



# Insurance Fraud in a Digital Age – Legal Perspective

Kieran Cowhey - 23 November 2018

‘The power of change is coming,  
and if we fail to see it, we could  
be dead too.’

CEO US Insurance Company

# Today

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- ▣ Technology is changing the insurance industry
  - ▣ How to fight fraud
  - ▣ Changes needed for a proper environment
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# Insurance and technology



# Investment in Insurtech is an upward trend



# Digital business models allow you to innovate and remain competitive



# What is fraud?

- ❑ Insurance fraud is any act committed with the intent to obtain a fraudulent outcome from the insurance process
- ❑ Insurance fraud can be 'hard' or 'soft'



In Ireland public, employers & motor liability are the most vulnerable : €200-€250 million per annum



# Insurance fraud and public ambivalence

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78% would support proposals to reduce personal injury awards

73% are unhappy with compensation culture

21% know someone who had exaggerated a claim

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# How does our legal system deal with fraud?

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Civil Liability and Courts Act 2004

Section 26 – Fraudulent and exaggerated claims

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'Exaggeration is the blood relation to falsehood and nearly as blamable'

## Section 25

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- ▣ Offence
- ▣ Fines not exceeding €100,000 and maximum 10 years in prison

# Where technology helps ?



# Our courts must be fit for purpose in this digital era

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‘It will be necessary to consider new and innovative ways of allowing the courts to be more efficient by the deployment of extra resources in fields such as judicial back-up and courts staff together with a greatly increased use of IT’

The Honorable Mr Justice Frank Clarke, Chief Justice

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Where does technology help you?

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The collection of data is crucial for insurers

Fraud detection technology

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Global examples provide proof that technology helps fight fraud





# Smart technology is a very useful and compulsory tool for insurers



What do we do?

What change can we introduce?

'They always say time changes things, but you actually have to change them yourself'

Andy Warhol

# The government and the courts' response



# The industry and defence lawyers need to work together



# Conclusions

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Our economy needs strong, reliable and adaptable insurance companies

Technology opens up to more and different types of fraud

Technology also assists in our fight against fraud

Working together creates a proper environment

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‘Change is the law of life and those who look only to the past or present are certain to miss the future’

John F. Kennedy



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