

Which life event can affect someone **the most?**



Death of a loved one...

What happens?



“...My husband died suddenly due to an electric shock which has left me and my children in utter despair...”



“...We think of our father and weep. His untimely and sudden death has left us in a very bad state...”



“...Our life ended the day he died. Our once blissful and happy life turned into misery and desolation...”

A man in a dark suit and white shirt is walking a tightrope. The tightrope is a thick black line that forms a large question mark shape against a blue sky with white clouds. The man is positioned on the left side of the question mark, walking towards the right. The tightrope starts as a horizontal line from the left, goes up and around to form the top of the question mark, and then comes back down to a horizontal line on the right. The man is walking on the horizontal part on the left. The background is a bright blue sky with soft, white clouds.

“...We only pray to GOD to grant us the wisdom to deal with this uncertainty...”





Art or Science?



Dr. Ammara Moazzum

EFU Life Assurance Ltd

A close-up photograph of two hands clasped together on a rustic wooden surface. The hands are positioned centrally, with fingers interlaced. The person on the left is wearing a dark blue sleeve, while the person on the right is wearing a grey ribbed sweater. The background is a blurred wooden table. Overlaid on the image is the text 'An emotional business that requires empathy' in a white, italicized serif font. A thin blue horizontal line is positioned below the text.

*An emotional business that
requires empathy*

Content Outline



Claims philosophy



Life insurance contract



Types of Life insurance claims



External & Internal Stake-holders



Claims Management



Challenges



Insurance Fraud



Technology in Claims



Our Claims Philosophy



Principles approach

All genuine claims must be paid, invalid must not!

Fairly, accurately and promptly



Pro-active approach

Handling claims, especially questionable claims



Prophylactic approach

Learning from claims process

Life Insurance Contract

- Contract of good faith
- Complete disclosure is the key
- No room for misinterpretation



Types of Life Insurance Claims

Death Claims

- Natural Death
- Accidental Death

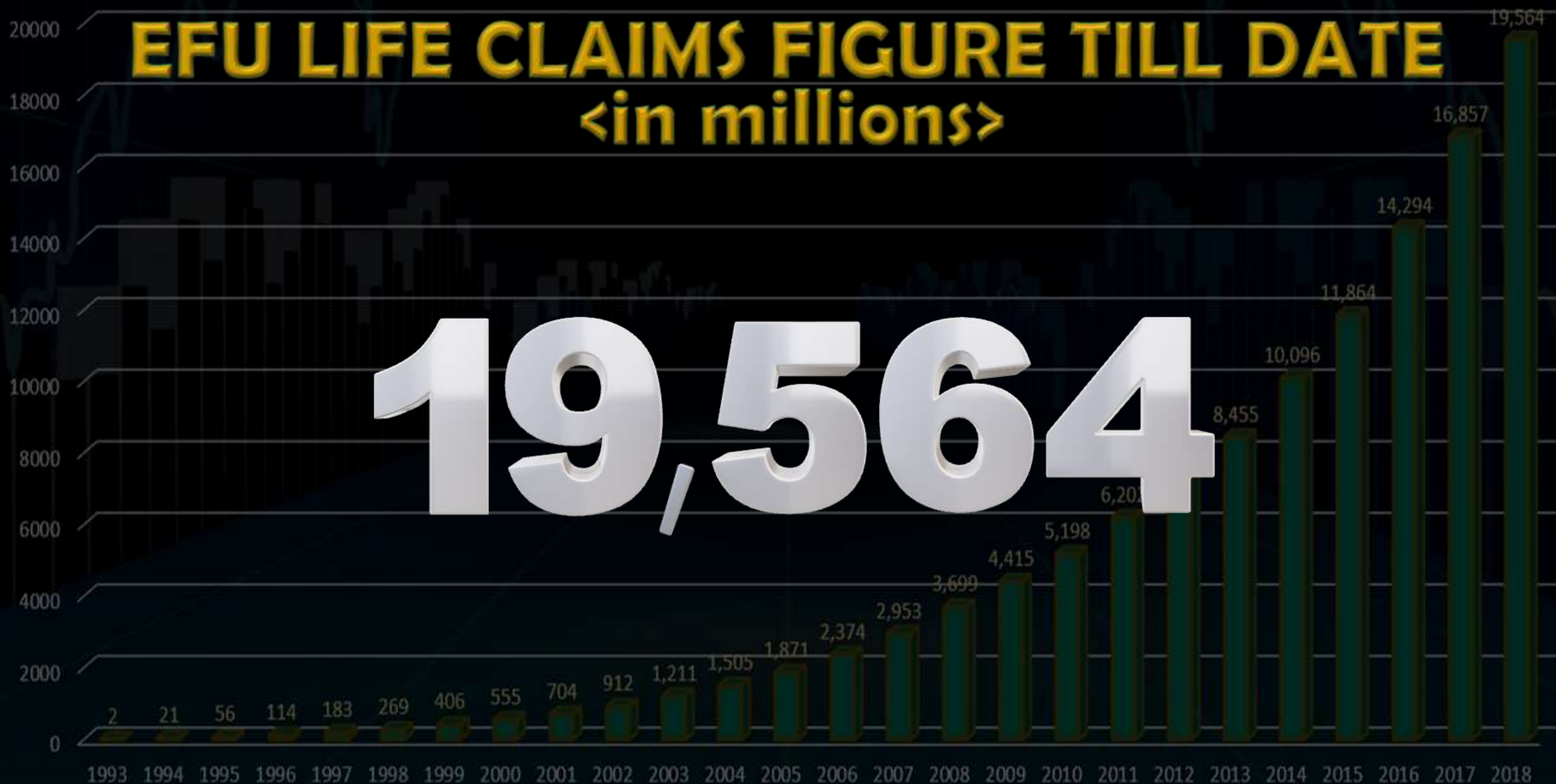
Living Benefit Claims

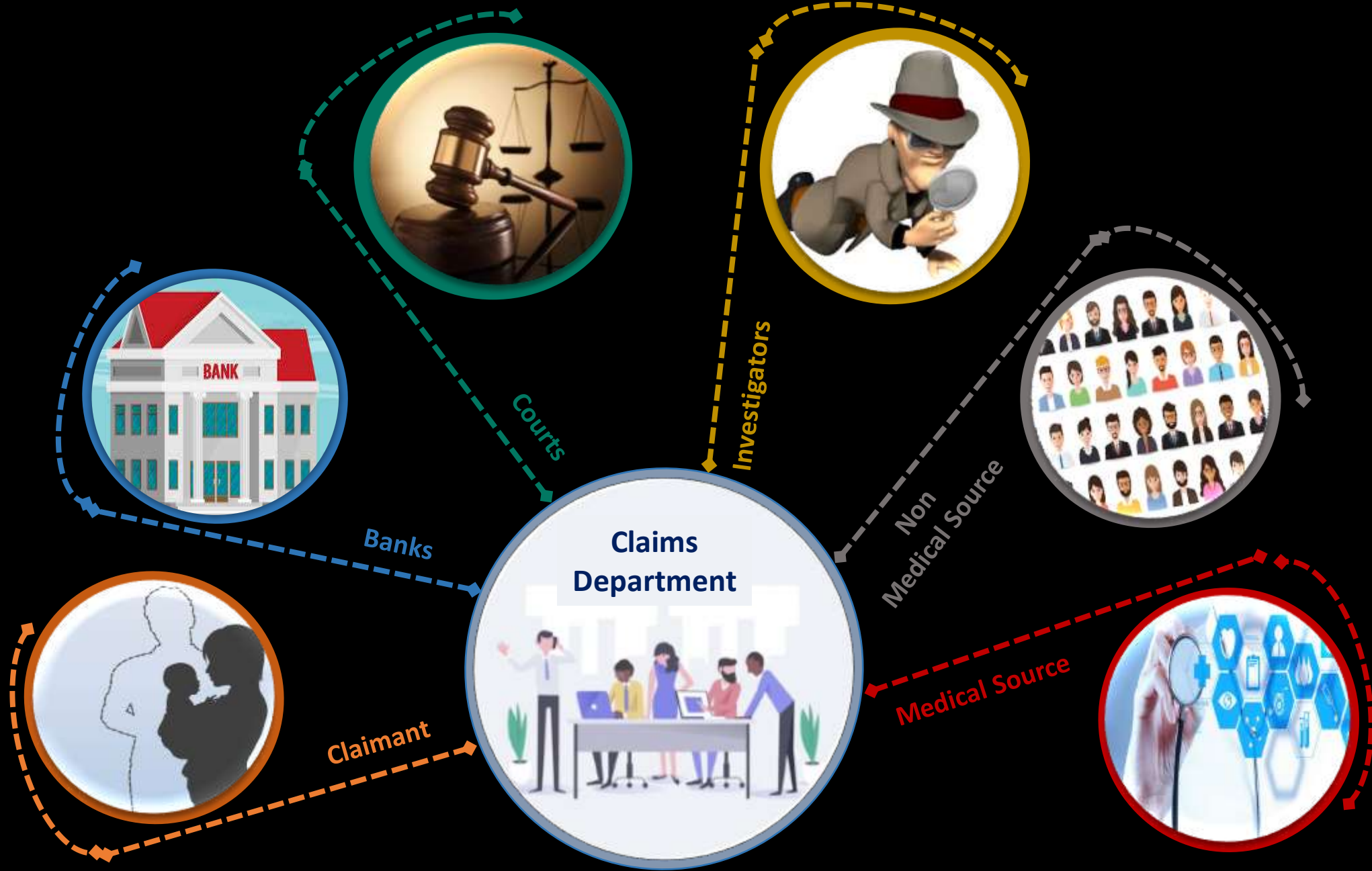
- Disability
- Critical Illness
- Maturity

EFU LIFE CLAIMS FIGURE TILL DATE

<in millions>

19,564





External Stake-holders



Internal Stake-holders

Objectives

- Pay genuine claims
- Timely claim settlement
- Reduce claim cost
- Detect fraud
- Derive information for data driven decision making



```
graph TD; A[Claim intimation received] --> B[Check Risk enforcement & Applicability of claim]; B --> C[Claim Requirements called]; C --> D[Requirements received → Claim processing starts]; D --> E[If necessary, claim may be sent for Investigation]; E --> F[Approved ← Claim Decision → Repudiated]; F --> G[Decision communicated to the client along-with payment instrument];
```

Claim intimation received

Check Risk enforcement & Applicability of claim

Claim Requirements called

Requirements received → Claim processing starts

If necessary, claim may be sent for **Investigation**

Approved ← **Claim Decision** → **Repudiated**

Decision communicated to the client along-with payment instrument



Common Disputes

- Signature on documents without reading
- Misinterpretation of policy wordings
- Mis-commitment during sales process
- Non-acceptance of material non-disclosure



Challenges

Reputational risk

Regulatory implications

Financial loss (*in case of Fraud*)



Reputational Risk

Client dissatisfaction due to:

- Rejected claim
- Delayed claim processing
- Exclusions applied
- Need of extensive documentation



Regulatory Challenges



Federal Insurance Ombudsman
Pakistan





Financial Losses

The cost of
insurance fraud
each year is big —
It's in the billions!

A dark, grainy, and high-contrast photograph of a person's face and hands. The person's hands are pressed against their face, covering their eyes and nose, suggesting a state of intense grief, pain, or despair. The lighting is dramatic, with deep shadows and bright highlights on the skin and hair. The overall mood is somber and emotional.

Pain & Grief

TERESA SIEVERS MURDER DETAILS
STATE ATTORNEY'S OFFICE

- Murder For Insurance

TERESA SIEVERS MURDER
STATE ATTORNEY'S OFFICE



- Murder For Insurance money
- One Man Admitted To Murder
- Whole Family On Vacation
- Marital Problems



6:01 81 F

Derion Vence Confesses to Killing Maleah Davis & Dumped Her Body In Arkansas – The Mother & Derion Planned The Murder For Life Insurance Mo.

A woman with dark hair, wearing a grey long-sleeved shirt, is seated at a wooden desk. She is looking towards the right side of the frame. On the desk, there is a computer monitor, a keyboard, and some papers. The background is slightly blurred, showing what appears to be an office or newsroom setting. The image is tilted at an angle.

© Associated Press Photo

A newlywed Nigerian woman, 45 year old Uloma Curry-Walker, who was accused of soliciting her firefighter husband's murder in order to collect \$100,000 in insurance money has been convicted of aggravated murder. As God will have it, she wasted her husband's life for nothing because his ex-wife was still the beneficiary of his Insurance policy.

...receive life in prison without parole for the 2013 murder of her late husband who was married just four

receive life in prison without parole
2013 murder of her late William
married just four months

Boyce Burns the Road for Easy



Complete
Novelette

CHAPTER I
A CRASH

MURDER

The numbers blasted lead

gentle swells for miles on either side of the road. He didn't

Money Heels Who Infest the Highway
By **CHARLES MARQUIS WARREN**
"Author of
"Ghosts Caught," etc.

By
**CHARLES
MARQUIS
WARREN**
*Author of
"Death Camps"*

1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 26



There was the sound of a car coming from behind. Boyce turned around to meet it, started to blurt out a warning, but the car was too close. It was a fire engine, and it was heading straight for him. The driver, a man in a uniform, looked back over his shoulder at Boyce. Boyce's mind raced. He had to get out of there. He turned and ran. The fire engine was too close. It was too late. The fire engine was too close. It was too late. The fire engine was too close. It was too late.

INSURANCE



COVERING GLYNN COUNTY

COVERING GLYNN COUNTY
GLYNN COUNTY COMMISSIONER, WIFE ARRESTED FOR INSURANCE FRAUD
DEPUTIES BELIEVE THERE MAY BE OTHER VICTIMS

CBS 47

ACTION NEWS JACK

What is Insurance Fraud?

Intentional misrepresentation of a material fact to obtain benefits under an insurance policy

Facts, if disclosed;

- Insurer would have avoided the contract
- Insurer would have charged substantially higher premiums
- Insurer would have attached an exclusion clause to the policy



INSURANCE FRAUD

Types of Fraud

Application fraud

- Intentional misrepresentation of information to obtain benefits under an insurance policy

Claim fraud

- Providing false information or filing false claims to obtain coverage

STATISTICS

60%

cite death benefits as the largest source of fraud



33%

analyze in-force books to proactively assess potential fraud



37%

would rather decline a claim for misrepresentation than allege fraud

1.7%

of identified fraud is prosecuted successfully



22%

use machine learning to detect fraud (40% in Asia)



Insurers identify 1 in every 30 claims as fraudulent



Claims fraud incidence (worldwide): 3.58%

Percent of applications containing fraud (worldwide): 1.38%



27

life insurers around the world responded

Ref: RGA-2017-Global Claims Fraud Survey

Fraud Detection & Prevention

- CLAIM ANALYST → Primary weapon of defense in fighting fraud
 - Experience & training
 - Detection of red flags
 - Non-reliance on documentation
 - Decision of claim investigation
- TECHNOLOGY → Plays a significant role in fraud detection
 - Claims Data Analysis
 - Risk Shielding
 - Artificial Intelligence



Red Flags

Natural Death Claim

- Early claim or recent risk enhancement
- Absence of death confirming documents
- Too many medical records
- Vague and non corresponding facts regarding death of assured

Accidental Death Claim

- No eye-witness of accident
- Perfect documentation
- Substantial delay in filing a claim
- Altered / forged accident report
- Threats/pressure by claimant

Fraud Handling Approach

Initiate investigation as soon as possible



Organize the findings as the investigation progresses



Review claim forms and submitted documents to detect any discrepancy



Carefully examine death certificates for any possible alteration or forgery



Interview the claimant to establish the identity, relationship and motive



Use of Technology

- Existing technology @ claims
- Future outlook
 - Triage
 - Artificial Intelligence
 - Big Data (Analytics)



Technology @ claims



PAPERLESS ENVIRONMENT

- Documents stored digitally
- Prompt claim processing
- Environment friendly



FAST TRACK CLAIMS

Early detection & settlement of low risk and accidental claims



SMS SERVICE

- Prompt notification to claimant about initiation of claim process
- 2 way SMS facility



ONLINE SUBMISSION

- Online claim intimation & document submission
- Availability of claim forms
- Answers to FAQs

Technology @ claims



AGENT APP.

Digital platform for sales force to:

- Lodge claim
- Upload claim documents



PlanIT

Facility for claimants to:

- Lodge claim
- Upload claim documents



CLAIMS HOTLINE

- Facility to handle queries / inquiries of claimants vigilantly



EFU LifeBot

1st in Pakistan's insurance industry

- Machine learning enabled program
- Answers claim queries 24x7

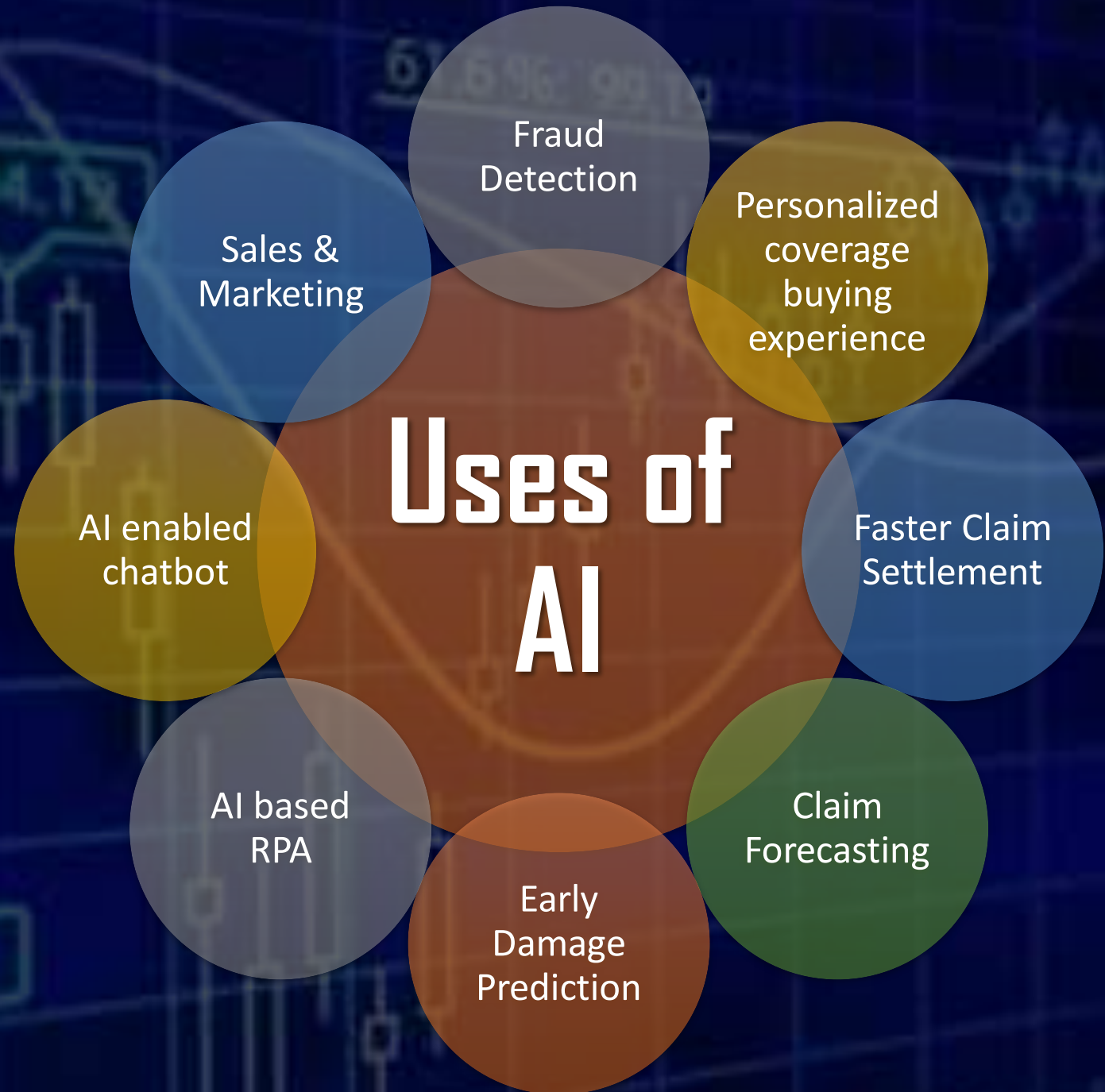
Risk Shielding (*Claims Triage*)

- Innovative risk scoring technique
- Important tool for fraud management and identification of claims having low risk potential of fraud
- Identification of valid & legitimate claims and their prompt settlement



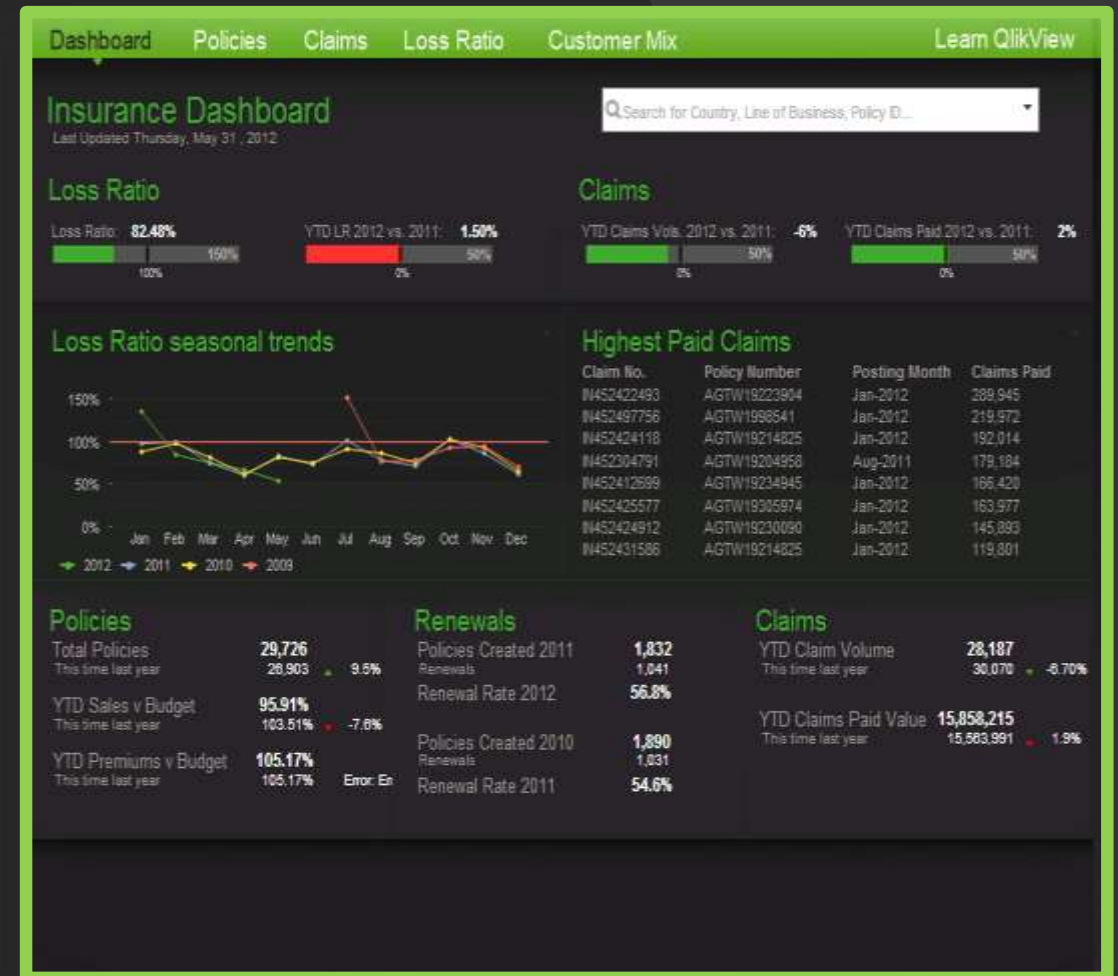
FUTURE OUTLOOK

Artificial Intelligence



Big Data Analytics

- Early Identification of fraud
- Effective, fair and error-free claim settlement
- Accurate loss reserving and claims forecasting
- Scoring, prioritization and assigning of claims to the most appropriate adjuster based on experience and loss type
- Automatic adjudication and settlement of claims



A close-up photograph of a woman with dark hair, her face obscured by her hands. She is wearing a ring on her left ring finger. The image is heavily tinted with a dark red or maroon color, creating a somber and dramatic atmosphere. The background is dark and out of focus.

The actual picture!

The sad wife plotted
her husband's
murder, with the
help of an
accomplice...