

# Fraud For Thought

**Losses from insurance fraud costs over \$300bn every year**

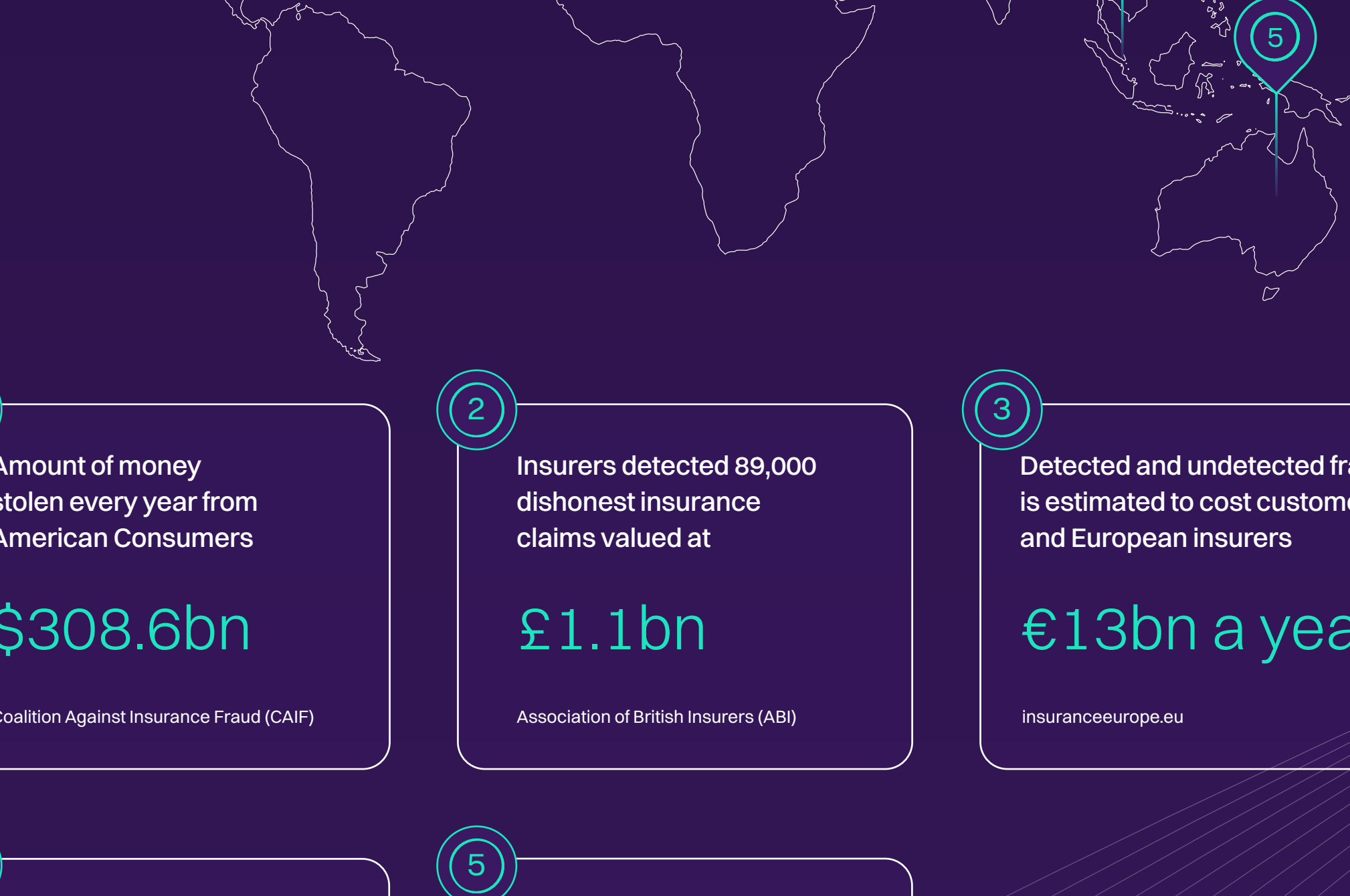
It's time to enhance your strategy to prevent and detect insurance fraud across the enterprise

## Insurance fraud is a global issue

The global economy remains turbulent with financial pressures and uncertainty fueling a huge surge in fraudulent activity. The full scale of insurance fraud is unknown as much is underreported and undetected.

**+159%**

YoY growth in digital Fraud  
TransUnion



- Amount of money stolen every year from American Consumers**  
**\$308.6bn**  
Coalition Against Insurance Fraud (CAIF)
- Insurers detected 89,000 dishonest insurance claims valued at**  
**£1.1bn**  
Association of British Insurers (ABI)
- Detected and undetected fraud is estimated to cost customers and European insurers**  
**€13bn a year**  
insuranceeurope.eu
- In 2020 Singapore reported**  
**3x more fraud**  
in claims between 2018 and 2020
- Annual insurance fraud losses in Australia**  
**\$2 billion**  
Australia - IFBA (The Insurance Fraud Bureau of Australia)

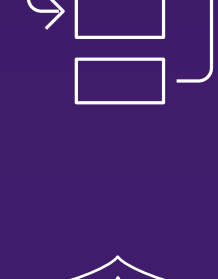


**Allianz Commercial says it has detected “record fraud volumes” in the past year, with the amount of fraud increasing by more than 11% in just 12 months.**

allianz.co.uk

## How fraudsters are innovating

Every minute someone is targeted by insurance fraud – both opportunistic and organized. With new, emerging threats becoming more prevalent, time is of the essence to keep pace and outsmart fraudsters.



### Induced and Staged Incidents

Deliberately cause an accident, including road traffic collisions for the purpose of financial gain



### Ghost Broking

Selling and issuing forged or invalid discounted insurance policies



### Collusive Supplier Behavior

Conspiring with vendors to gain unfair benefits



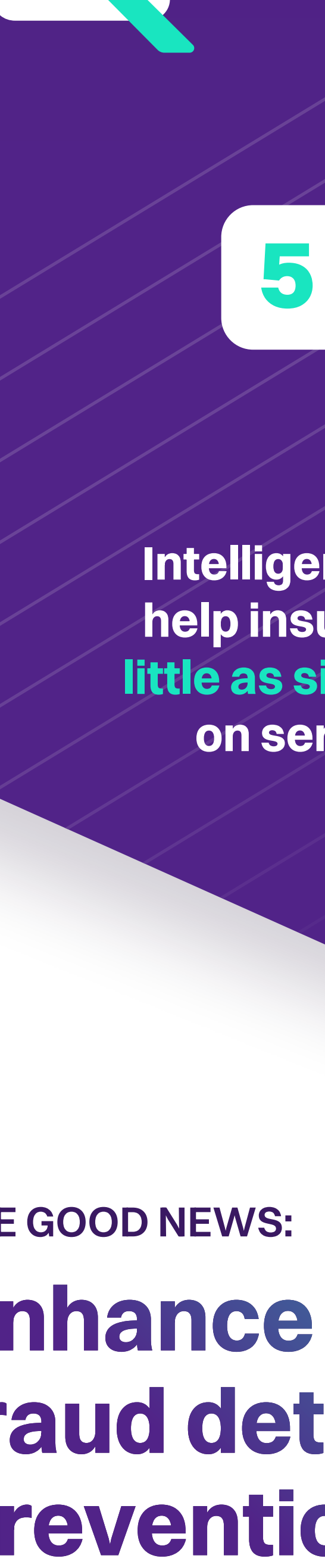
### Stolen Personal Details

Fraudsters obtaining personal and financial details to exploit unsuspecting victims



### Emerging Digital Threats

The metaverse, deepfakes bots or synthetic media can effectively be used to file fraudulent claims, create fraudulent inspection reports, and even establish the existence and condition of assets that do not exist



**Only 39% of insurers indicated they are either taking or planning steps to mitigate the risk of deepfakes.**

Source: propertycasualty360.com

## It's time for a new approach to detect insurance fraud

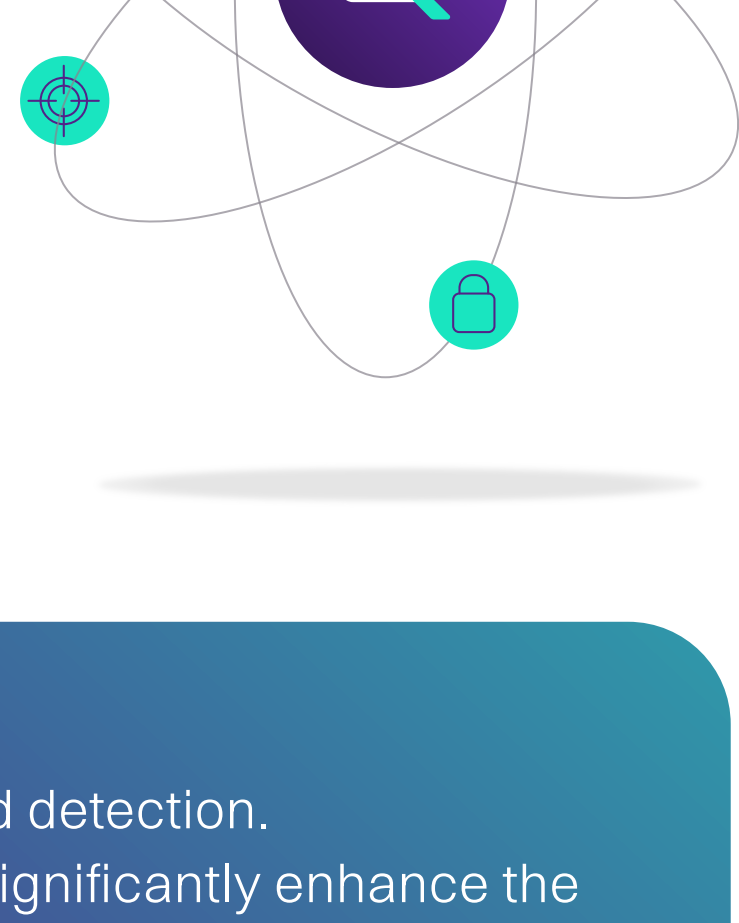
The threat to insurers and their customers has accelerated the need to have the right resources, data and toolset to harden defenses. Questions for consideration:

- 1** How much new business has to be written to cover \$10m of fraudulent claims?
- 2** Are your automated processes securely protected against emerging threats?
- 3** Are you providing claims handlers and your SIU with all of the information they need?
- 4** Have your fraud savings increased in line with business growth to ensure profitability?
- 5** If you can stop fraudulent claims being paid, is it really the cost of doing business?

**Intelligent automated fraud detection can help insurers save from fraud losses in as little as six months – without compromising on services or customer experience.**

### THE GOOD NEWS:

## Enhance your enterprise fraud detection and prevention strategy with context



Decision Intelligence (DI) is the next generation in fraud detection. By digitizing and automating fraud detection, you can significantly enhance the intelligence available for your SIU to make more accurate decisions faster.

**An intelligent fraud detection platform will empower you to:**



**Generate a single view of your customers to enable rapid and effective decision making**



**Visualize auto-generated network diagrams showing relationships between individuals and businesses**



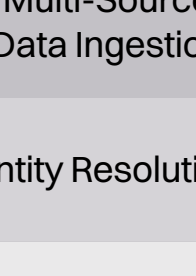
**Score networks to make the detection of fraud much easier**

**Context is saving insurers 1-3% on their total claims spend through better fraud identification**

## How Decision Intelligence works

With Decision Intelligence, and the right platform to enable it, insurers can connect and operationalize internal and external data to develop a richer and more comprehensive understanding of every applicant, customer, claimant, third-party, supplier and risk across the insurance value chain.

**The result? You get a continuous stream of relevant insights that maximize the value of your data assets – insights that help you solve business problems and capture otherwise hidden opportunities. And it's all delivered through one platform.**



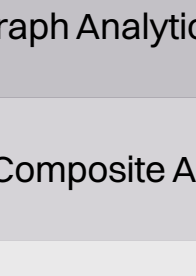
### Unify

Integrate any source at scale to build a trusted data foundation

Multi-Source Data Ingestion

Entity Resolution

Enhanced Data Quality



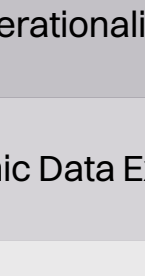
### Create Context

Reveal relationships and insights, create stronger analytics

Graph Analytics

Composite AI

Context-Based ML



### Decide & Act

Augment and automate decision-making for actionable insights

Operationalized AI

Dynamic Data Exploration

Explainable Decisions

**quantexa**

**DECISION INTELLIGENCE PLATFORM**

**An open and modular enterprise platform for outcome-driven solutions**

## The benefits of a contextual approach



**Accurate detection of previously hidden risk**



**Accelerate investigations**



**Increased fraud prevention**



**Added protection to scale automated processes**



**Enhanced customer experience**

The growing reliance on digital services enables fraudsters to find new sophisticated ways to operate hidden from view. Decision Intelligence provides your investigators with more control and better context to make trusted decisions and identify fraud faster at scale.

**70% improvement in fraud impact**

**1-3% improvement in C.O.R**

**80% reduction in investigation time**

**100% coverage across all product lines**

**quantexa**

**Download the eBook** or visit our **dedicated content hub** with resources available to help support your fraud prevention strategy

**Quantexa.com**

