

# Fighting Fraud: Motor Insurance Sector

---

DAVID FITZGERALD, CEO MIBI

NATIONAL FINANCE SUMMIT, DUBLIN, 30<sup>TH</sup> MAY 2018



**MOTOR INSURERS' BUREAU  
OF IRELAND**

# Agenda

---

- MIBI organisation
- Scale of the problems we're facing
- What we're doing to address them
- What's next
- How you can help



# Who are the MiBi?

---

- MiBi's primary role: "Compensating victims of road traffic accidents caused by uninsured and unidentified vehicles"
- Assist Irish people involved in motor accidents abroad and Foreign victims who have accidents here
- Established 1955 - Agreement between Minister of Transport and Motor Insurance Industry
- Pay out circa €60m in compensation p.a.
- Not for Profit, fully funded by the Motor Insurance Industry writing in Ireland. Approx. €30 per policy
- €450m in Reserves

# Impact of the problem

---

- Estimate 1 in 14 vehicles in Ireland are uninsured
- >150,000 vehicles
- 1 in 8 of MIBI claims appear suspicious
- Fraud is estimated to add €50 to the cost of every motor insurance policy



# What type of Fraud are we seeing?

---



- Opportunistic Fraud
  - Gross Exaggeration
  - Causation (Aspects suppressed or misrepresented)
- Deliberate Falsification
- Deliberately Staged Accident
- Deliberately Induced Accident
- Claims Fraud “Tourism”



# Deliberately Induced Accident

Real-life Example:





# What are we doing?

---

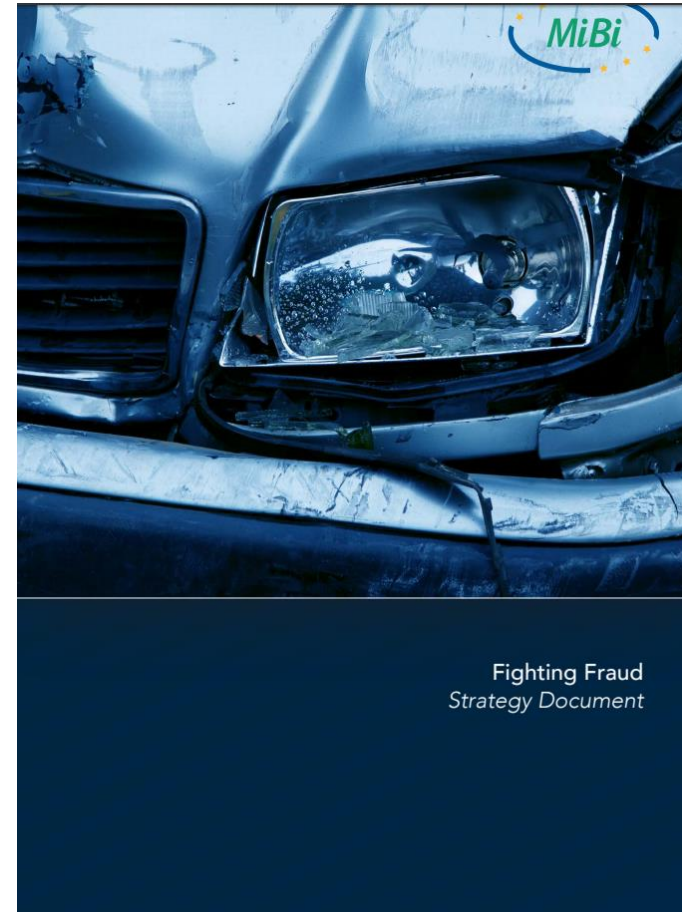
- 2016 - Appointed a Dedicated Anti-Fraud Manager
- 2017 - Launched a Fighting Fraud Strategy
- Ongoing - Public Commitment to Tackling Claims Fraud



# Fighting Fraud Strategy

---

- Comprehensive Evaluation
- Investigative Resources
- Working Hand-in-Hand with Gardaí
- Defend Claims in Court
- Seek Prosecutions
- MTPL Project to Aid Enforcement

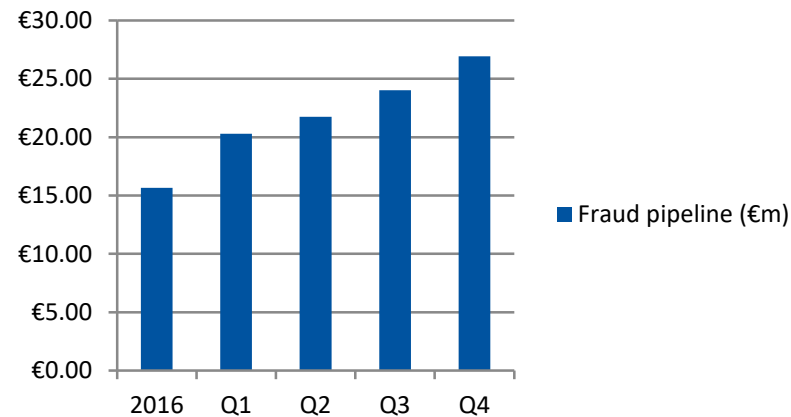




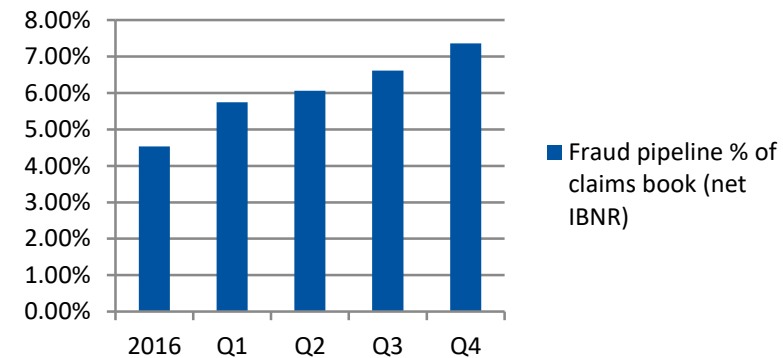


# Promising Early Results

**Fraud pipeline (€m)**



**Fraud pipeline % of claims book (net IBNR)**



	2016	2017
Claims Pipeline	€15.7m (4.5% claims)	€26.9m (7.4% claims)
Fraud Savings	€2.3m	€2.8m

► Positive Publicity as a Deterrent / Raise Awareness

## Pictured: Man who had €60k claim thrown out says 'Oh, I see you've been looking at my Facebook'

- Exclusive pictures of man who did triathlon five weeks after suffering 'incapacitating injuries'
- €60k claim dismissed on basis he misled court about previous medical history
- Previously settled claim for €20k after water slide accident in 2012
- Did not disclose details of earlier claim to the court



## Ten car crash claims hit the wall in legal test

### 'No road crash debris? That's fantasy talk'

## Love/Hate actor has €60k claim thrown out over Facebook posts

The verdict was welcomed by David Fitzgerald, chief executive of the MIBI.

Mr Fitzgerald told Independent.ie that the MIBI are taking a "tough stance" on suspicious claims and have adopted a "fighting fraud" strategy.

"We're prepared to spend money fighting these cases in court as in the long term, we are getting some good results from the judiciary. We want to make sure that there is enough money available there for genuine people," he said.

## Judge overturns whiplash awards in 'mystery car' case

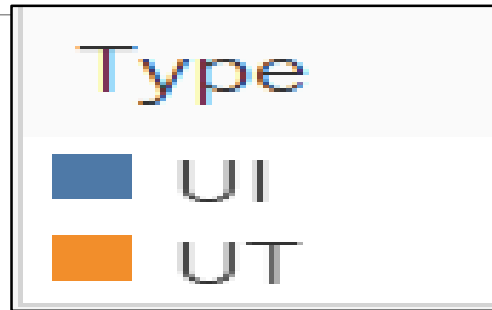


# MiBi Future: Using Technology to Assist

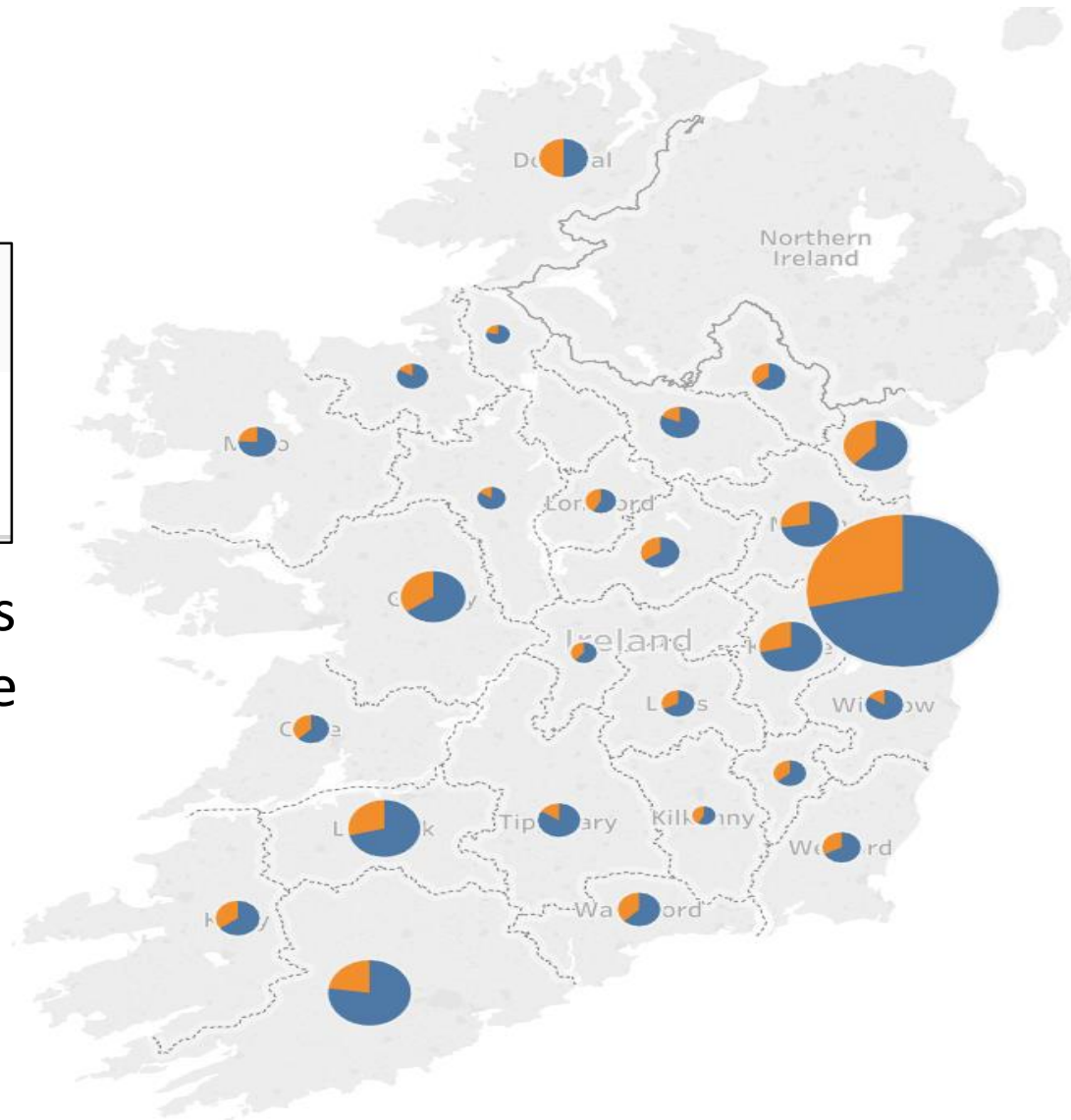
---

- Data analytics - IBM Analyst Notebook (i2) & ibase
- Visually map links between repeat claimants / addresses / vehicles / etc.
- Geocoding Data

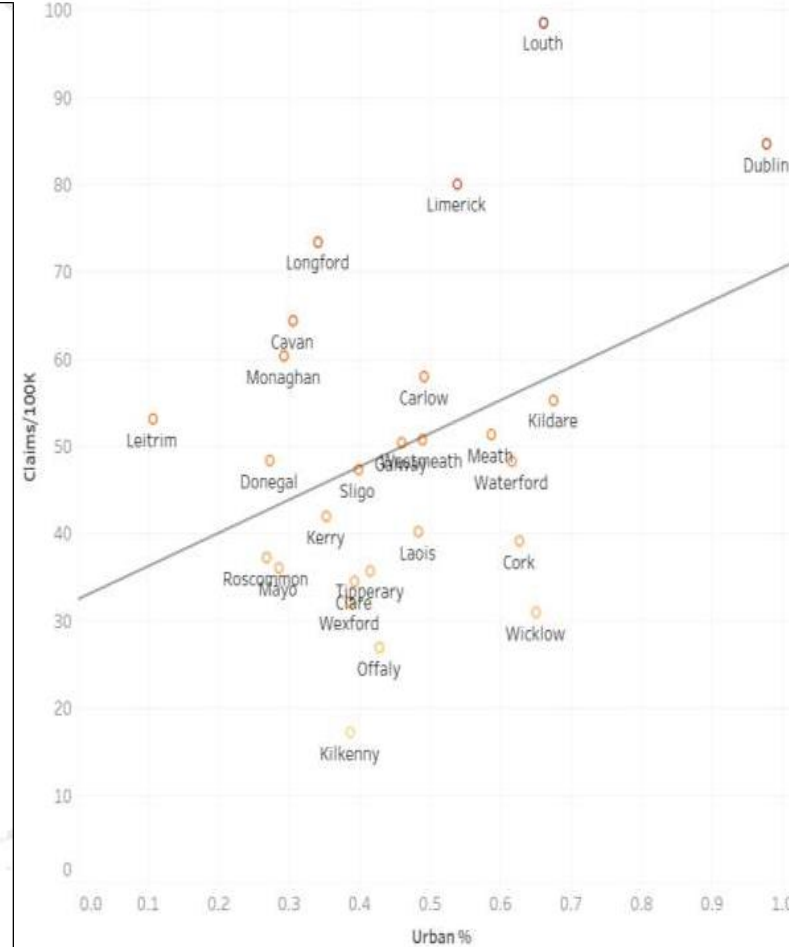
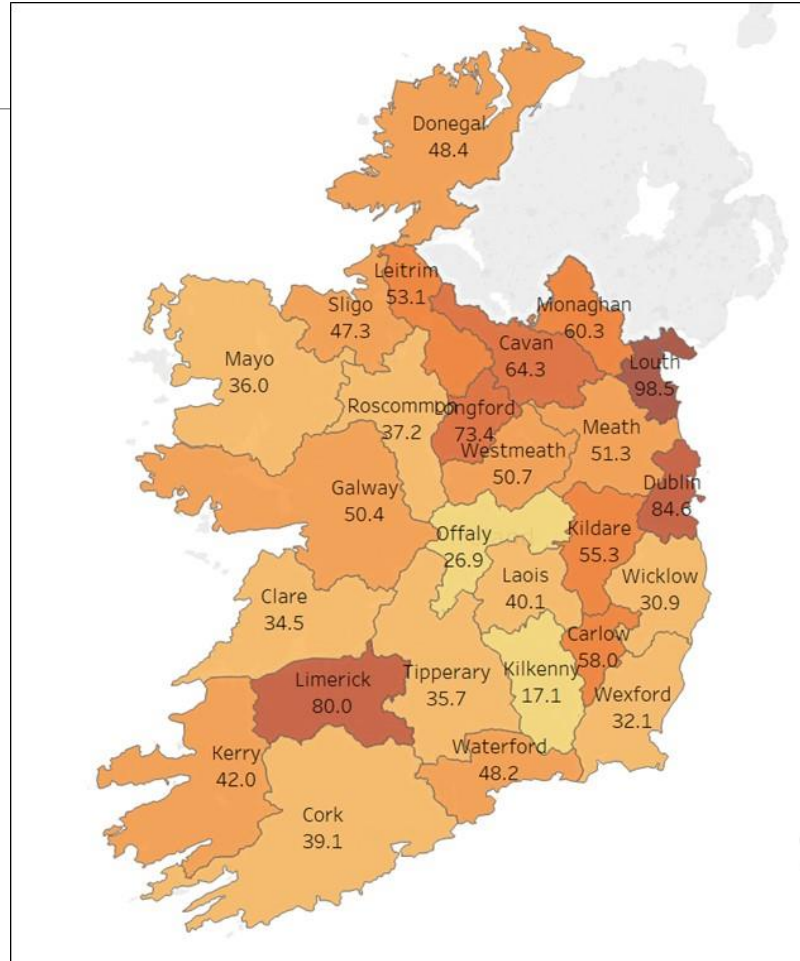
# Geocoding



Split of MIBI claims  
by county and type  
of claim



# Geocoding





# What can you do?

---

- If you suspect fraud:
- Insurance Confidential tips line
  - [www.insuranceconfidential.ie](http://www.insuranceconfidential.ie)
  - 1890 333 333
- Contact your local An Gardaí Síochána
- Contact MIBI (if it involves an uninsured vehicle)
  - [www.mibi.ie](http://www.mibi.ie)
  - (01) 676 9944



# Thank you

---

Contact details:

- [david.fitzgerald@mibi.ie](mailto:david.fitzgerald@mibi.ie)
- (01) 676 9944