



INSURANCE FRAUD DETECTION

RiskShield INTELLIGENT CLAIM EVALUATION (ICE)

Insurance companies around the world today face the problem of how to deal with insurance fraud appropriately. Different targets may be contradictory within the company itself and are difficult to reconcile: lowering the costs of claims and processing them (claims department) on the one hand and new customer acquisitions as well as improving the quality of service on the other (sales department).

RiskShield is the software solution for intelligent claim evaluation. As a rule-based expert system, RiskShield automatically assesses the fraud risk of a reported insurance claim. RiskShield works similar to a human expert: The fraud risk is classified on the basis of the long-standing experience of human fraud experts. The system takes both fraud as well as non-fraud indicators into account.

RiskShield decision components are used in more than 35 insurance portfolios in Europe and North America for automatic claim evaluation and fraud risk assessment. An insurance claim automatically classified by RiskShield as inconspicuous can be settled faster and more cost-effectively, thus strengthening customer loyalty. The time now available for a detailed investigation of claims classified as unusual can save the companies millions every year.

ADVANTAGES OF RiskShield

Based on Fuzzy Logic

Evaluates the history of past claims from persons involved in the insurance claim

Maximum performance (decisions within milliseconds)

High transparency for decisions

Short reaction times to new fraud patterns

Reduces losses due to fraud that run into millions

WHAT OUR CUSTOMER SAY

» **RiskShield** allows us to more effectively allocate our investigative resources to those cases with the most fraud potential. «

Director Claims Security & SIU, Top 5 US Car Insurer



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A WIDE VARIETY OF USES

RiskShield allows insurance companies to intelligently control the processing of claims so that every claim requiring a manual check is assessed by a member of staff with the appropriate qualification. Furthermore, RiskShield helps insurance companies to create transparency in claim assessment since every claim is assessed according to the same criteria.

REFERENCES (EXTRACT)

Victoria

Axa

Gothaer

Direct Line

Aachen-Münchener

Generali

Zurich

Wüstenrot

GEICO

Gjensidige

Württembergische

Fuzzy Logic represents expert knowledge

As the world's first fraud-prevention system, RiskShield uses Fuzzy Logic – accepted as the best mathematical theory to represent (fuzzy) human expert knowledge. RiskShield thus offers your experts the possibility to feed the system with fraud-prevention rules in everyday language and with the aid of graphic editors. Fraud-prevention rules can thus be defined very easily, for example: „In the case of damage to a car following an accident, a new contract in combination with a relatively young male driver tends to be conspicuous.“

Pattern recognition and evaluation of historical data

RiskShield saves the history of reported claims for each policyholder in real time. All data is checked against expert rules and evaluated to recognize complex patterns based on dynamic profiles.

Easy integration

In general, RiskShield can be integrated into the technical organisation of an insurance company relatively easily: RiskShield takes ad hoc decision based on the existing data, i.e. normal claim processing is not delayed.

High transparency

Unlike most of the other fraud prevention systems, RiskShield can also provide a reason for the risk assessment on request. Every single assessment can be simulated and reproduced in detail to assure full transparency.

Short reaction times to new fraud patterns

Your experts (or on request the experts from INFORM or an INFORM partner) use the RiskShield client to evaluate new rules against new fraud patterns. The effects of new rules can initially be tested on the basis of older insurance claims before they are sent into production with only one click – with no downtime of the RiskShield decision server.

ABOUT INFORM

INFORM develops and markets software systems to optimise business processes on the basis of operations research and fuzzy logic. INFORM software takes its own intelligent decisions in real-time in the fields of fraud prevention for the credit, telecommunication and insurance business as well as in transport and intra-logistics, in airport resource management, in production planning, sales planning and material management. INFORM employs over 350 staff from more than 30 countries at its sites in Aachen, Frankfurt and Chicago, USA.

FURTHER INFORMATION

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