Coalition Against Insurance Fraud

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# The Keys to Unlocking SIUs Future Success

## 2023 Research Study

### Executive Summary

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# The Keys to Unlocking SIUs Future Success

## Foreword

This year, the Coalition Against Insurance Fraud celebrates our 30th anniversary. Since our founding, the Coalition has been, and remains, the only anti-fraud organization whose mission includes providing ground-breaking research studies to evaluate, assist and guide the insurance fraud fighting community and those who regulate and legislate its activities. This study not only continues that long and important history, but also appropriately revisits one of the Coalition's most important research achievements twenty years later. While many insurers had developed Special Investigation Units (SIUs) and a number of anti-fraud organizations were formed or revitalized, the Coalition was the first in 2003 to attempt to quantify how insurers were investigating insurance fraud across the United States. The Coalition boldly addressed and led the discussion on both measuring SIU success and posing the question of what "best practices" insurers should consider in fighting insurance fraud.

Two decades later, and 30 years since our founding, the Coalition stands stronger than ever. Our research studies are routinely used and cited by insurers, legislators, regulators and courts across the U.S. In recent years, through programs such as the Global Insurance Fraud Summit and the change to our by-laws to welcome key international anti-fraud partners, the Coalition's research studies are now regularly presented around the globe.

Vital research studies such as the one you are about to read do not come forth easily, nor without significant investments of time, resources and financial support. All research studies conducted by the Coalition must be developed and approved by our outstanding Research Committee—one of the most hard-working and dedicated groups of volunteers we are privileged to work with. Studies must additionally be approved by our Executive Committee, the highest level of Coalition oversight and governance. This helps us to ensure research studies that carry the moniker of the Coalition Against Insurance Fraud are always of the highest quality and standard.

However, none of that ever occurs without the support, resources and financial assistance of our research collaborators. Our sincere appreciation goes to the PwC team without whose ideas, diligence and commitment this study would never have been conducted. Many Coalition studies begin with internal discussions and then lead to finding a key strategic partner to complete the study. This case, however, was an exception. The Keys to Unlocking SIUs Future Success study was, and remains, a research project envisioned by PwC and its extensive team of global anti-fraud leaders. It has been our privilege and honor to work with this global leader to both bring you vital new information and data in the fight against insurance fraud, while also looking back and comparing where and how the insurance anti-fraud profession in the U.S. has evolved over the past two decades and finally to lay the groundwork for establishing new and innovating practices, procedures and methods to better fight insurance fraud in the decades ahead. Read, learn and utilize this study. By doing so, you make your organization and the Coalition ever stronger.

**The Coalition Against Insurance Fraud**
**Washington, D.C.**

## Overview: Setting the scene

Special Investigation Units (SIUs) and their leaders face more challenges today than perhaps ever before. There are increasing expectations from stakeholders to identify suspicious claims earlier in the claim lifecycle, expediting the investigation process to distinguish high-risk claims and pay legitimate ones faster—all while operating with reduced staffing levels.

Every insurer strives for leading claims and investigation performance, but what does that really mean? Which standards are being used to even start evaluating key anti-fraud metrics such as overall detection, conversion, acceptance rates and false positive ratios?

The challenge lies in striking the correct balance: swiftly and accurately identifying potential fraud while developing new methods for straight-through processing (STP) to help reduce manual touchpoints and lower associated expenses.

Everything comes with a price. Fraudsters adapt rapidly, often submitting countless “undetected” claims and conducting fraudulent activities that affect the entire industry, before insurers can establish safeguards or response systems. Ultimately, it is consumers who bear the cost in the form of higher premiums, personal injuries and damages. Insurance fraud is the crime we all end up paying for. That is why it is critical we work together to persistently seek effective solutions to help combat insurance fraud.

## About this report

The Coalition Against Insurance Fraud, America’s only anti-fraud alliance speaking for consumers, insurance companies, government agencies and other key strategic partners, has collaborated with PwC to conduct this important study addressing SIU effectiveness, measurements and staffing. **The Keys to Unlocking SIUs Future Success** is our inaugural research study aiming to gather information and develop insights to boldly address these vital issues. Our shared goal is to provide participating insurers with an invaluable tool to assess their own SIU operations and develop a clearer view and proper protocols for building successful SIUs in this new data-driven, anti-fraud world. Insurance fraud never stops, and neither must we.

## A brief historical note and a look to the future

In addition to responses received through this study, a previous Coalition study on SIU performance was conducted in 2003. The questions from that study are included in this study. Results are available for a 20-year comparison of responses on page 21. By providing this additional data, it is our hope this comparison sheds additional insights on current trends, such as advanced analytics-driven investigations, which were not available in 2003.

We hope that this serves as a foundational study. By design, many Coalition research studies are recurring to allow for analysis and comparison of data and to identify key trends as anti-fraud efforts continue to modify and adapt. In that spirit, this study may be repeated and built upon for future research purposes. Perhaps more frequently than the two-decade gap since this important issue was last addressed.

## Key study findings

What does our survey reveal about how insurers measure and drive performance in anti-fraud investigations? In this peer-group analysis, we assess the collective performance within the SIU industry and identify opportunities for advancement and improvement. Instead of accepting fraud-related losses as the cost of doing business, many successful organizations are seeking innovative strategies to help improve their operations for enhanced effectiveness in preventing and detecting insurance fraud.

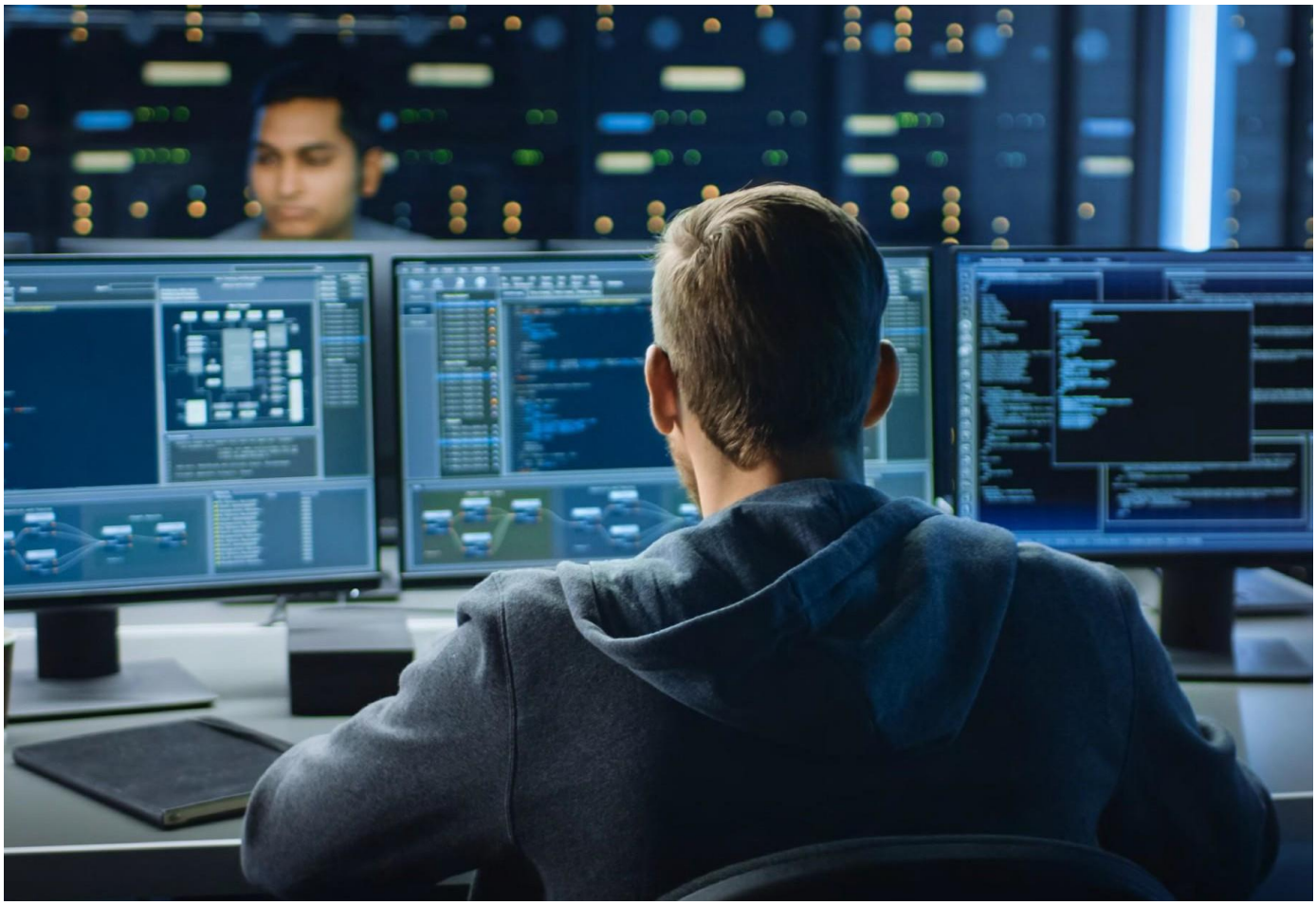
- **Fighting fraud is a priority across the insurance industry**. Almost all companies (99%) have a Special Investigation Unit.
- **Evaluating SIUs is a regular practice**. A substantial percentage (88%) of companies report that they evaluate the overall effectiveness of their investigative program.
- **Most insurers are adopting advanced analytics**. Of the respondents, 67% confirmed that their organization is using advanced analytics to try to enhance their ability to detect fraud.
- **Many companies have yet to transition to automation in their referral efforts**. More than half of respondents today are not able to automate referrals to the investigative team.
- **Most companies still rely on manual processes**. Even with implementation of advanced analytics, most companies are still reliant on the claims organization and others to manually detect suspicious claims. According to the findings, 83% of those surveyed report they receive 51-100% of their referrals through manual or human processes.
- **Assessing economic impact is vital for efficient fraud management**. Currently, most companies (82%) calculate the economic impact of their SIU investigations. This calculation encompasses the value of the referred claims investigated by SIU and their effect on a claim.
- **Referral rates remain lower than industry estimates**. As many as 47% of insurers report their referral rates as 3% or less. However, key fraud organizations such as NICB, III, the Coalition, NAIC, and IASIU estimate around 10% of all claims are potentially fraudulent, according to the Coalition's study **The Impact of Insurance Fraud on the US Economy** (2022, p 30).

## Methodology

The Coalition is the only anti-fraud organization with a mission to provide in-depth research analysis of key anti-fraud issues. The Coalition regularly publishes multiple research studies each year under the supervision of our Research Committee. This study was conducted differently from recently published Coalition research studies. It's important to note the two preceding Coalition studies (**Who Commits Insurance Fraud** in 2022 and **The Ethical Use of Data** in 2023) were both very heavily consumer-weighted. The Coalition engaged an external research service, Dynata, to confirm surveys were consistently conducted of American consumer attitudes and opinions.

In follow-up to those studies, this survey was limited only to insurance companies. Insurers who are members of the Coalition Against Insurance Fraud, American Property Casualty Insurance Association (APCIA) and the National Association of Mutual Insurance Companies (NAMIC) were all encouraged to participate. Each insurer member was able to submit one survey response. Only those insurance companies that participated in the study will be able to receive the full and detailed study report with the supporting analysis. Coalition executive leadership and staff will have full discretion to release the full study document to key consumer advocate members along with regulators and legislators as deemed appropriate. All Coalition members may receive and download an executive summary of the study.

The study was conducted from July-August of 2023. Ninety-three (93) insurance companies participated in the study, which was the largest insurer participation in any Coalition study to date. Of the respondents, 45 insurance companies identified as members from the Coalition, 41 from APCIA and four were from NAMIC.



## 2023 conclusion and next steps

To help provide an effective measure of collective performance, the number of survey responses, size of insurers and lines of business represented give a holistic view of anti-fraud efforts by the US insurance industry today. Survey results highlight the strong emphasis on the presence and effectiveness of SIUs in tackling insurance fraud. SIUs are frequently comprised of both field and desk investigators, and their staffing often directly correlates with the total number of referrals to the SIU.

Many companies (38%) evaluate their investigative team monthly through SIU management or the company's senior claims and managers. These evaluations typically consider anti-fraud training, the deterrent value that the SIU provides, and other non-fraud-related activities performed by the SIU. Operational costs are most often the result of allocation by the line of business and the total expenses to the sponsoring business unit. One third use an unallocated cost approach.

Companies are combining manual processes and advanced analytics to identify potential insurance fraud. A significant 47% of respondents have a total referral rate of 3% or less. Meanwhile, 26% fall within a referral rate of 3% to 10%, with an additional 7% reporting a referral rate greater than 10%. Most respondents use advanced analytics that are developed by a combination of in-house resources and an external provider. A notable 68% of respondents receive less than 30% of their referrals through analytics. Most companies (83%) acquire more than 51% of their referrals manually. The majority of returned or cancelled referrals are due to their lack of suspected fraud elements.

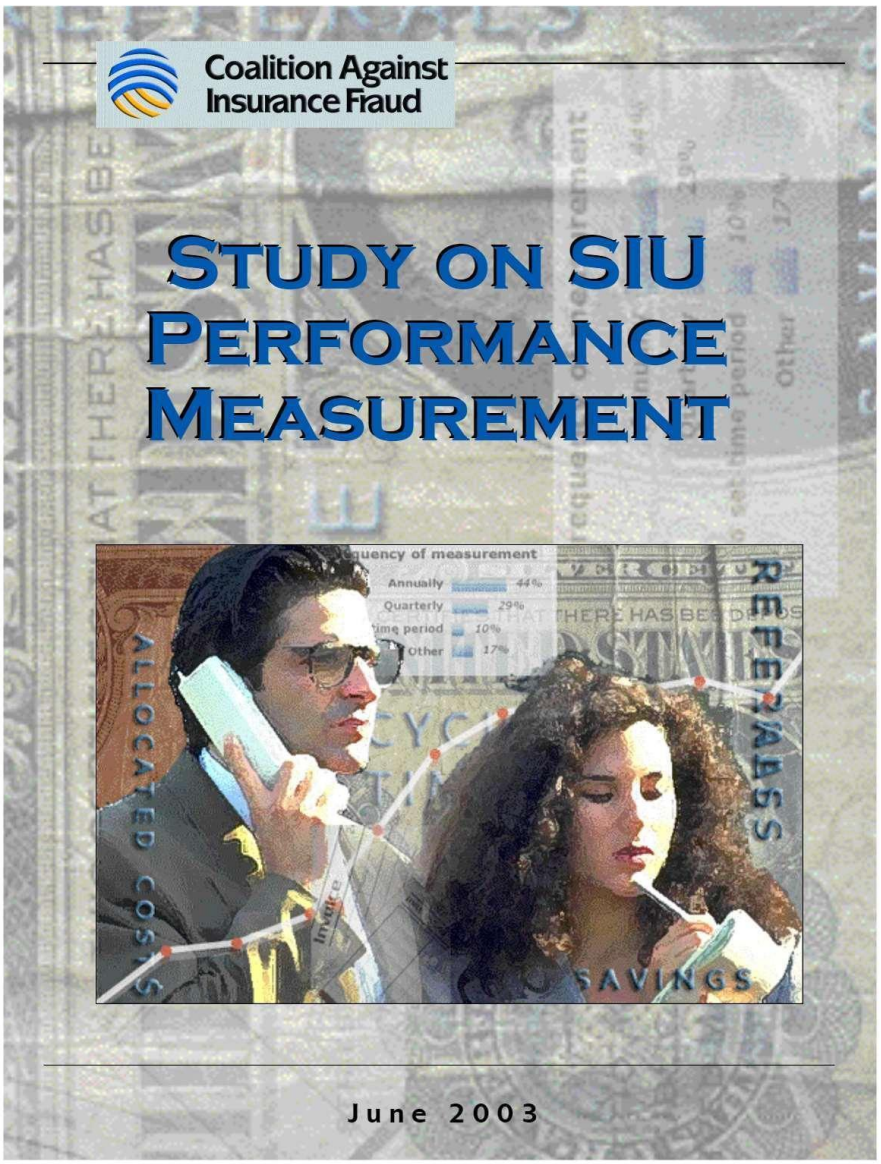
Advanced analytics can facilitate automation with the potential to streamline operations and more efficiently direct suspicious claims to SIUs for investigation. Presently, over half of respondents lack the ability to automate referrals to their investigative teams. Insurers employing straight-through processing may consider placing more emphasis on analytics to exclude claims without apparent suspicious indicators. This can be achieved through a combination of unstructured claims data, business rules, past instances of suspected fraud, third-party data, and specific claim types.

Understanding referral cancellations and assessing the economic impact of fraud investigations should be a top priority. Reducing referral cancellations frees up time and enhances the efficiency of investigative teams, allowing them to expedite those claims with clear indicators of suspicion—which ultimately benefits policyholders and claimants. Determining the economic impact of closed referrals, along with non-fraud-related work managed by investigative teams, provides a substantial return on the insurer's investment in combatting potential fraud.

The study's findings indicate a dynamic and evolving landscape in the struggle against insurance fraud. To address growing pressures, companies are embracing various strategies for their SIUs. While current challenges may appear daunting, they also present opportunities for industry-wide transformation. Automation and advanced analytics hold the potential to enhance investigation processes, helping to mitigate potentially fraudulent claims and bolster the ability to provide better customer satisfaction while decreasing the amount and impact of insurance fraud.

## Comparing the 2003 Coalition Study with the 2023 Coalition Study

Part of the purpose for our 2023 survey was to gather new data, but also look back at the 20-year-old survey conducted in 2003 by the Coalition. The **Study on SIU Performance Measurement** gave anti-fraud leaders at the start of the millennium a first glimpse of how insurers created, managed and evaluated the SIU's work at that time. The responses from the 2003 study are insightful when compared to comparable questions in the 2023 study. For that reason, we feel it important to provide a side-by-side analysis of the two studies' findings. The Purpose, Methodology, Study Results and Conclusions are taken directly from the original survey: The **Study on SIU Performance Measurement** (2003, Coalition Against Insurance Fraud, Insurancefraud.org).



## Purpose of the 2003 Coalition Study on SIU Performance Management

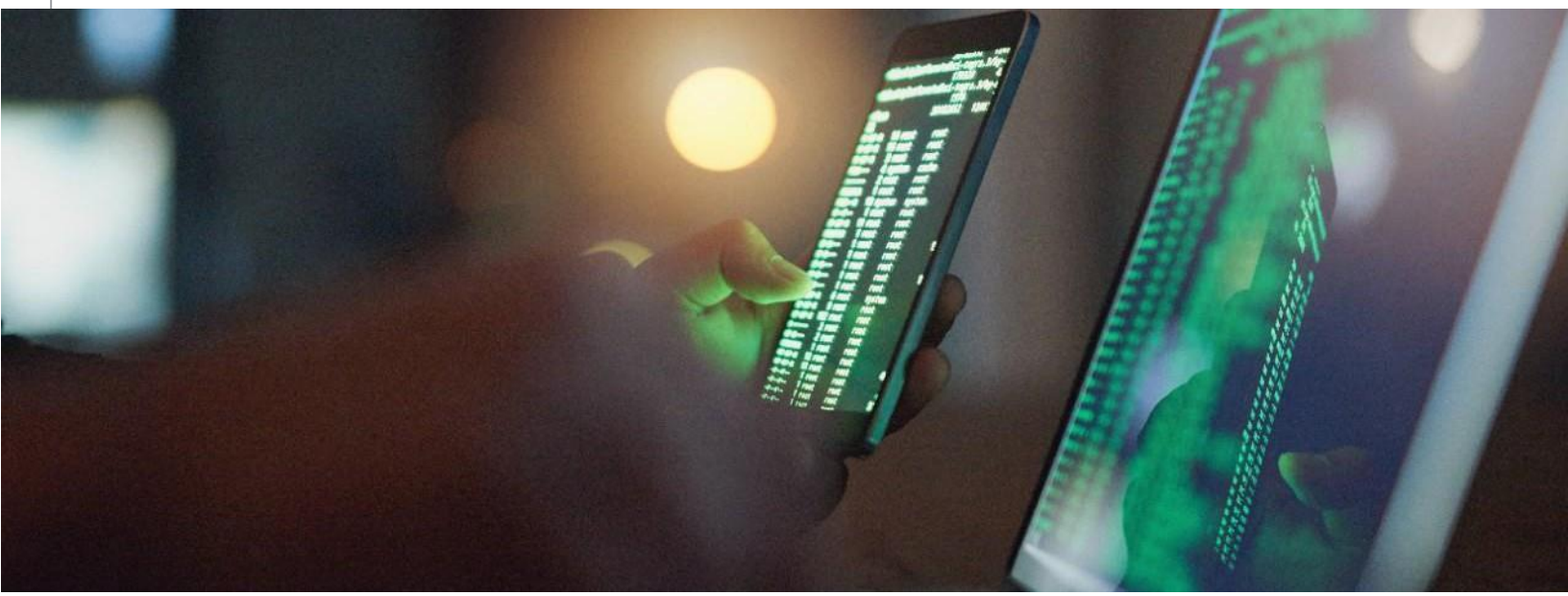
The goal of the 2003 study was to learn how insurance companies in the United States measure the performance of their Special Investigation Units (SIUs), what specific measurement devices were used and how they were applied.

The earlier study noted, since the growth of anti-fraud efforts began in the early 1990s, insurance companies have increasingly focused on efforts to determine the value that SIUs bring to the corporation. Through statistical measurement, insurers have sought to gauge effectiveness, calculate return on investment and determine whether SIUs should be expanded, reduced, taken in-house or outsourced. While many anti-fraud activities were started because states required them, insurers still seek to understand whether SIUs are cost-effective and how they are performing over time.

A secondary purpose of the 2003 study was to determine whether there existed enough common elements within insurer measurement systems to suggest the creation of industry benchmarks. A literature search did not find any data or earlier studies on this topic.

## 2003 Methodology

In late 2001, the Coalition Against Insurance Fraud formed their Fraud Measurement Task Force and assigned this new panel to study SIU measurement, among other activities. The task force developed and tested a 10-question survey sent to approximately 110 SIU managers representing all insurance lines. The survey forms were distributed by mail in September 2002 and were returned in either hard copy or by completing a form on the internet. Completed survey forms were accepted through January 2003. Survey results were tabulated and analyzed by staff of the Coalition with input from the Fraud Measurement Task Force.



## 2003 Study results

Fifty-two (52) SIU managers participated in the study by returning survey forms and providing data about their measurement programs. In 2023, 93 Insurers responded to the current survey.

## Result Comparisons

The responses to the nine questions posed in the 2003 study have been systematically aligned with corresponding questions in the 2023 study, despite differences in question numbering due to the expanded set of 27 questions in the latter.

2003 Question 1: Nearly 87% of insurers reported they sponsor formal programs to measure the effectiveness of their SIUs.

2023 Question 4: 88% of respondents evaluate the overall (not individual) effectiveness of their investigative program (SIU).

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2003 Question 2: More than 75% of participants reported that the responsibility for implementing measurement programs rests with the SIU department itself. However, half of those respondents said that other departments—mostly senior management and claims executives—also were involved in reviewing or overseeing measurement programs. Of the 45 respondents, 42% said senior management had a hand in measuring SIU and 18 percent stated that the claims department was involved.

In reviewing whether insurer size might affect which department conducts evaluations, small and large insurers tended to be measured by SIUs, whereas medium-size insurers relied more on claims departments and senior management to conduct measurement programs.

2023 Question 5: 45% of respondents state SIU management conducts evaluations of the investigative program (SIU). 27% responded that senior claims management conducts the evaluations and 11% of the time, senior management conducts evaluations.

Another 11% use one or more of the following to evaluate their teams:
SIU itself, audit and internal audit, a progression may begin with the SIU manager, to senior claims management to senior management, through a combination of Risk and Compliance and the Quality Assurance teams. This distribution suggests a collaborative approach to program evaluation within companies.

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2003 Question 3: Participants with measurement programs were asked how often measurement takes place. The most common time-period cited was annually (44%). Nearly a third (29%) reported measuring unit effectiveness on a quarterly basis. Fewer than 10% said they had no set time period for measuring or it was done on an on-going basis.

2023 Question 6: Performance evaluations of the investigative program (SIU) are conducted most often monthly (38%). 15% quarterly, and 20% annually. The frequency reflects a commitment to regular performance monitoring. 19% have no set period to perform SIU evaluations.

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2003 Question 4: The most popular method (29%) for calculating dollars not paid due to detection efforts is taking the estimated or actual dollar amount of claims submitted. Nearly 22% said they rely on the number of reserve(s) at the time the determination of suspected or actual fraud is made. 24% said they use reserves and the number of closed claims and others reported they use other methods or intentionally did not calculate savings.

2023 Question 18: Economic impact is calculated by 82% of the respondents. 38% of respondents use the mitigated amount impacted by the investigation, 34% use the estimated amount of the claim submitted or the actual dollar value of the claim while 6% use the claim reserve at the time the suspected fraud is made. 2% use the number of individual claimants, coverages or files that are closed because of the investigation. 20% of respondents use other means to calculate impact.

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2003 Question 5: Respondents were provided a list of 15 possible factors that might be used in rating SIU performance. Only two factors were cited by a majority of respondents: the number of referrals and quality and accuracy of investigations. How the latter factor is defined and determined was not explored since evaluating quality can be nebulous and intangible. All but two respondents used the number of referrals their SIUs receive as a factor. Related to this factor is the percentage of claims that is referred to the SIU, a factor that is used by nearly half (49.8%) of respondents. The next most-used factor (46.7%) was the number of claims files referred to SIU that were closed without payment. There also was a wide distribution in the number of factors used by the respondents.

2023 Question 21: Factors or calculations used to assess the investigative teams are in order of responses below. The highest calculation by 89% of respondents is the number of referrals (suspected fraud) to the investigative team (SIU). This is followed by the number of referrals accepted for investigation (70%), the number of claims referred that are mitigated and the quality and accuracy of investigations through an audit process of claims sent to the SIU (both 59%). 57% of respondents calculate the number of assists (non-fraud work) and 52% calculate the number of assists (non-fraud work) to the investigative team (SIU) and the number of claims referred for investigation to the investigative team (SIU) that are denied.

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2003 Question 6: Respondents were asked whether their SIU's were measured on non-detection activities, including their actions to deter future fraudulent acts, fraud training and other activities not traditionally related to fraud. A large majority considered training activities performed by SIUs in their measurement systems. Such training usually includes education of claims, underwriting and other internal departments. The value of deterrence is used by a quarter of respondents in their measurement systems. A third of respondents also used factors not related to fraud.

2023 Question 8: Most organizations consider the following when measuring the value of the investigative team:

- Deterrent value that SIU provides if suspicious entities are identified by an investigation (79%)
- Anti-fraud training that SIU provides for other company personnel (85%)
- Non-fraud-related activities performed by SIU (58%)
- The investigative impact against their company's Trade Combined Ratio

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2003 Question 7: Understanding how insurers account for the costs of their SIUs is important because the cost measurements are sometimes used in conjunction with SIU savings to determine whether anti-fraud activities truly add to the insurer's bottom line. Whether expenses should be allocated to the claims file or unallocated as an administrative expense is a discussion beyond this study but is a common topic of discussion within SIUs and insurance companies. The respondents are roughly equally split in the method they use (44% vs. 46%), with the remainder using a combination of the two methods. Small insurers tended to use allocated systems while medium-size insurers tended to use unallocated systems.

2023 Question 9: The majority of companies, 35%, allocate operating costs by the line of business of the investigation while 33% operate on an unallocated basis. 17% operate on an allocated basis based on the total expenses to the sponsoring business unit. A smaller percentage (12%) considers the SIU as a company profit center. This indicates diverse approaches to expense management.

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2003 Question 8: Slightly more than eight of 10 respondents investigated suspected fraud involving automobile claims. Other areas cited by the majority of respondents included homeowners' insurance, agent & broker fraud, commercial liability, and internal fraud followed by health fraud, the smallest percentage of respondents in the study.

2023 Question 22: Of those insurance companies that participated in the study, 52% were personal lines carriers, 60% were commercial lines carriers, with 40% being life, health, disability, or other lines. It appears that more than 51% of respondents were multi-lines carriers.

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2003 Question 9: The study solicited responses from a variety of types and sizes of insurers to provide a fair cross-section of the insurance industry. Large insurers represented approximately 44% of respondents, medium-size insurance (32%) and small insurance (24%).

2023 Question 23: 23% of the respondents had total written premiums of more than $5 billion. 32% had total written premiums of more than $1 billion and 23% had total written premiums of $250 million to $1 billion and 22% had total written premiums of up to $250 million. A well-rounded variety of respondents by size.

## 2003 Conclusions

Insurers use a variety of systems to measure their SIUs, with little commonality among factors used. Few correlations seem to exist between the types of systems and the size or line of business. That is, similar insurance companies used dissimilar systems. There is even a great disparity in how often they measure performance. The prospect of developing an industry-wide system to help establish benchmarks for SIU performance seems bleak unless many insurers are willing to change their measurement programs.

However, insurers and others interested in promoting effective SIU measurement systems should consider developing model programs that would be helpful, especially for insurance companies that are just beginning to measure anti-fraud activity.

Insurers appear to fall into three broad and sometimes overlapping categories: those without measurement systems, those that have them because states mandate annual data on anti-fraud activities, and those that see such systems as a true management tool to help to guide effectiveness.

Insurers that don't measure SIUs don’t conduct business in the states that require it, have new anti-fraud programs, or feel that measurement systems could be used against them in bad-faith litigation.

Three of four respondents report that SIU conducts measurement. Some may be concerned about such a high percentage conducting what appears to be a self-evaluation, which may not be as credible as one done by senior management or an independent department such as a corporate audit. However, a closer analysis of the data reveals that half of those respondents measure performance with another department, most likely in the review process. Still, that leaves half of those insurers—and 40% of all respondents—where SIUs alone are measuring their own operations.

Calculating savings from anti-fraud activities is another area where there is little commonality. Most either use the amount of the claim submitted or the reserve, but how companies arrive at that latter determination can vary greatly.

# Appendix

## 2023 Study Questions:

***The survey questionnaire intends to identify and recognize insurance industry efforts to detect and investigate the costly crime of insurance fraud to protect consumers and other stakeholders. Responses to the survey questions are on an aggregate level. Therefore, the information provided does not identify individual company responses. However, insurer participation is critical to this research and collective industry efforts to combat fraud.***

**Respondents were asked to complete all questions. Space was provided after several of the questions for any further explanation they wished to provide.**

1. **Does your company have a Special Investigations Unit (SIU) or a specialized team to investigate suspected insurance fraud?**

   Yes

   No

2. **How is your SIU or investigative team designed?**

   A SIU or similar team of special investigators

   A team of specialized claim associates who handle claims and SIU functions

   A unit comprised of company SIU investigator resources and outsourced investigators

   An outsourced team of Investigators managed by your company

   Do not have an investigative team (SIU)

   Other, please describe

3. **Is your investigative team (SIU) composed of?**

   Primarily field investigators

   Primarily desk investigators

   A combination of field and desk investigators

   Do not have an investigative team (SIU)

   Other, please describe

4. **Does your company evaluate the overall (not individual) effectiveness of your investigative program (SIU)?**

   Yes

   No

5. **What role or level in your company conduycts evaluations of the investigative program (SIU)?**

   SIU management

   Senior claims management

   Senior management

   Legal department

   Risk/compliance department

   Other, please explain

   Finance department

   Other, please explain

6. **How often is the performance evaluation of the investigative program (SIU) conducted?**

   Annually

   Quarterly

   Monthly

   No set periods

   Other, please explain

7. **How are staffing levels determined for the investigative team (SIU)?**

   By the number of total referrals sent to the investigative team (SIU)

   By the number of total referrals assigned per investigator

   By the number of total claims

   By the number of a specific kind of referral by specialty per investigator

   Other, please explain

8. **Does your measurement of the investigative team (SIU) consider any of the following?** *(check all that apply)*

   Deterrent value that SIU provides if suspicious entities are identified by an investigation

   Anti-fraud training that SIU provides for other company personnel

   Non-fraud-related activities performed by SIU

   The investigative impact against your company's Trade Combined Ratio

   Other, please specify

9. **How does your company expense the operating costs of your investigative team (SIU)?**

   Allocated basis (by the line of business)

   Allocated basis (by total expenses to the sponsoring business unit)

   Unallocated basis

   The investigative team (SIU) is a company profit center

   Other, please specify

10. **Is your company using advanced analytics to help identify potential fraud?**

    Yes

    No

11. **How are referrals identified for the investigative team (SIU) at your company?**

    By a manual process made through a company associate

    Use of business rules only to identify red flags

    By advanced analytics-driven process

    By both manual and advanced analytics-driven processes

    By manual processes, business rules and advanced analytics-driven processes

12. **If your company uses advanced analytics to help identify potential fraud, how are the analytics developed?**

    Internally by your company

    Externally by a vendor

    By a combination of internal company resources and an external vendor

13. **If your company uses advanced analytics to identify potential fraud, what percentage of referrals to the investigative team (SIU) come from this process?**

    0 - 10%

    10 - 20%

    20 - 30%

    30 - 50%

    50 - 75%

    75 - 100%

14. **What percentage of your referrals to the investigative team (SIU) come from manual or human processes (claims associates, internal analytics team, etc.)**

    0 - 10%

    10 - 20%

    20 - 30%

    30 - 50%

    50 - 75%

    75 - 100%

15. **What percentage of referrals to the investigative team (SIU) are returned or canceled before an investigation?**

    0 - 5%

    5 - 10%

    10 - 20%

    20 - 30%

    30 - 50%

    50 - 70%

    70 - 100%

16. **What is the primary reason to return or cancel a referral before an investigation begins?**

    Referral did not contain elements of suspected fraud

    False positive from analytics

    Claim is settled prior to assignment

    Claim is settled before the investigation is complete

    Referral is the function of a claim's associate

    Referral is something that another department should work

    Other, please specify

17. **Is economic impact calculated on claims investigated by the investigative team (SIU)?**

    Yes

    No

18. **How is economic impact calculated after an investigation by your investigative team (SIU)?**

    Claim reserve(s) amount at the time the determination of suspected fraud is made

    Number of individual claimants, coverages or files that are closed as a result of the investigation

    Estimated amount of the claim submitted

    Actual dollar value of the claim

    Mitigated amount impacted by the investigation

    Other, please explain

19. **Do you have the capability to automate referrals to the investigative team (SIU)?**

    Yes

    No

20. **What factors do you use to automate referrals to the investigative team (SIU)?** *(Check All that Apply)*

    Claim type

    Key risk indicators

    Past known suspected fraud

    Third-party data infusion

    Claims data

    Policy data

    Application data

    Business rules

    Advanced analytics

    We do not automate referrals

    Other, please specify

21. **What are the factors/calculations used to assess your investigative team (SIU)?** *(check all that apply)*

Number of referrals (suspected fraud) to the investigative team (SIU)

Number of assists (non-fraud work) to the investigative team (SIU)

Number of referrals to the investigative team (SIU) and accepted for investigation

Number of referred claims to the investigative team (SIU) by total claims volume

Number of referred claims to the investigative team (SIU) by the line of business

The percentage of total claims and the claims referred to the investigative team (SIU)

The percentage of claims and claims referred for investigation by the investigative team (SIU)

Number of claims referred for investigation to the investigative team (SIU) that are closed without payment

Number of claims referred for investigation to the investigative team (SIU) that are denied

Number of claims referred for investigation to the investigative team (SIU) that are mitigated

Average total paid on all claims sent to the investigative team (SIU)

Total Economic Impact per closed referral to the investigative team (SIU)

Average Economic Impact per closed claim/coverage type investigated by the investigative team (SIU)

Recovered premium due to the investigation by the investigative team (SIU)

Cycle time from start to complete investigation by referral to the investigative team (SIU)

Average cycle time from start to completed investigation by an investigator of the investigative team (SIU)

Examination Under Oath (EUO) cost avoidance when the investigative team (SIU) conducts the EUO

Origin and Cause investigation cost avoidance when the investigative team (SIU) conducts the O&C investigation

Surveillance investigation cost avoidance when the investigative team (SIU) conducts the Surveillance investigation

Cost to outsource investigative services

Amount of restitution ordered on claims investigated by the investigative team (SIU)

Percentage of claims investigated by the investigative team (SIU) and sent to state agency as required by statute

Criminal action was taken on claims referred for investigation to the investigative team (SIU) and sent by statute to state agency

Civil action taken on investigated claims by the investigative team (SIU)

Anti-fraud legislative activity that is monitored or proposed by the investigative team (SIU)

Membership/leadership positions in anti-fraud organizations by members of the investigative team (SIU)

Quality and accuracy of investigations through an audit process of claims sent to the investigative team (SIU)

Other

22. **What line(s) of business are investigated by your investigative team (SIU)?** *(check all that apply)*

- Personal Auto
- Homeowners/Property
- Commercial Auto
- Commercial Property
- Commercial Liability
- Workers Comp
- Life
- Health
- Disability
- Long-Term Care
- Travel
- Pet
- Farm
- Other, please list

23. **Your company's total premium volume as reported by the most recent NAIC Report or Company Annual Report?**

- Up to $250 million
- $250 million to $500 Million
- $500 Million to $1 billion
- $1 Billion to $5 Billion
- More than $5 billion

24. **What is your total referral rate** (divide total SIU referrals by the total claim count)?

- Less than 0.25%
- 0.25 - 0.50%
- 0.50% - 1%
- 1% - 2%
- 2% - 3%
- 3% - 4%
- 4% - 5%
- 5% - 6%
- 6% - 10%
- Greater than 10%
- We do not capture referral rate

25. **What is your referral acceptance rate** (divide the total referrals to SIU by those accepted for investigation)?

- Less than 5%
- 5% - 10%
- 10% - 20%
- 20% - 30%
- 30% - 40%
- 40% - 50%
- 50% - 60%
- 60% - 70%
- 70% - 80%
- 80% - 90%
- 90% - 100%
- We do not capture referral acceptance rate

26. **What is your impact ratio** (divide SIU referrals closed with impact by all SIU referrals)?

    Less than 10%

    10% - 20%

    20% - 30%

    30% - 40%

    40% - 50%

    50% - 70%

    70% - 100%

    We do not capture the impact ratio

27. **What is your overall cycle time** (The time between referral acceptance to closure)?

    0 – 10 days

    10 – 20 days

    20 – 30 days

    30 – 40 days

    40 – 60 days

    60 – Greater

    We do not capture cycle time

28. **Please provide comments to better understand the metrics and measurements used by your company or any other feedback for the benefit of this research study?**

29. **Insurers who participate in the survey will receive the full and detailed study report. They will receive an invitation to a webinar where the full survey results will be discussed. Please provide your name with an email address and/or your company name to receive the detailed study and webinar invitation.**

    Name:

    Email address:

    Company name:

Coalition Against Insurance Fraud

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## About the Coalition

The Coalition Against Insurance Fraud is America's only anti-fraud alliance speaking for consumers, insurance companies, government agencies and others. Through its unique work, the Coalition empowers consumers to fight back, helps fraud fighters to better detect this crime and seeks to deter more people from committing insurance fraud. The Coalition supports this mission with a large and continually expanding armory of practical tools-- Information, research and data, services, and insight - as a leading voice in the antifraud community. Formed in 1993, the Coalition is made up of nearly 300 member organizations, and they unite to fight all forms of insurance scams regardless of who commits the fraud.

**Visit: Insurancefraud.org**

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