



Sedgwick releases 2018 Fraud Management End of Year Report

LONDON, 20 March 2019 – Sedgwick, a leading global provider of technology-enabled risk, benefits and integrated business solutions has released its Fraud Management End of Year Report for 2018, identifying and detailing key trends from over 8,700 cases of new investigation instructions received throughout the year.

The report captures the award-winning work of Sedgwick’s Investigation Services team, which in total saved over £47m last year when handling claims for its clients.

One of the key findings from the report includes the growth in cyber fraud, with an estimated £1.3m saved in 2018 alone.

Whilst the number of cases investigated fell when compared to 2017, the decrease was down to a reduction in suspect tour operator sickness claims, which peaked in 2017. Setting these aside, new instructions slightly exceeded those from 2017, with the home, commercial, motor and liability products featuring most prominently.

Of particular note was a spike in instructions to investigate suspect claims relating to the accidental loss of high value personal possessions while away from home, such as jewellery or watches. Interestingly, this surge came late in the year (November to January period), inferring that ‘buyer’s remorse’ may be a factor.

The report also suggests fraudulent claims will continue to evolve and remain a major issue for the insurance industry in 2019. Looking ahead, Sedgwick is working alongside clients and partners to ensure it has a consistent approach to access to data, intelligence and digital tools. However, it is the expertise of Sedgwick colleagues who are interpreting analytics that’s of primary importance.

Steve Crystal, head of financial crime at Sedgwick, said: “Cyber remains a growing market concern and the savings on claims noted in the report includes a case where the culprit was identified on a case we managed, culminating in a seven year jail term for the perpetrator and £200,000 in savings for our client.”

He added, “We recognise that, statistically, the majority of insurance claims made are genuine, valid claims. But fraud remains a scourge in the insurance industry, and as fraudsters become more sophisticated and the nature of insurance fraud changes, it’s vital that we remain ever vigilant to deception and use of the latest technology to help reduce and ultimately rid the industry of this damaging and costly activity.”

Sedgwick’s Investigation Services team comprises 82 dedicated counter fraud practitioners specialising

in preventing and detecting insurance fraud using the latest technology. The team received four industry awards and recognitions in 2018, including cyber partner of the year and combating fraud collaboration of the year from a leading organisation.

“We’re proud of the positive impact our work has made for our clients in 2018. Specialisation is at the heart of our Investigation Services team, and our dedicated counter fraud colleagues will always be focused on our primary goal – to protect the reputation of our clients with our fraud management strategy, helping them keep their genuine customers whilst saving money with a transparent yet robust approach to false claims. Fraud detection remains a critical component of our clients’ risk strategies and an ongoing obligation as defined by the Financial Conduct Authority” Crystal concluded.

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About Sedgwick

Sedgwick is a leading global provider of technology-enabled risk, benefits and integrated business solutions. We provide a broad range of resources tailored to our clients’ specific needs in casualty, property, marine, benefits and other lines. At Sedgwick, **caring counts**[®]; through the dedication and expertise of more than 21,000 colleagues across 65 countries, the company takes care of people and organizations by mitigating and reducing risks and losses, promoting health and productivity, protecting brand reputations, and containing costs that can impact the bottom line. Sedgwick’s majority shareholder is The Carlyle Group; Stone Point Capital LLC, La Caisse de dépôt et placement du Québec (CDPQ) and other management investors are minority shareholders. For more, see www.sedgwick.com.

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