

Motor Insurers' Bureau of Ireland (MIBI) publishes commitments to **stamp out** insurance claims fraud

The Motor Insurers' Bureau of Ireland (MIBI) has outlined its determination to "stamp out" motor insurance claims fraud by implementing a range of commitments which aim to substantially reduce the success of false claims. According to the MIBI's *Fighting Fraud* report as many as 1 in every 8 insurance claims they handle are 'suspicious'.

Claims fraud causes a range of problems for Irish motorists, such as increasing the cost of insurance policies and making Irish roads more dangerous. The MIBI estimate they receive hundreds of claims every year where the evidence does not support the case being made.

The report sets out a series of commitments the MIBI is making to reduce the level of claims fraud activity. These include:

- Undertaking a comprehensive evaluation for every claim received and flagging any which do not have sufficient information, including unsupported assertions or inconsistencies.
- Any claims which are flagged are thoroughly investigated using internal and external investigative resources and scientific analysis.
- The MIBI works closely with An Gardaí Síochána around all relevant cases.
- In cases where the evidence does not support the claim being made the MIBI will legally contest these claims including via the courts system.
- The MIBI will ask the Gardaí to investigate any malicious claims without merit.
- A new system is being developed to provide more information about uninsured drivers on Irish roads, which will include the capacity for automatic number plate recognition.
- Working closely with the Government and other relevant State authorities and providing relevant information.

Since the beginning of the year the MIBI has generated over €1.8 million in fraud savings while a further 158 new cases have been flagged as suspicious and are being thoroughly investigated.

The MIBI is a not for profit company that was established to compensate victims of road traffic accidents caused by uninsured and unidentified vehicles. Every year they make annual payments in the region of €55 - €60 million, receiving thousands of insurance claims. 2,922 claims were received by the MIBI in 2016. The average cost per uninsured claim over the last five years was €54,364.

Speaking about the report, David Fitzgerald, Chief Executive of the MIBI said, "Insurance fraud can't be tolerated. It is a scourge on Irish roads. It not only adds to the cost of insurance premiums, we also estimate that hundreds of injuries are sustained every year because of claims fraud related activity.

"The MIBI estimate that as many as 1 out of every 8 claims we receive is suspicious. We also believe this activity is getting worse. For that reason we are determined to do everything we can to help stamp out claims fraud. We will make it as difficult as possible for fraudulent claimants to succeed. If that means bringing these claims to court, then we will. We will also be using all the investigative resources available to get to the bottom of suspicious cases – including internal and external investigators and scientific analysis.

"We are also committed to working with the Gardaí and the other State authorities on these issues. Where the evidence shows a



Fighting Fraud
Strategy Document

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malicious claim without merit has been made we will be asking them to investigate with a view to beginning criminal proceedings against the claimant involved. It is worth remembering that providing false or misleading information relating to a claim is a crime, punishable by up to 10 years in prison and/ or a fine of €100,000.

"Essentially we have adopted a zero tolerance approach to claims that are not real. We believe these steps are necessary as the claims culture is continuing to thrive. The MIBI wants to play its part in putting a stop to claims fraud in this country and we are determined to do everything in our power to resist this type of claim. Our belief is that by thoroughly investigating unsubstantiated claims and by making it much more difficult for them to succeed, over time we will see a drop in the number of suspicious claims submitted. Ultimately we believe that will benefit all Irish motorists," Mr. Fitzgerald concluded.

The Fighting Fraud report also listed some of the common types of suspicious claims made to the MIBI. These include Opportunistic Fraud – Gross Exaggeration, Opportunistic Fraud – Causation, Deliberate Falsification of the Accident, Deliberately staged accidents, Deliberately induced accidents and Claims Fraud 'Tourism'.



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David Fitzgerald, Chief Executive, MIBI