

SHIFT

Top 3 Reasons to Modernize Fraud Detection in P&C Insurance

In today's evolving insurance landscape, staying ahead of fraudsters is not just advantageous, it's imperative. The stakes are high, and the urgency to modernize outdated systems is essential. Here are three compelling reasons why C-suite executives must prioritize this initiative without delay.

1 Sophistication of Fraud Schemes

The US market is seeing a surge in complex fraud cases, ranging from falsified claims to organized crime syndicates, **making traditional detection methods obsolete.**

In 2024 the Inland Empire Automobile Insurance Task Force

uncovered a large-scale organized auto insurance fraud ring

leading to 12 arrests

US P&C insurers are losing an average of

\$8 million per \$1 billion in GWP

2 Costly Consequences

Fraud losses are escalating by 10-15% annually, directly contributing to a rise in combined ratios, pushing insurers to increase premiums for policyholders and risk loss of market share.

3 Regulatory Pressure

Heightened scrutiny and regulations bring the risk of hefty fines, damage to reputation, and potential imprisonment.

In 2023, Texas Department of Insurance opened

213 law & order investigations

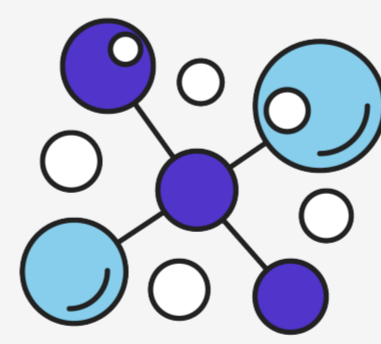
against insurers for improper claims handling

Leveraging AI vendors offers insurers:



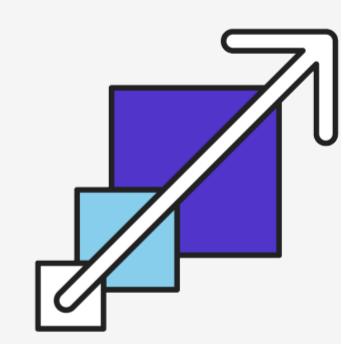
Network and collusion detection

AI identifies complex patterns and connections indicative of fraud, analyzing large datasets for real-time responses.



Comprehensive analysis

AI integrates various data sources and maps connections among seemingly unrelated entities to reveal complex fraud schemes.



Scale and expertise

Partnering with AI-driven fraud detection vendors ensures regulatory compliance and leverages their expertise and scale.

The time to act is now—there's no room for delay in the fight against insurance fraud.

Learn more at www.shift-technology.com/claims-fraud-detection

SHIFT

About Shift Technology

Shift Technology delivers AI decisioning solutions to benefit the global insurance industry and its customers. Our products enable insurers to automate and optimize decisions from underwriting to claims, resulting in superior customer experiences, increased operational efficiency, and reduced costs. The future of insurance starts with Decisions Made Better.

Learn more at www.shift-technology.com