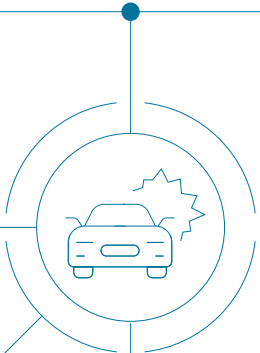


# Successful Prevention of Claims Fraud

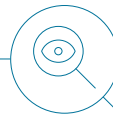
## THE POWER OF QUOTE DATA IN RESOLVING FRAUDULENT CLAIMS



The staging of road traffic collisions for fraudulent insurance claims purposes is not a new phenomenon and insurers have been successfully identifying, investigating and proving such frauds for over 20 years.

During this time fraudsters have also been equally successful in getting away with untold millions in ill-gotten gains and deploying ever more complex tactics to evade detection.

This case study looks back on a recent investigation which, like so many, started with a well-trained and motivated claims handler whose gut told them "this does not feel right". It turned into an exemplar case of how syndicated data from a perhaps less than obvious source proved to be key in blowing the whole case open.



### All appeared normal at first...



Insurers received a call from their policyholder (we'll call him Mr X) reporting that he had been involved in a collision and hit the rear of another driver (we'll call him Mr O).

Mr X confirmed the collision had been his fault and provided the contact details and vehicle registration number for Mr O.

### So far everything seemed perfectly normal.

The insurer's Third Party Care Team contacted Mr O, who was more than happy to have his damaged vehicle collected for inspection and potential repair, plus a replacement vehicle being provided at the insurer's expense.

As is standard practise for most insurers, the claims data was screened against the SIRA fraud database and neither Mr X or Mr O were flagged with any possible concerns, other than an indication that Mr O had only insured his vehicle two days prior to the alleged collision.



## It's here that things start to unravel for Mr O...

An inspection of Mr O's vehicle found damage consistent with the alleged rear end collision, which was sufficient for the vehicle to be considered a write off.

But interestingly, there was also evidence of possible damage in the same area from a previous collision, which appeared to have gone unrepaired.

### The claims handler is intrigued but Mr O, of course, denied any knowledge of previous damage.

Industry database checks found Mr O's vehicle had indeed been in a previous collision some eight months prior with a claim made against another insurance policy.

Enquiries found the claim had been settled and the insurer had made a payment to the then claimant's chosen repairer. Images of the damage from this earlier collision were inconclusive and the claim was looking like it was going to be settled...had it not been for the 'gut feeling' of the intrepid claims handler.



## An investigation was required...

Synectics Solutions' Special Investigation Unit (SIU) was instructed to provide an intelligence report on all parties.

None had been previously investigated for suspected fraud, neither driver had a particularly unusual accident history and, as far as we could tell, they were not known to one another prior to the alleged collision. National SIRA did contain records of the previous claim for Mr O's vehicle from eight months earlier, but this wasn't going to help.

### What did help immensely was finding over 50 separate motor insurance quotes Mr O had run using the vehicle registration number from his crash damaged car. The first quote was dated two weeks after the earlier collision and 6 months prior to him owning it!

With full access to National SIRA data, Synectics SIU could prove Mr O knew about the crash damaged vehicle being the subject of a previous claim and over a six-month period regularly tested insurance industry systems to see if he would be able to insure the vehicle.

Once the previous owner's claim had been paid out, Mr O acquired the vehicle and insured it with another SIRA member. Interestingly though, not with one he had secured quotes from previously - probably in a deliberate attempt to avoid detection or raise any concerns. Just two days after insuring the vehicle, the latter claim was reported.



## Busted...

Throughout this investigation Mr O continuously denied knowing the previous owners of the vehicle, that the vehicle had been involved in an earlier claim, or that he knew the alleged fault driver in the recent collision. He also denied causing further damage to the vehicle to mask the original before submitting an entirely fabricated claim.

That is right up until the point where Mr O was challenged with the evidence of over 50 insurance quotes over a six-month period prior to even owning the vehicle. At this point, Mr O had an epiphany, saw the error of his ways, confessed to it all and withdrew his claim, saving insurers over £20,000.

### Without quote data being in SIRA it is highly likely Mr O would have been successful in his claim with a lack of evidence to discredit him.

Whilst the inclusion of quote data in a SIRA member's local SIRA domain is primarily for the purposes of policy inception fraud, non-disclosure and quote manipulation purposes, this case study truly highlights the advantages to all SIRA members of adding as much data as possible to all SIRA feeds, the power of syndicated intelligence and the use of all available tools in your arsenal when investigating suspected fraud.



If you'd like to learn more about Synectics' Special Investigation Unit or trial the services we provide, please contact Chris Hallett, Head of SIU, by email: [chris.hallett@synectics-solutions.com](mailto:chris.hallett@synectics-solutions.com)