>3</sup>**

One of the priority issues of insurance companies is the timely fulfillment of their obligations to clients under insurance contracts. In particular, in 2019, our country's insurance companies paid \$15.4 billion for health insurance. more sums of insurance protection were carried out, which is 135.1% more than insurance payments made in 2018. The processing time for insurance claims has been reduced from 2 to 15 days.

We also consider the dynamics of insurance payments in the case of insurance companies JSC "Guarantee Insurance Company", JSC "ALSKOM" and JSC "Capital Insurance", which we analyze in our scientific work.

The cost of insurance is 20% of the sum insured (basic rate) and an additional insurance premium of 500,000 soums is paid for each family member included in the insurance policy. At the same time, the insured amount will increase by 2,000,000 soums for each insured person.

It is clear from the data that the calculation base for voluntary health insurance for one family is indicated. It can be seen that with a large number of family members, the insurance premium will be lower and the sum insured will increase. The average insurance premium is 23% of the sum insured.

<sup>2</sup>[www.mf.uz](http://www.mf.uz) Prepared by the author based on information from the website of the Ministry of Finance of the Republic of Uzbekistan.

<sup>3</sup>Prepared by the author based on information from the Ministry of Finance of the Republic of Uzbekistan.

The insurance market is a part of economic monetary relations in which the purchase and sale of insurance services is carried out, supply and demand are formed.

Accordingly, setting tariffs at the optimal level for risk transfer is considered an important factor in ensuring the stability of the insurance system. In this case, tariff setting is carried out on the basis of a number of methods, in particular, on the basis of a database generated by insurers using the theory of probability. In particular, for each contract when setting tariffs:

- the probability of an insured event;
- average insurance premium;
- Factors such as the average amount of coverage that can be paid are taken into account.

The change in damage indicators in insurance activities is also explained by the role of the insurer as an intermediary in the process of summing up the amounts of premiums collected from policyholders and placing them on the investment market.

The amount of profit from investment activities is considered an important factor influencing the tariff policy of an insurance company. It should be noted that the attitude towards subsidizing losses from insurance operations at the expense of income from investment activities is also different. In particular, such activity, on the one hand, creates the opportunity to form a reserve at the level of demand due to the emergence of favorable conditions in the investment market for the implementation of a tariff policy compatible with competition in the absence of competition. funds, on the other hand, gives technical results due to the income received from such activities. It should also be noted that funds raised from the insurance fund for equalization are considered as a factor ensuring their sufficiency. There should not be

To date, insurance practice has not developed a unified concept regarding the volume of liabilities, the structure and assessment of free assets, the provision of financial guarantees, the distribution of risks associated with the rational formation of an insurance portfolio, and the formation of insurance reserves. Therefore, insurance companies are forced to solve these problems experimentally. The development of the national insurance market was considered as one of the main factors of social development at the state level, and it was gradually reformed taking into account the prevailing conditions, national insurance traditions and culture, and the insurance market of Uzbekistan has developed and is being formed only in account of public policy, leadership and support in the insurance industry, tax incentives, creation of new insurance companies.

#### **List of used literature**

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