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How big the problem is in the UK

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The ABI states that **every minute** an insurance fraud is detected in the UK

In 2017 insurers detected **562,000** dishonest claims

Of those there were 113,000 fraudulent claims and 449,000 dishonest insurance applications

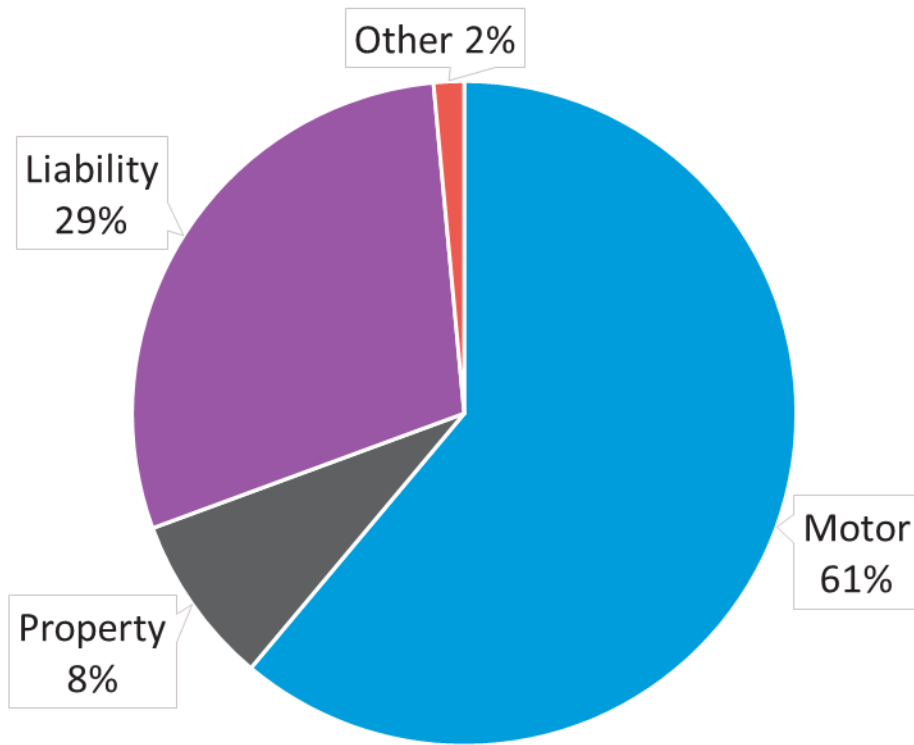Those 113,000 claims were worth £1.3 billion – a decrease of 6% from 2016

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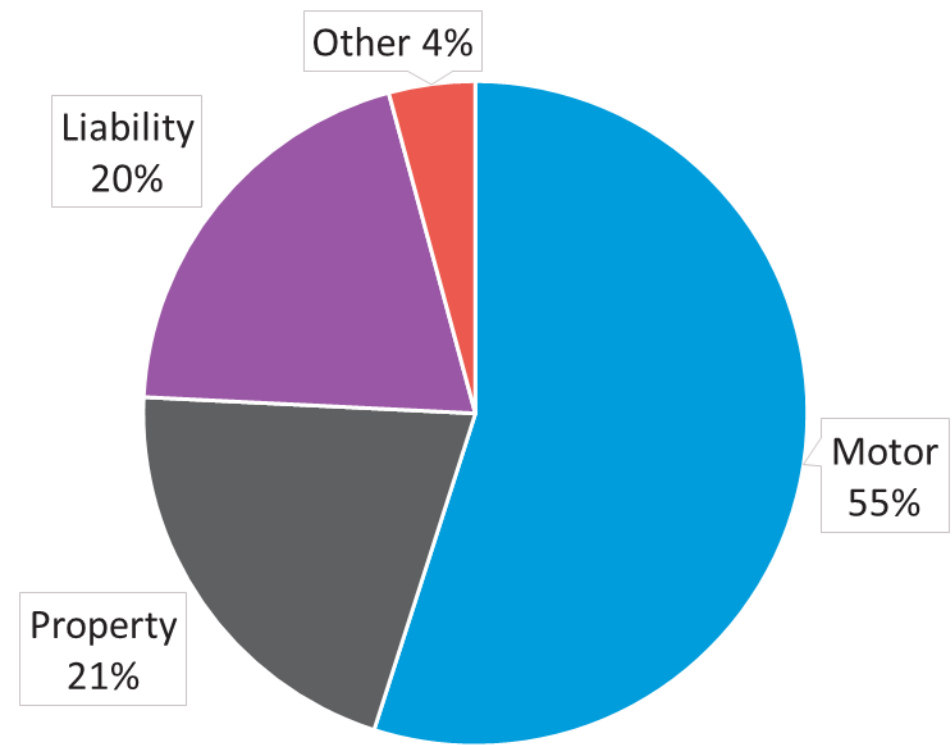**£775M** was the value of detected motor insurance claims

An increase of **4%** on 2016

Number of organised **fraud fell by 22% from 2016** with fraud worth £158M detected

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Trends – General Insurance

Other 2%
Liability 29%
Motor 61%
Property 8%

Percentage of fraud claims **by value**

Other 4%
Liability 20%
Motor 55%
Property 21%

Percentage of fraud claims **by volume**

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Best practice
Our strategy

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Our primary goal is to **protect our clients reputation**

We **screen EVERY claim** for fraud

Effective fraud management **is in our DNA**

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Sedgwick UK has **82 staff** dedicated to fraud management

Our strategy is built on
4 pillars:

Detection

Triage

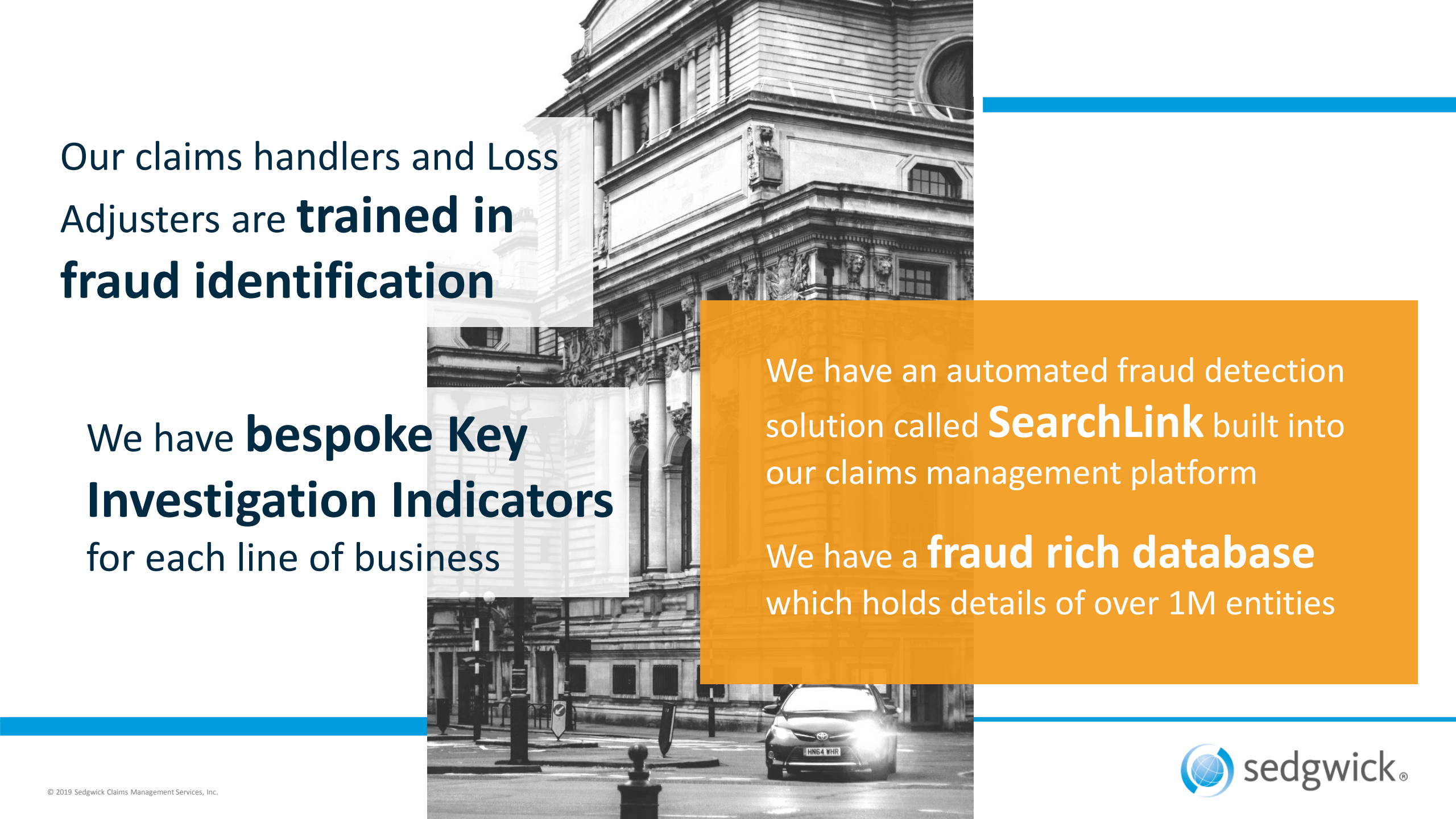**Containment**

Measurement

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Best practice
Detection

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Our claims handlers and Loss Adjusters are **trained in fraud identification**

We have **bespoke Key Investigation Indicators** for each line of business

We have an automated fraud detection solution called **SearchLink** built into our claims management platform

We have a **fraud rich database** which holds details of over 1M entities

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All of our claims are washed against both databases **searching over 8M records**

Genuine claims are **swiftly validated**

This helps us identify claims that are high risk and **triage them accordingly**

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Best practice
Triage

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We have **Claims Validation Teams** within our business

These staff are **specialist fraud resources**

They consider claims after considering our **four defined heads of investigation**...

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Fraud in underwriting – is their any misrepresentation?

Fraud in the circumstances – is the event staged?

Fraud in quantum – is the claim exaggerated?

Technical claims issues – is the loss covered?

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Best practice
intelligence and database searches

Upon reviewing a claim we consider the following...

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Is there any financial motivation for committing fraud?

We look at the people involved, we check "open source" data such as social media for links between the parties

We conduct "open source" internet searches

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We look at their previous claims via CUE

We look at the claims history via MIAFTR

We look at vehicle history via Car Data check

We review the peripheral parties involved in the claim

We utilise Forensic Engineers to consider damage consistency

We review the metadata on any images relating to the incident

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The final word

Insurance Fraud costs us all in the UK £50 per policy

In 2018 **we saved our clients £47M** with £7M saved in motor fraud

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شكرا جزيلا

Thank you

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