SHIFT

Customer Story

Shift Technology helps tier 1 insurer detect and prevent fraud, waste and abuse cases

The situation

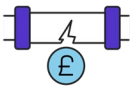
This tier 1 organisation protects more than 4.5 million people and due to a series of mergers supports a wide range of different life and health coverages.

As a market leader in health insurance, fighting fraud, waste and abuse is one of this customer's highest priorities but due to high health claims volumes, siloed data and evolving fraud approaches, existing rules based systems were very limited.

Some of the key areas for priority focus are; detecting fraud before payments are made (as well as after) and discovering not only fraud but also cases of waste and abuse.

Evolving fraud schemes with outdated technology were falling behind

Preventing fraud before providers and beneficiaries are paid to avoid recovery



Focus on waste and abuse in addition to fraud

The solution

Using Shift Fraud, Waste and Abuse Detection over multiple years has enabled this insurer to position themselves as a leader in the fight against health insurance fraud. During the configuration stage of the engagement, a dedicated Shift data scientist team extracted and consolidated the raw claims data into a health insurance-specific data model ready for use in Shift trained AI scenarios.

Shift algorithms cleansed the data, reconstructed claims and identified hidden individuals and entities before applying AI to assign a suspicion score, real time, to each claim submitted.

Based on this score, the solution generates not only alerts related to suspicious claims, but also detailed explanations as to why the claim was flagged, for example where dental implants have been claimed for without any evidence of prior treatment to the particular tooth or where contact lenses have been prescribed for a very small vision correction.

This enables claims professionals to have significant visibility into suspicious claims, including those involved in extremely complex cases. Delivered via Software as a Service (SaaS) model, Shift Fraud, Waste and Abuse Detection uses AI to detect member and provider fraud and other suspicious payments such as billing abuse, falsified invoices and organised fraud schemes. A next step in this insurer's journey is to deploy the solution's advanced visualisation tools which will help discover organised fraud networks, such as those involving collusion between the insured and a practitioner.

> "Head of Control and Investigations Department, says "It's a cat and the mouse game. Fraud evolves very quickly and can take very different forms to which insurers must adapt and, above all, to show that they act."

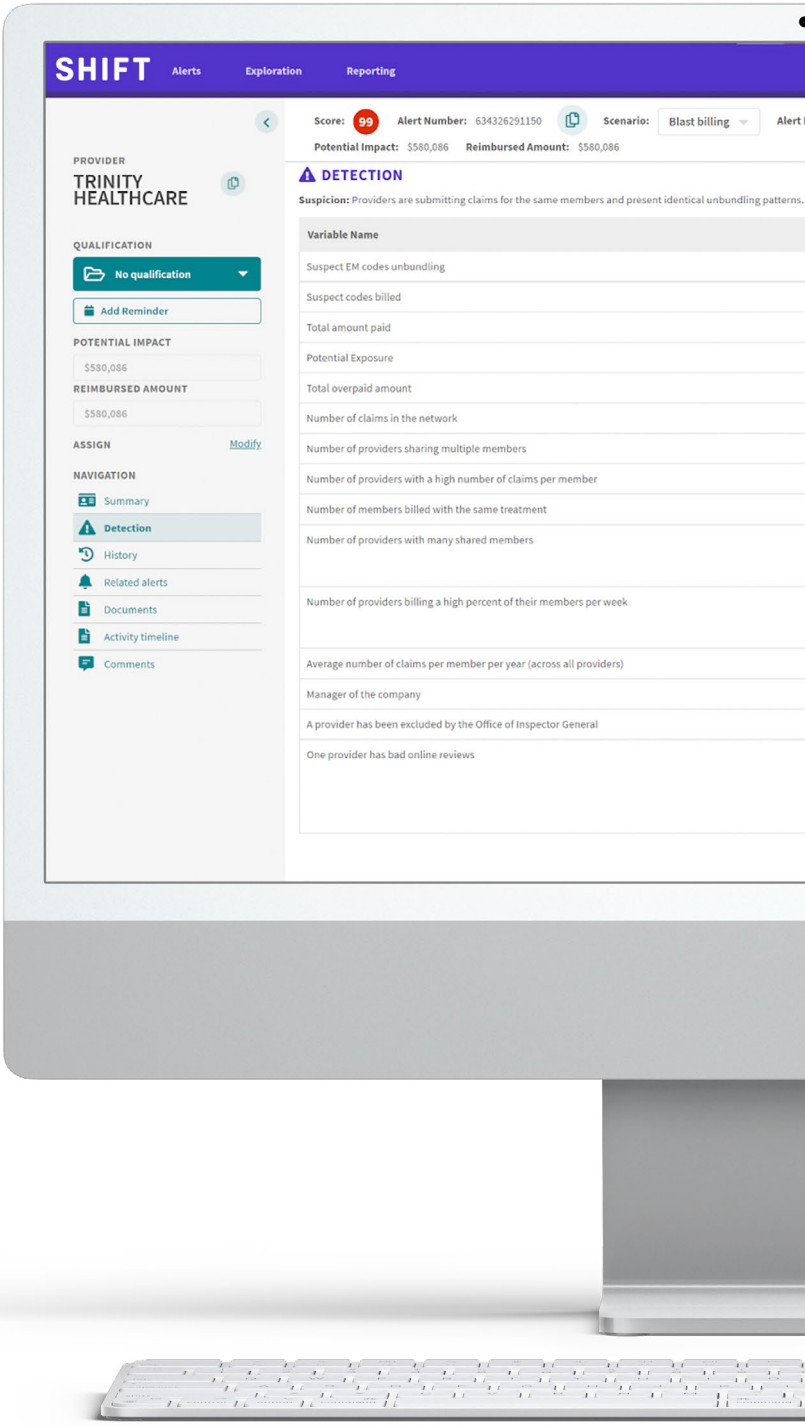
Shift's implementation included:

Entity Resolution: Thorough data cleansing, mapping and entity resolution

Real Time Detection: Prepayment and post payment detection for 75+ fraud waste and abuse scenarios covering inpatient, dental, hearing, optical and more. Avoiding lengthy recovery for the majority of relevant cases

Full integration: Integration with downstream payment systems to speed up savings recovery

Case and recovery management: Ensuring seamless management of fraud waste and abuse cases through to recovery increasing team efficiency by an estimated 20%



The result

Shift provides the insurer in house claims professionals with the ability to analyse and investigate large volumes of suspicious claims in real time. Automating the fraud detection process and delivering decision support tools accelerates the resolution of suspicious activities and enables them to save tens of millions of pounds each year whilst delivering excellent patient care.

Results include:

- An **87% hit rate** of alerts that justify investigation by an anti-fraud manager – well above the industry standard of 30%
- **£19.5B of claims analysed** with 4% raising a suspicion alert. **£44.5M of fraud recovered** and a further **£54M blocked** before payment
- Cost/Expenditure **saving tens of millions of pounds per year** on fraud, waste and abuse

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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 optimise 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/en-gb