

The Influence of Premium Income and Claim Loads on Profit in Retired Management Institutions in 2013 until 2018 (PT Taspen (PERSERO), PT Asabri (PERSERO) dan BPJS Ketenagakerjaan)

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DOI: [10.36348/sjbms.2020.v05i03.005](https://doi.org/10.36348/sjbms.2020.v05i03.005)

| Received: 14.02.2020 | Accepted: 01.03.2020 | Published: 18.03.2020

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Abstract

Appreciation for services provided by institutions based on premiums that have been paid in accordance with the provisions or regulations of the institution. Welfare after entering the Retirement Age Limit is the expectation of the participants. Social insurance as an obligation for every citizen, where citizens have assumed the tasks they have experienced and are required to get insurance in old age. In Indonesia there are various pension management institutions in the form of SOEs and the Ketenagakerjaan Guarantee Agency. BUMN pension managers are managed by PT Taspen (PERSERO) with ASN participants, State Officials, Veterans and Non-ASN, and PT Asabri (PERSERO) with TNI and POLRI participants. Whereas in the form of a Board, it is managed by BPJS Ketenagakerjaan with participants from all BUMN and private workers. Managing agency. This study is useful to know the Effect of Premium Income and Claims Expense on Company Profit at Pension Management Institutions (PT Taspen (PERSERO), PT Asabri (PERSERO) and BPJS Ketenagakerjaan). Regression research method with a quantitative approach by collecting data by taking data in the Annual Report Audited in the companies PT Taspen (PERSERO), PT Asabri (PERSERO) and BPJS Ketenagakerjaan in 2013 to 2018. Hypothesis testing results are as much as 49.3% independent variable influences the profit of PT Taspen (PERSERO), 98.6% independent variable influences the profit of PT Asabri (PERSERO) and 34.9% independent variable influences the profit of BPJS Ketenagakerjaan.

Keywords: Premium Income, Claim Expense, Company Profit and Annual Report.

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INTRODUCTION

Social insurance as an obligation for every citizen, where citizens have assumed the tasks they have experienced and are required to get insurance in old age. Pension institutions are assigned by the government to manage social insurance in Indonesia. There are a number of pension fund managers in Indonesia engaged in state-owned and private companies. The social insurance managed by this pension institution has a diverse program of products.

I work at PT Taspen (Persero), a state-owned company engaged in insurance that manages a variety of social security programs. The programs run by these three companies have the same program from participants who make premium contributions within a

certain period of time to make claims when they are due or when the participant experiences an event. Premium contributions paid by participants will be included in premium income. Investment limitations made by management caused by the existence of regulations or government regulations that govern insurance companies to invest. The limited investment made by the insurance company causes the insurance company to not get the maximum profit.

Participants who have paid premium contributions will get the rights and obligations for participants to submit claims. Claims can be submitted by participants when a participant is due or a participant experiences an event. Claims submitted by participants must be monitored by pension institutions to allocate

cash flow to be paid to participants. The insurance company arranges the program it manages for participants who will submit claims. The insurance company is obliged and ready to undertake if the participant will submit a claim when due or experiences. Based on the theory states that if operating expenses and claims expenses increase, the company's profit decreases and vice versa if the operational and claims expenses decrease, the company's profit increases. These two things greatly affect the company's profit because the difference is more or less revenue with expenses greatly affect the company's profit. The insurance company must maintain a healthy consideration between the amount of premium income and the burden of claims. The size of the premium income can affect company profits.

Claims paid by insurance companies will experience a significant difference depending on customer satisfaction. Customer satisfaction is the most important in satisfying customers by giving loyalty to customers who will benefit the company. Profit as an increase in the wealth of those concerned as capital minus costs. Meanwhile, non-profit is not looking for profits that have social and social purposes. In my research there are companies that generate profits and surpluses.

Social insurance as an obligation for every citizen, where citizens have assumed the tasks they have experienced and are required to get insurance in old age. In Indonesia there are managers of pension institutions. These pension institutions are assigned by the government to manage social insurance. There are pension fund managers in the BUMN and private sector. Social Insurance managed by this pension institution has the same program. The author takes 3 population pension management institutions SOEs and Social Security Agency in Indonesia.

Pension is an award for services provided by the institution in accordance with the provisions or regulations of the institution. The author examines the titled Effect of Premium Income and Climate Expense on Profit at Pension Institutions in 2013 s.d. 2018 (PT Taspen (Persero), PT Asabri (Persero) and BPJS Ketenagakerjaan).

LITERATURE REVIEW

Premium Income

Revenue is the exit of goods and services from the institution to the customer and the results of the product release will produce goods and services. Retirement is a condition where a person no longer works due to the completion of his tenure. Pension types can be divided into two, namely:

1. Definite Benefits

Defined Benefit is a pension plan that will be paid when participants reach the age limit based on a formula.

2. Defined Contribution

Definite Contribution is a pension program that is added with pension benefits in the form of development proceeds.

Claim Expense

Claim Expenses represent benefits received by participants in the form of cash and compensation for contributions that have been provided to the insurer in the form of a policy.

Company Profit

Company profit is the company's main goal to gain profit from activities. There are 2 types of profit consisting of gross profit and net profit.

Pension Funds

Pension funds are companies that manage guarantees for citizens consisting of various programs to participants when they reach retirement age, which is regulated by various government policies and regulations.

Social Security Program

Social programs are guarantees given by the state to citizens to prosper the people for their service marks. The social security program managed by pension management institutions consists of 4:

1. Old Age Savings

Old Age Savings program is a program that is given to participants if a participant experiences a Pension Death (PMK) incident in the form of cash or a bank.

2. Retire

Pension Plan is a program that is received by participants if the participant experiences a Pension Death (PMK) incident in the form of monthly income for the services provided.

3. Work Accident Insurance

Work Accident Insurance is a program that is received by participants in the form of care, compensation and disability benefits if they are at risk of work accident.

4. Death Guarantee

Death Guarantee is a program received by the heirs in the form of death compensation for the death of the participant.

HYPOTHESIS

There are several hypotheses in this study, namely:

Ho1 : Ho1: There is no significant effect between premium income versus profit.

Ha1 : There is a significant influence between premium income on earnings.

Ho2 : There is no significant influence between the burden of claims on earnings.

Ha2 : There is a significant influence between the burden of claims on earnings.

Ho3 : There is no significant effect simultaneously (together) between premium income and claim expense on profit.

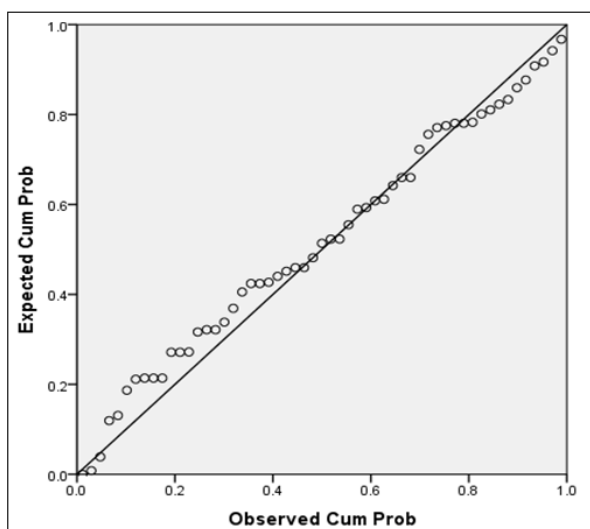
Ha3 : There is a significant simultaneous effect (together) between income premiums and claim expense on profits.

RESEARCH METHODS

The research method uses regression with quantitative approaches and statistical testing methods. The research year used was 2013 to 2018 The variables used were independent and dependent variables.

The population is the entire object under study consisting of 3 pension management institutions in Indonesia in 2013 s.d. 2018 consisted of PT Taspen (PERSERO), PT Asabri (PERSERO) and BPJS Ketenagakerjaan. The research sample was taken over 6 years of data namely from the Audited Financial Statements and Interviews. Research by observing

Normality Test



Based on the probability plot of the company's profits are residual plots around the straight line. To prove that normal residuals were tested by Kolmogorov Smirnov test statistics. Testing the normality assumption of the BM model with the Kolmogorov Smirnov test statistic 0.279 with a probability of 0.200 indicates that the probability of H0 is accepted. Residual Influence of Premium Income and Claims Expense on Company Profit is stated in normal distribution so that the assumption of normality is fulfilled.

Multicollinearity Test

Table-1: Multicollinearity Test

Variable	VIF
Premium Income	6,422
Claim Expense	6,422

(Source: Data processed with SPSS 20)

research objects based on audited financial statements and interviews.

RESULTS

Descriptive Research Object

1. PT Taspen (PERSERO)
PT Taspen (PERSERO) manages ENT, JKK, JKM and Pension insurance programs with PNS participants, State Officials, Veterans, PPPK and Non ASN.
2. PT Asabri (PERSERO)
PT Asabri (PERSERO) manages the ENT, JKK, JKM and Pension insurance programs with the TNI, POLRI and PNS civil servant participants.
3. BPJS Ketenagakerjaan
BPJS Ketenagakerjaan manages JHT, JKK, JKM and Pension programs with participants from all BUMN and private companies.

Testing the effect simultaneously on the company PT Taspen (PERSERO) with an F value of 1.461 and a probability of 0.361.

P value = 0.361 > 0.05, that means H0 is accepted, H1 is rejected. There is a linear relationship between premium income and claim expense. The conclusion from the results is not significant. Where the dependent variable (income and climate) does not affect earnings at a significance level of 5%. And the model has no statistical significance of 95%..

HYPOTHESIS TEST

The significance test of Influence of Premium Income and Expense Claims on Profit is intended to know the effect simultaneously.

Simultaneous Testing of Significance

F Test PT Taspen (PERSERO)

Table-2: F Test PT Taspen (PERSERO)

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	3685117.982	2	1842558.991	1.461	.361 ^a
Residual	3782723.291	3	1260907.764		
Total	7467841.274	5			

Testing the effect simultaneously on the company PT Taspen (PERSERO) with an F value of 1.461 and a probability of 0.361.

P value = 0.361 > 0.05, that means H0 is accepted, H1 is rejected. There is a linear relationship between premium income and claim expense. The

conclusion from the results is not significant. Where the dependent variable (income and climate) does not affect earnings at a significance level of 5%. And the model has no statistical significance of 95%.

F Test PT Asabri (PERSERO)

Table-3: F Test PT Asabri (PERSERO)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	440984.818	2	220492.409	103.212	.002 ^a
Residual	6408.910	3	2136.303		
Total	447393.727	5			

Testing the effect simultaneously on the company PT Asabri (PERSERO) with a calculated F value of 103.212 and a probability of 0.002.

P value = 0.002 < 0.05, it means H0 is rejected, H1 is accepted. There is a linear relationship between premium income and claim expense. So, the conclusion

of the result is significant. Where the dependent variable (income and climate) affects earnings at a significance level of 5%. And the statistical significance model is 95%.

F Test BPJS Ketenagakerjaan

Table-4: F Test PT Asabri (PERSERO)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	440984.818	2	220492.409	103.212	.002 ^a
Residual	6408.910	3	2136.303		
Total	447393.727	5			

Testing the effect simultaneously on BPJS Ketenagakerjaan companies with an F value of 0.803 and a probability of 0.526.

Value of P = 0.526 > 0.05, that means H0 is accepted, H1 is rejected. There is a linear relationship between income and climate. So, the conclusions from

the results are not significant. Where the dependent variable (income and climate) does not affect earnings at a significance level of 5%. And the model has no statistical significance of 95%.

Partial Significance Test (Test T)

Test T PT Taspen (PERSERO)

Table- 5: T Test PT Taspen (PERSERO)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant)	6428.944	3170.189		2.028	.136
Premium Income	-.754	.449	-.693	-1.680	.191
Claim Expense	-.028	.167	-.070	-.169	.876

Testing Individual Parameters

The coefficient table shows the individual test (t test).

$$\hat{Y} = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3$$

$\beta_0 = 6428,944$ (constant)

Value of P = 0.136 > 0.05, that means H0 is accepted, H1 is rejected. So, the conclusions from the results are not significant.

$\beta_1 = -0,754$ (premium income)

Value of P = 0.191 > 0.05, that means H0 is accepted, H1 is rejected. So, the conclusions from the results are not significant.

$\beta_2 = -0,028$ (claims)

Value of P = 0.876 > 0.05, that means H0 is accepted, H1 is rejected. So, the conclusions from the results are not significant.

Test T PT Asabri (PERSERO)

Table-6: T Test PT Asabri (PERSERO)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant)	-357.494	163.377		-2.188	.116
Premium Income	-2.511	.577	-1.701	-4.351	.022
Claim Expense	3.561	.531	2.620	6.703	.007

Testing Individual Parameters

The coefficient table shows the individual test (t test).

$$\hat{Y} = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3$$

$\beta_0 = -357,494$ (constant)

Value of $P = 0.116 > 0.05$, that means H_0 is accepted, H_1 is rejected. So, the conclusions from the results are not significant.

$\beta_1 = -2,511$ (income)

P value = $0.022 < 0.05$, it means H_0 is rejected, H_1 is accepted. So, the conclusion of the result is significant.

$\beta_2 = 3,561$ (claims)

Value of $P = 0.007 < 0.05$, that means H_0 is rejected, H_1 is accepted. So, the conclusion of the result is significant.

Test T BPJS Ketenagakerjaan

Table-7: T Test BPJS Ketenagakerjaan

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant)	-357.494	163.377		-2.188	.116
Premium Income	-2.511	.577	-1.701	-4.351	.022
Claim Expense	3.561	.531	2.620	6.703	.007

Testing Individual Parameters

The coefficient table shows the individual test (t test).

$$\hat{Y} = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3$$

$\beta_0 = -670,778$ (constant)

because the value of $P = 0.701 < 0.05$, it means H_0 is accepted, H_1 is rejected. So, the conclusion from the result is not significant.

$\beta_1 = 0.124$ (premium income)

Value of $P = 0.664 > 0.05$, that means H_0 is accepted, H_1 is rejected. So, the conclusion from the result is not significant.

$\beta_2 = 0.471$ (claim)

Value of $P = 0.627 > 0.05$, that means H_0 is accepted, H_1 is rejected. So, the conclusion from the result is not significant.

Effect of Premium Income on Company Profit

The results showed the effect of premium income on company profits, among others, as follows:

1. There was 49.3% variance of PT Taspen (Persero)'s 2013 profit 2018 is explained by premium income as the dependent variable, and the remaining 50.7% other variables. The results of this study are in accordance with Hanifaturrosida [1] T Test results or partially variable premiums, claims and under writing have a negative and significant effect on profitability while investment has a positive and significant effect on the profitability of Islamic life insurance companies.
2. There is a 98.6% variance of PT Asabri (Persero) 2013-2018 profit explained by premium income as the dependent variable, and the remaining 1.4% is

explained by other variables. The results of this study are consistent with the study of Sofyan Marwansyah *et al.*, [2] Investment results and premium income have a significant relationship to earnings, a positive value of 0.657 and 0.737 means a strong and unidirectional relationship while the claim burden has a significant relationship to earnings, a negative value of -0.786 means the relationship is strong and opposite direction, simultaneously (together) shows that investment returns, premium income, claims expenses have a significant relationship to profits, and are positive at 0.881.

3. There is 34.9% variance of BPJS Ketenagakerjaan earnings in 2013-2018 explained by premium income as the dependent variable, and the remaining 65.1% is explained by other variables. The results of the study are in accordance with Hanifaturrosida [1] Test Results T Test or partially premium variables, claims and under writing have a negative and significant effect on profitability while investment has a positive and significant effect on the profitability of Islamic life insurance companies..

The effect of claim expenses on earnings

The effect of claim expenses on company profits is as follows:

1. There was 49.3% variance of PT Taspen (Persero)'s 2013 profit 2018 is explained by the burden of claims as the dependent variable, and the remaining 50.7% is explained by other variables.
2. There is a 98.6% variance of PT Asabri (Persero) 2013-2018 profit explained by the burden of claims as the dependent variable,

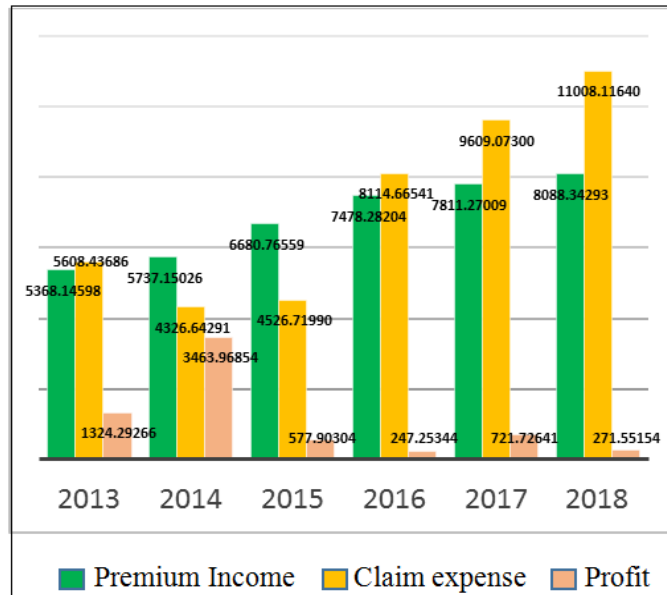
and the remaining 1.4% is explained by other variables.

- There is 34.9% variance of BPJS Ketenagakerjaan earnings in 2013-2018 explained by the burden of claims as the dependent variable, and the remaining 65.1% is explained by other variables.

Data Analysis

Claim expenses are expenses incurred by the company to provide protection to the insured party by compensating for costs according to the insurance policy agreement. The premium income data can be seen from the graph as follows:

PT Taspen (PERSERO)



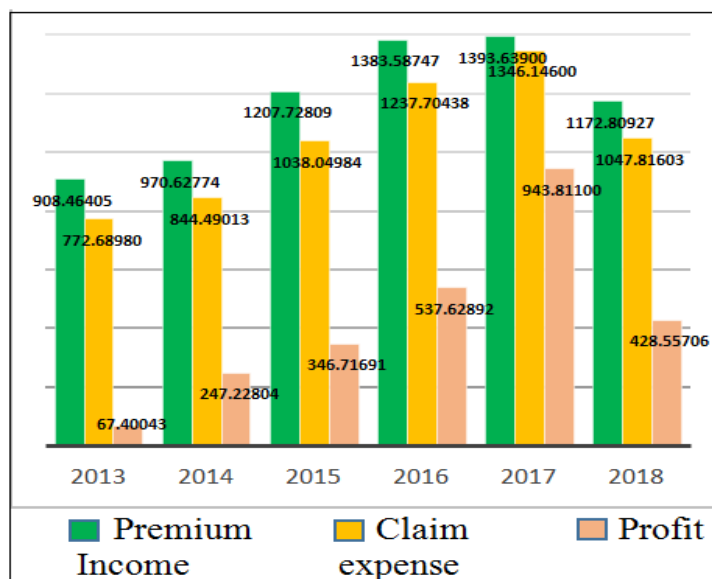
Graph-1: Premium income, claim expense and profit PT Taspen (PERSERO)

Graphical Data Analysis

- Premium income from 2013 until 2018 increased.
- In 2014 and 2015 the claim burden decreased due to the extension of the Retirement Age Limit (BUP) of civil servants from 56 years to 58 years.
- An increase in claims expense from 2016 to 2018 because civil servants have entered the Pension

Age Limit (BUP) age 58 years and pro-active PT Taspen (PERSERO) services to participants in the form of Automatic Claim Services will enter the Pension Age Limit (BUP) without having to come to the office of PT Taspen (PERSERO).

PT Asabri (PERSERO)



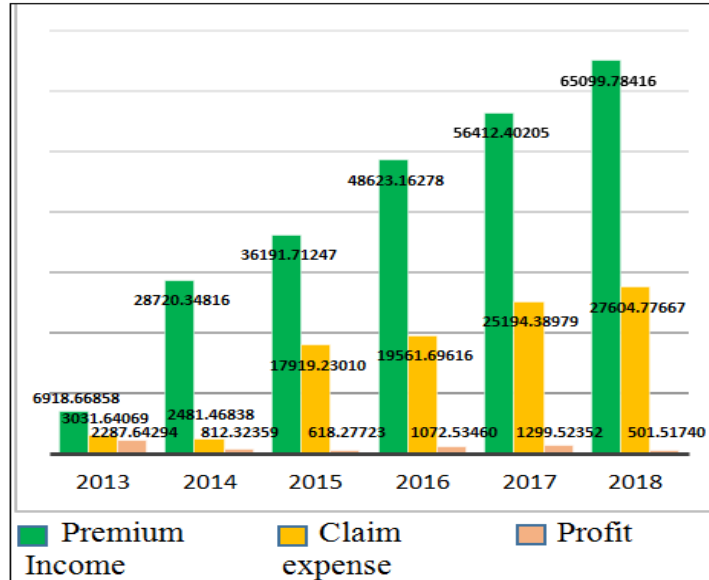
Graph-2: Premium income, claim expense and profit PT Asabri (PERSERO)

Graphical Data Analysis

1. Premium income and claim expenses have increased from 2013 to 2018.
2. Comparison between premium income is greater than claims from participants. The importance of pro-active outreach and services

to participants so that participants know the rights and obligations for participants to various companies

BPJS Ketenagakerjaan



Graph-3: Premium income, claim expense and profit BPJS Ketenagakerjaan

Graphical Data Analysis

1. Premium income has always significantly increased from 2013 to 2018 which is because many companies will be aware of the importance of social security.
2. Comparison between premium income is greater than claims from participants. The importance of pro-active outreach and services to participants so that participants know the rights and obligations for participants to various companies.

2. The influence of the burden of claims on corporate profits on the management of pension institutions include the following:
 - a. 49.3% variance of PT Taspen (Persero) 's 2013 profit 2018 is explained by the burden of claims as the dependent variable, and 50.7% is explained by other variables.
 - b. 98.6% of PT Asabri (Persero) 2013-2018 profit is explained by the burden of claims as the dependent variable, and 1.4% is explained by other variables.
 - c. As much as 34.9% of the variance of BPJS Ketenagakerjaan earnings in 2013-2018 is explained by the burden of claims as the dependent variable, and 65.1% is explained by other variables.
3. Based on data on the percentage of the influence of other variables that affect the increase in corporate profits so that if the burden of claims increases, then other variable factors can determine the increase in corporate profits.

CONCLUSIONS

Based on the problem formulation, hypothesis testing and discussion the following conclusions can be drawn:

1. Influence of premium income on company profits on pension agency managers, among others, as follows:
 - a. 49.3% variance of PT Taspen (Persero) 's 2013 profit 2018 is explained by premium income as the dependent variable, and 50.7% is explained by other variables.
 - b. 98.6% of PT Asabri (Persero) 2013-2018 profit is explained by premium income as the dependent variable, and 1.4% is explained by other variables.
 - c. 34.9% of BPJS Ketenagakerjaan profit in 2013-2018 is explained by premium income as the dependent variable, and 65.1% is explained by other variables.

RECOMMENDATION

In connection with this study, the authors suggest the following:

1. For further researchers
This study uses a population of 3 insurance companies with similar programs, so that future research adds research objects and independent variables as a comparison.
2. For management

For management it is necessary to increase other variable factors because the premium income is smaller than the claim burden from the participants so that it affects the company's profit.

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