

AI-Native Fraud Detection for Underwriting

The Situation

The digital era has brought fierce competition, increasing customer expectations, a higher volume of policy application and underwriting decisions expected in near real-time, all impacting the profitability of an insurer's book of business.

Recent studies have shown that insurers lose approximately 10 percent of their total revenue to premium leakage and underwriting fraud. Fraudsters are becoming more sophisticated in their methods, while traditional rules-based underwriting solutions often result in too many false positives.

A different approach is required. To ensure rating integrity and prevent millions of dollars in premium leakage, insurers need to implement AI-based solutions and conduct sophisticated data analysis at scale.

The Solution

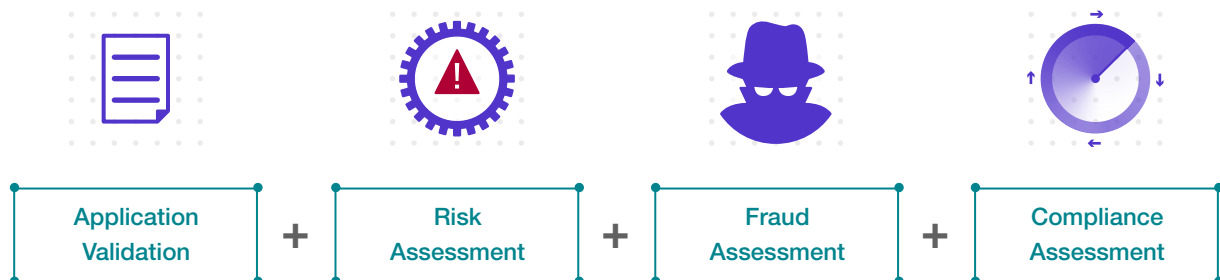
Shift Underwriting Fraud Detection combines an insurer's internal data with third-party external data to detect underwriting fraud across the underwriting workflow from quote through bind to policies in force at renewal. The solution produces a risk score that helps optimize the underwriting process, resulting in an improved customer experience, reduced churn and a more profitable insurance portfolio.

Shift Underwriting Fraud Detection verifies and validates all policy application data, including Risk, Fraud and Compliance Assessment. The results from these reviews can be used throughout the policy lifecycle including quotation, application, policy endorsement (change) and periodic policy renewal.

Shift Underwriting Fraud Detection is the only AI-native, SaaS-based solution designed for Underwriters to quickly and accurately detect application risk & fraud for the global insurance industry.

Key Benefits

- Reduce premium leakage and rate evasion
- Identify known fraudsters at point of sale
- Improve underwriter efficiency
- Enhance customer experience
- Reduce policy churn
- Monitor agent / broker performance



Shift Underwriting Fraud Detection

Insurers must balance customer expectations for fast onboarding with the need to detect misrepresentation, identify high risk applicants and ensure a profitable book of business in a timely fashion. Shift UW Fraud Detection analyzes mountains of data for various leakage and fraud scenarios, and surfaces those insights to your UW team's fingertips allowing your team to scale with increased accuracy and efficiency.

Key Features

AI-Native decision engine

Shift Underwriting Fraud Detection scores each quote, application, or policy against an evolving library of fraud and risk scenarios to detect misrepresentation and patterns of suspicious activity. The solution applies a range of AI techniques to each application, including:

- Automatic anomaly detection
- Algorithms that use “reinforcement learning” provided by underwriters
- Natural language processing (NLP) of text variables

Onboarding checks

Shift Underwriting Fraud Detection automates onboarding verifications and KYC validation checks through the integration of external data sources such as sanction lists and PEP watchlists.

Data cleansing and entity resolution

Shift Underwriting Fraud Detection consolidates all relevant quotation, policy and claims information using data quality routines and insurance-specific data models to ensure greater data accuracy. Shift Underwriting Fraud Detection denoising algorithms cleanse the data, and reconstruct entities to identify hidden individuals.

Third-party and unstructured data analysis

Shift Underwriting Fraud Detection can analyze a range of structured and unstructured data — including scanned documents and images — along with external data sources, such as location, VIN verification and credit scores to uncover fraudulent activities that would otherwise go undetected.

Deeper insight into policy applications and renewals

Shift Underwriting Fraud Detection provides underwriters with greater insights into suspicious activity by providing them with clear reasons as to why an application or entity is suspect. This simplifies and accelerates the underwriting process, enabling underwriters to focus on more complex cases.

Seamless integration

Shift Underwriting Fraud Detection's SaaS-based AI engine easily integrates with existing legacy underwriting and policy management solutions, augmenting underwriting process at the point of sale.

Learn more about Shift Underwriting Fraud Detection AI-native fraud detection at www.shift-technology.com

