



Solution Overview

Insurance Solution

Overview

Insurance fraud can be committed at various points in the claims transaction process by different parties inclusive of claimants, policyholders and other third-parties. The Federal Bureau of Investigation (FBI) states that "the total cost of insurance fraud is estimated to be more than \$40 billion per year. That means insurance fraud costs the average family between \$400 and \$700 per year in the form of increased premiums. While many insurance companies accept claims fraud as an unfortunate cost of doing business, it doesn't have to be that way.

CaseWare™ Analytics employs a combination of business rules and predictive analytics to detect and prevent fraud throughout the claims process, spanning multiple lines of business – including auto, life, health, homeowners, disability, and workers' compensation.

With up to 75 percent of claims data being unstructured and in siloed business systems, CaseWare Analytics is able to present a consolidated view of all the requisite data sets, detect anomalies, and trigger alerts to personnel within the business, to resolve the issues as soon as they occur. The solution is able to independently monitor all facets and variables involved in the insurance process such as transactions, customer behavior and third party data across multiple claims and lines of business.

CaseWare™ Analytics Capabilities

CaseWare™ Analytics provides the following key benefits:

Prevent Losses

Gain insight into 100% of transactions and customer data to identify fraudulent claims before they are paid.

360° Degree View of Risks

Identify fraud within or across any lines of business, while being able to quickly counteract emerging fraud schemes.

"CZ has chosen CaseWare Analytics as the tool to analyze millions of health care expenses for the purpose of identifying substantial error in the sub-ledger. For the third largest health insurance company in the Netherlands, data analytics plays a vital role in the day-to-day business."

Jacco de Leeuw, Internal Auditor
CZ

CaseWare™ Analytics for Insurance

<p>Healthcare Fraud</p>	<ul style="list-style-type: none"> ○ Identify duplicated members and dependents ○ Invalid dependent(s) such as multiple spouses attached to the same member ○ Report excessive billing of same diagnosis, same procedures ○ Determine excessive number of procedures per day or place of service per day / per patient ○ Identify multiple billings for same procedures, same date of service ○ Analyze data for mismatched services to diagnosis codes ○ Test for doctor and patient with same billing address ○ Claims that are split to bypass adjudication limits ○ Incomplete claim information submitted but claim still being processed for payment ○ Changes in claim details after the initial claim is made ○ Claims entered by unauthorized users ○ Claims approved for payments that exceed thresholds ○ Identify duplicated electronic, outsourced or internally keyed claims ○ New claims from suspended providers ○ Late claims approved for payment ○ Identify overpayment of claim based on business rules
<p>Life Insurance Fraud</p>	<ul style="list-style-type: none"> ○ Review transaction payments containing more than one type of payment type ○ Determine patterns of overpayment of premiums ○ Review payments from highly suspect banks or countries ○ Test if customer is from a non-cooperative country or territory as identified by the international Financial Action Task Force (FATF) ○ Report purchases of multiple products in a short period of time ○ Analyze beneficiaries with multiple policies ○ Analyze employees that are beneficiaries ○ Determine agents/brokers with high numbers of death claims ○ Calculate benefit payments paid for lapsed policies ○ Find policy loans that are greater than face value ○ Report any unauthorized policy changes
<p>Insurance Management</p>	<ul style="list-style-type: none"> ○ Compare commissions paid based on recalculation and paid amount ○ Generate reports on paid-up additions, dividends on deposit, policy loans, etc. ○ Summarize monthly transactions by new business, death, endowments, etc.
<p>Investment Securities</p>	<ul style="list-style-type: none"> ○ Calculate average yield by investment type and show detail variances ○ Calculate total accrued interest receivable by type of security, agent, etc. ○ Compare computed interest to amount actually received on investments

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