Sedgwick fraud solutions:

people
technology
insight

Sedgwick's award-winning counter-fraud proposition is built on three pillars: people, technology and insight.

A perennial problem

Figures from the Association of British Insurers show that the value of detected fraudulent claims totalled £1.1 billion across the insurance industry in 2020 — and the average value of each claim was 6% up on the previous year. Staying one step ahead of fraud is a perennial problem.

Fraudsters don't exercise brand or product loyalty. And with continuing tough market conditions caused by the pandemic, insurance fraud is very likely to increase as people and businesses come under financial pressure.

Sedgwick is the first claims management company to partner with Shift Technology and adopt their groundbreaking claim counter-fraud initiative. Using machine learning and artificial intelligence (AI), combined with our expert investigations team, we're radically improving early accuracy in pinpointing insurance fraud.

Sedgwick's proactive investment in this innovative solution delivers a massive advantage to our dynamic, business-wide digital strategy. It provides our adjusters and claims handlers with crucial claims insight across home, commercial, motor and liability. And, where needed, it gives our skilled investigators a tactical and informed edge in the fight against fraud.

While new technology is invaluable in alerting us to risk, skilled analysts and investigators are required to ratify the output and evidence criminal activity. And conducting a fraud investigation really does need the human touch.

PEOPLE

Better at the front end

Sedgwick's investigation team comprises over 85 individual fraud experts aligned to Sedgwick's practice areas, with technical skills underpinned by professional insurance and investigation qualifications. More than that, they are empathetic, ethical and treat every claim as genuine.

Each fraud investigation focuses on doing the right thing and treating the customer fairly — excellent customer service must always go hand in hand with robust fraud detection.

Our expertise and voice analysis

Used alongside conversation management techniques, our investigators conduct non-confrontational discussions to capture behavioural indicators, which help us understand the vulnerabilities surrounding any suspicious loss. It's a managed process, which is carefully structured so that fraudsters feel exposed and, more often than not, withdraw their claim. Honest claimants are qualified as such and supported with appropriate care.

Our investigation services team already use digital voice risk analysis — the latest approach for risk identification and information validation — when interviewing potential fraudsters.

Voice risk analysis and conversation management are at the foot of our escalator approach to tackling each threat; this ensures we maintain the delicate balance between great customer experience and robust indemnity control.

TECHNOLOGY

Giving intuition the edge

Machine learning and AI are the latest innovations in our counter-fraud toolbox. Shift Technology's powerful decision support platform — specifically focused on the insurance industry — is configured to accelerate the detection of fraudulent behaviours, from claims exaggeration to sophisticated organised criminal activity.

Shift Technology has 180 data scientists continually developing and refining hundreds of fraud scenarios, defined from billions of claims, analysed across multiple categories. The system computes vast quantities of data and identifies anomalies far faster and more accurately than any human being could. It goes beyond the automated fraud indicators historically used to single out suspicious claims, giving our investigators' intuition a distinct edge.

Automatic and discreet

The system ingests all claims data, related documents and images (in any format), and then cleans and maps them to the platform's data structure. The imported claims information is enriched with third-party data, such as the Insurance Fraud Bureau's general data feed.

Incoming unstructured data is then interpreted and interrogated for two key things: network and claims fraud risks. The platform cross-references the information and automatically flags emerging patterns and suspect claims, discreetly and in real-time.

Reducing false positives

This highly effective counter-fraud mechanism powers a 75% success rate in identifying suspicious claims. It reduces false positives, which increases productivity for Sedgwick's investigation services team, and enables us to investigate lower value claims in a more cost-efficient way.
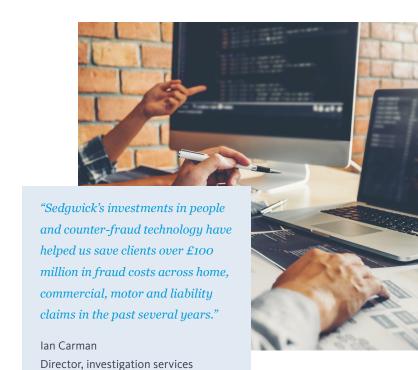
INSIGHT

One step ahead

Referencing industry-wide data, this new platform searches for similarities in scenarios, activities and documents from a wide range of sources to pinpoint potential fraud. It also continues to learn from the constant feed of fresh claims data. This means perpetrators find it increasingly difficult to use the same tactics without detection.

Emerging trends

The application of new analytical technology gives us better quality insight, enabling us to track what fraudsters are doing and see where risks are emerging in near real-time. It also has the built-in ability to alert our teams to new claims fraud trends. This makes us more agile in countering organised criminal activity or identifying vulnerable areas — while allowing us to proactively advise clients of threats as they surface and tackle them quickly.

"Sedgwick's investments in people and counter-fraud technology have helped us save clients over £100 million in fraud costs across home, commercial, motor and liability claims in the past several years."

Ian Carman
Director, investigation services

Why Sedgwick's investigation services?

- Access to 85+ highly skilled insurance fraud practitioners with proven track records in delivering market-leading return on investment and outstanding customer experience

- Significant investments in AI to improve counter-fraud services

- Only claims management company partnering with Shift Technology

- 75% success rate in detecting individual and network fraud

- Member of the Insurance Fraud Bureau

- Automatic fraud detection

  - reduces investigators' time and cost
  - makes our investigation teams more effective
  - allows us to inspect lower-value claims more economically

To find out more about Sedgwick's groundbreaking fraud detection solution, contact:

Ian Carman

Director, investigation services
Sedgwick International UK

M: +44 (0) 7788 351155
E: ian.carman@uk.sedgwick.com

sedgwick

sedgwick.com/uk