



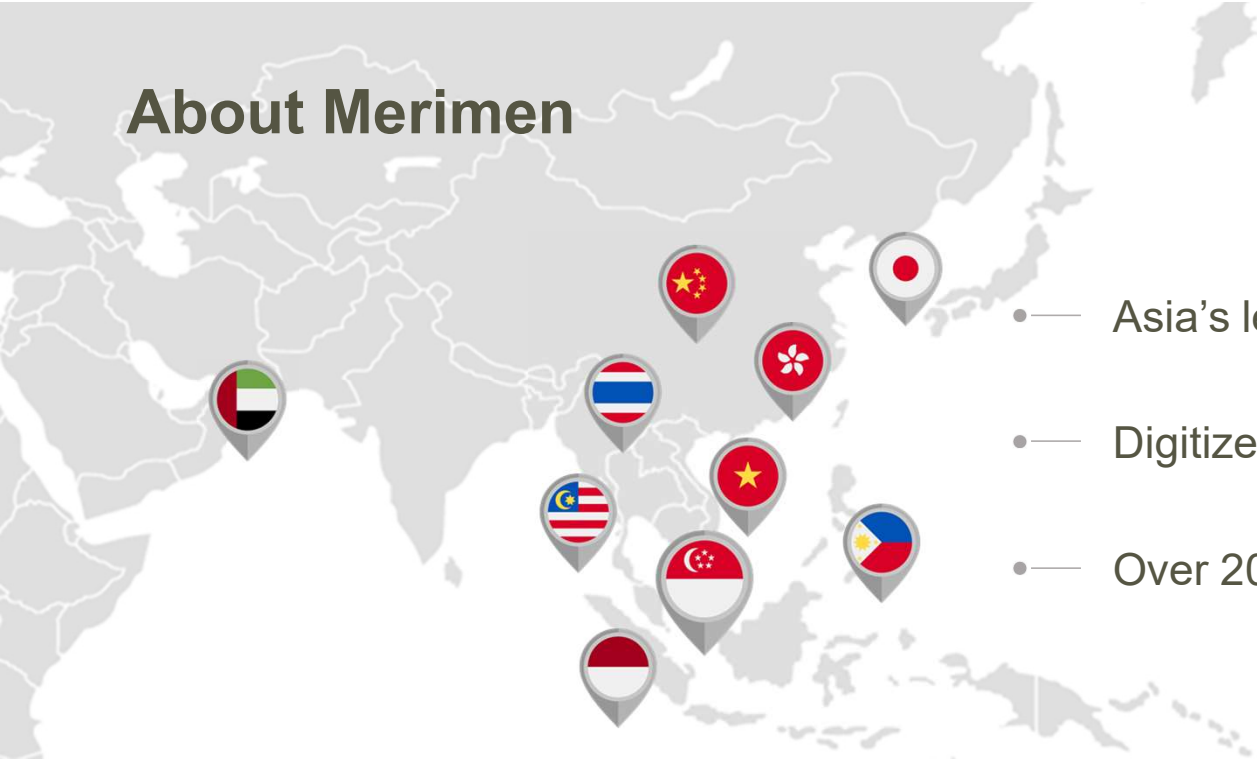
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MERIMEN

Combating Motor Claims Fraud with **AI ...
& a Relentless Focus on **DATA****

Sebastian Tan, Singapore Country Director

About Merimen



- Asia's leading Claims Technology provider
- Digitize & Automate > 2 Million claims a year
- Over 20 Years of Expertise across 10 countries

Customer Base

150+

Insurers

9,000+

Franchise Dealers & Repairers

1,000+

Loss Adjusters, Lawyers

24,000+

Agents, Brokers

Regional Partners



Problem: Fraudulent Motor Claims – costing losses & lives

- Almost 20% of motor claims in SG are fraudulent
- Severely affects loss ratios, contributes to rising premiums
- Staged accidents harm lives - drivers / passengers / pedestrians

THE STRAITS TIMES

SINGAPORE

More cases of motor insurance fraud reported as police and insurers intensify efforts



Most reported cases of motor insurance fraud are linked to large-scale syndicates and tend to be reported by insurers or discovered in the course of related investigations. PHOTO: ST FILE

CNA Insider



A look at the shady business of road touting, and the cost to victims

The programme Talking Point discovers the players involved in inflating claims, from touts who can earn S\$20,000 in a month to workshop operators who overcharge for repairs, to surveyors who endorse high repair fees.

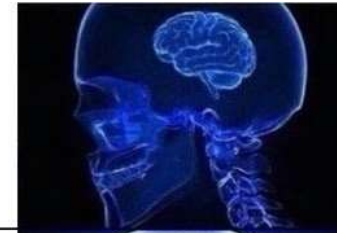


Road touts in action following a traffic accident. (Image: YouTube/SG Road Vigilante)

Crash Course on Motor Claim Fraud



Accident is fake



Accident is real,
but Damage is fake 🤨



Accident is real, damage is real,
but Passengers are fake 🤨



Accident, damage, passengers are real,
but Claimant is fake 🤨



Solution: How Tech & AI can help combat Fraud

As-Is

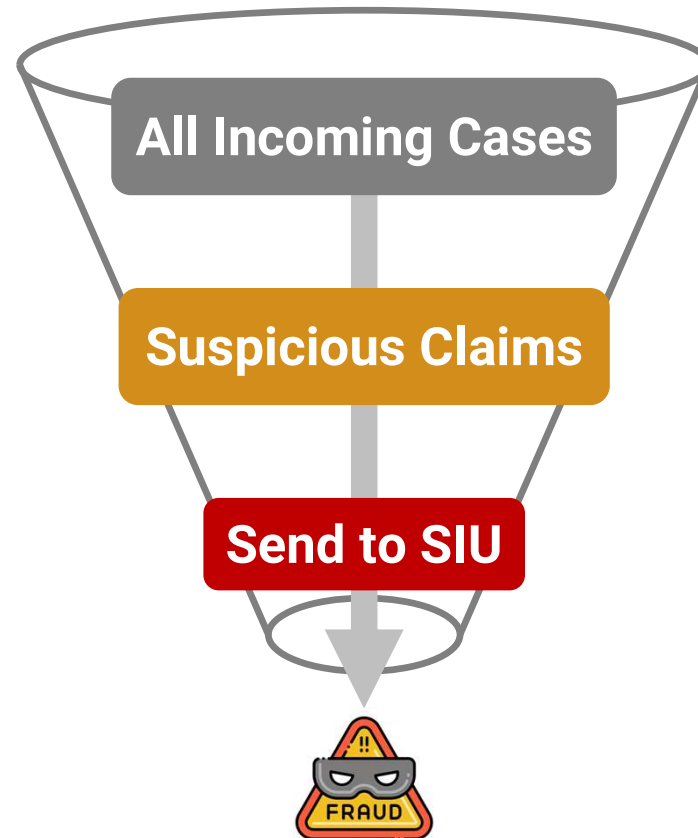
1. Manual Checks



2. Staff Expertise



3. Human-readable Data – documents, interviews, Internet search



To-Be

1. Automated Checks



2. Assisted by AI



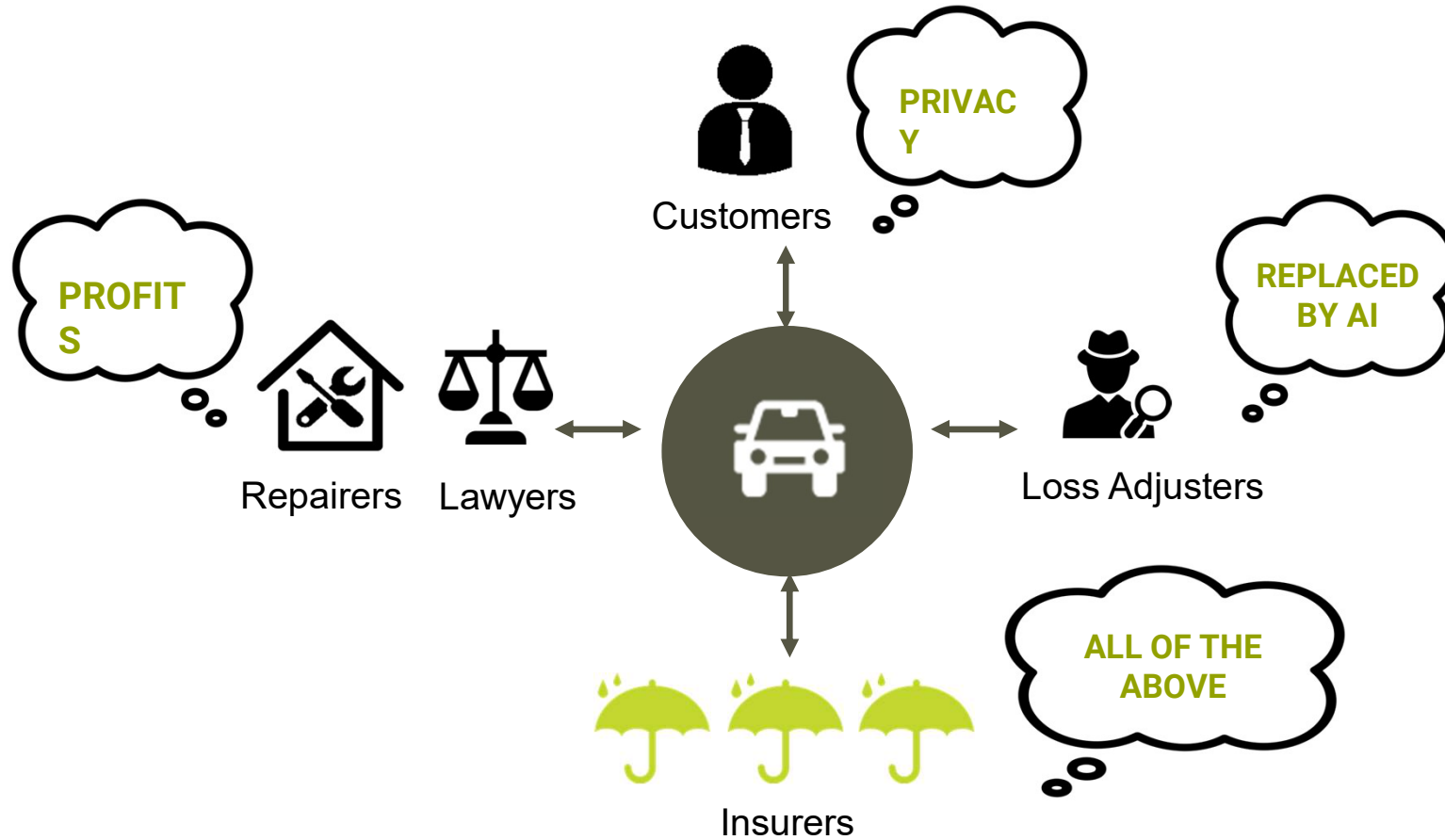
3. Machine-readable Data – databases, doc metadata, Internet, IoT, etc



First Challenge: Your 'Process' & 'Data' looks like this



Second Challenge: No One will share Data (and neither will you)

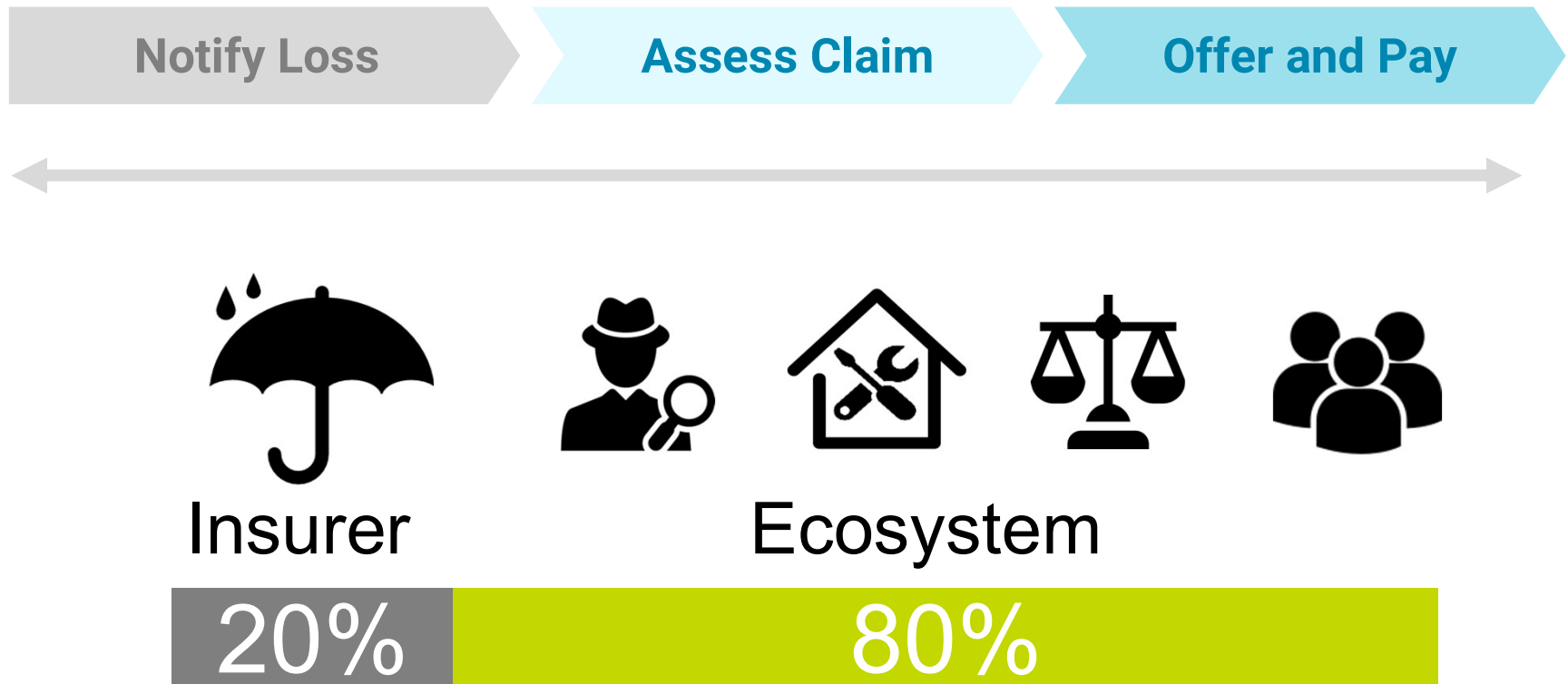


Case Study: Failed Pilots for AI Fraud in SE Asia

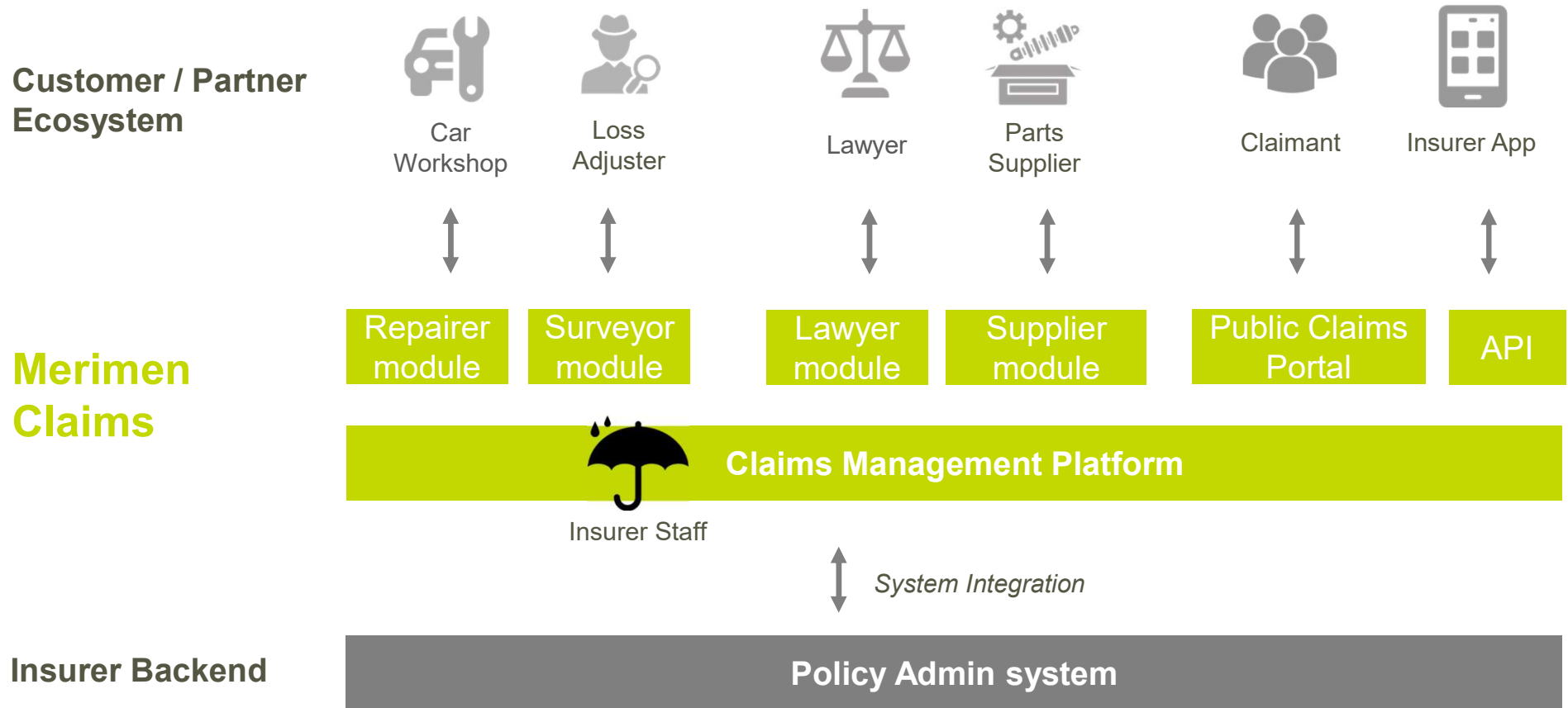


- **2017 – 2024:** Over 10 failed insurer pilots by leading AI providers from US / Europe
- **Key Reasons reported by users:**
 1. AI only ran basic checks on limited data, no Industry Data checks or Image analysis etc
 2. Overly high ‘False Positive’ rate due to inaccurate / un-localized AI model
 3. Standalone portal not integrated to current systems; users ‘forgot their password’

The Key is to Digitize the end-to-end Claims Process



Digital Claims Platform for the entire Ecosystem



Collecting Data to Feed & Train AI Model



Clean, Structured Data



Accident

- Location, Date time, weather
- Vehicles involved & history
- Collision scenario & impact
- Photos of scene, damage



Repair

- Parts and labour prices
- Workshop past history
- Post-Repair Photos

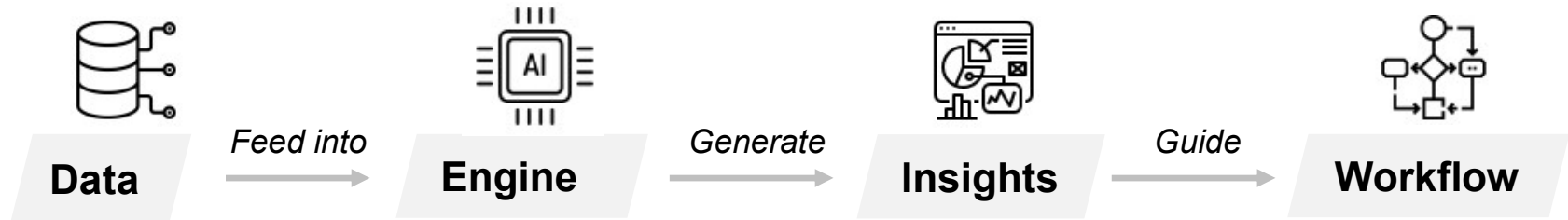


Parties Involved

- Who are the Drivers, Claimants, Passengers, Lawyers, even internal Claim Staff !
- Their History & Relationships, claim-related Activities



Making Data + AI work for Motor Claims Fraud



Merimen




Insurer's own claims data	Rule-based model	Suspicion Rules	
Ecosystem data (other insurers, repairers, adjusters, lawyers, own staff)	Machine Learning model, trained on localized Ecosystem Data	More Accurate Fraud Score Network Diagrams to show Ecosystem Connections	Pre-Integrated within Claims platform

As-Is

Insurer's own claims data	Rule-based model	Suspicion Rules	Manual Handling outside system
	Machine Learning model, generic & not localized	Fraud Score	

Case #1 – 88% score - ‘Accident is Fake’

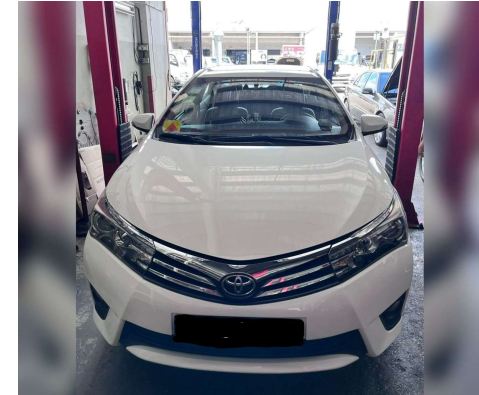
Suspicious Patterns identified by AI

- Claimant had claims rejected due to “Fraud” in past 3 years 
- Repair Workshop is blacklisted by >3 insurers 
- ‘After-Repair Photo’ used was similar to an earlier claim 

Past Claim
Insurer A, Jan 2024



Current Claim
Insurer B, Feb 2024

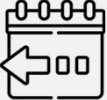



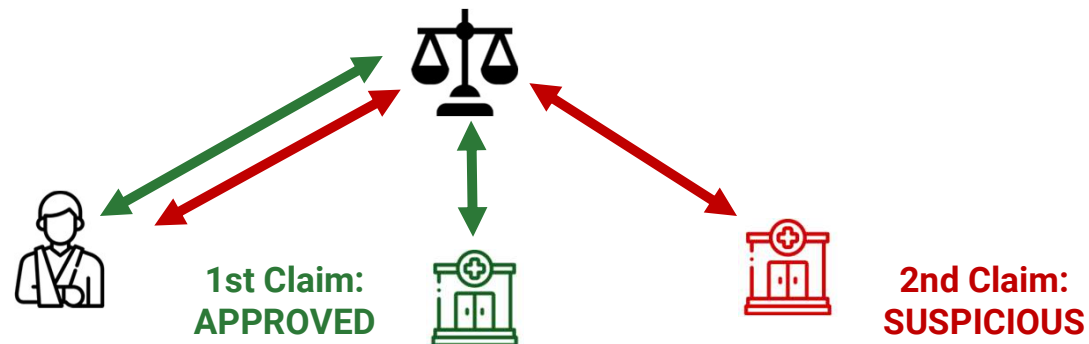
Likely a Double Claim attempt by Claimant + Workshop



Case #2 – 81% score - ‘Accident is Real, but Damage is Fake’

Suspicious Patterns identified by AI

- Claimant’s Lawyer sent a follow-up medical bill >6 mths after accident, from a different clinic 
- Claimant’s Lawyer, and the bill’s issuing clinic, is involved in >3 rejected claims 



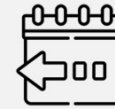
Suspected forged claim by Lawyer & Clinic



Case #3 – 85% score – ‘Damage is Real, but Claimant is Fake’

Suspicious Patterns identified by AI

- Claimant reported more than 24 hours after accident date
- Inconsistent damage between cars, doesn't match collision scenario
- Insured & TP Claimant share the same race, same home address



**Suspected to be ‘Self-Accident’ by TP Claimant
(not insured by her Thirdparty Liability policy)**



Results of Merimen's Data-First AI Strategy



Automate checks, boost efficiency

"With this new AI solution, we can rapidly uncover insurance fraud. The tool offers the info needed to accelerate the claims process,"

- MSIG AVP Motor Claims

Source: Feb-23 [Press Release](#)



Improve Loss Ratio by catching fraud

"...Etiqa Insurance managed to repudiate close to RM 1mil (SGD 300k) worth of suspicious claims."

- Etiqa Head of Claims

Source: Mar-23 The Edge [article](#)

Key Takeaways

Get your Priorities Straight

- **First Process, then Data, and then AI**

Don't Make it All About Yourself (the Insurer)

- **Onboard the Ecosystem with a Win-Win proposition**

Find the Right Long-Term Partner

- **Digital and AI is an ongoing journey, not a one-off IT project**

Contact Us

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