



2025 Fraud Survey – India Non-Life Insurance Market

The background of the cover features a blurred image of a person's hands typing on a laptop keyboard. Overlaid on this image are several digital and futuristic elements: a glowing green wireframe head on the left, a fingerprint scanner icon in the upper center, a shield icon with a cross, a circular profile icon on the right, and a smartphone icon with a person silhouette in the lower center. The word "Fraud" is prominently displayed in large, bold, dark blue letters across the middle of the image.

Fraud

Summary Report

Contents

Introduction	3
• Personnel & Training	
• Processes & Procedures - Underwriting	
• Processes & Procedures - Organizational	
• Processes & Procedures - Claims	
• Policy Language	
• Recording & Reporting	
Conclusion	6
Survey Results	7

DISCLAIMER

This report is confidential and is being shared for your use only as a participant in the Fraud Survey of the Indian Life/Health Insurance Market. It is not to be distributed outside of your organization. The findings and content of this report do not constitute legal advice. If you believe that the contents of this report may affect your business, you are encouraged to seek your own professional advice. The Gen Re group of companies does not encourage or condone any form of fraud. If you detect fraud, or have suspicions of fraud, you are encouraged to report it to the appropriate authorities.

Introduction

Insurance fraud is a global threat with significant financial and social repercussions. Faced with an ever-changing risk environment, insurance companies must continuously adapt to effectively deter, detect, and investigate potential matters of concern.

As a leading global reinsurer, Gen Re recognizes the challenges the insurance industry faces in regard to identifying fraud and mitigating risk. We have, therefore, launched a series of international studies in support of our clients worldwide.

Our ***Fraud Survey of the Indian Non-Life/Health Insurance Market*** was designed to highlight best practices, identify vulnerabilities, and to point out opportunities for improvement and support.

The survey addressed fraud-related issues that broadly affect multiple product lines. The questions covered several categories: Personnel & Training, Underwriting and Organizational Processes & Procedures, Claims Processes & Procedures, Policy Language, and Recording & Reporting.

This summary report focuses on responses from five participating companies who offer these product lines: Loan Cover, Critical Illness (CI), Specialized CI, Accidental TPD, Accidental Death, Fixed Hospital & Surgical Benefit, Hospital Indemnity, and/or Travel insurance. The participants do not offer Individual and Group Life products.

Analysis of the response data allowed Gen Re to identify key strengths and opportunities, summarized below.

Personnel & Training

Strengths

- All respondents maintain a Risk/Fraud/Special Investigation Unit (SIU) or similar, with robust staffing levels.
- Data shows a clear commitment to fraud prevention, in that most expect staffing and technology budgets to increase within the next year.
- Fraud awareness training for staff is ubiquitous.

Opportunities

- Some may need to ensure that fraud awareness training is being delivered on a routine basis. Keeping front line employees informed on how to mitigate fraud risk is crucial.
- When it comes to claim team structure, specialization may provide benefits. Having separate teams for each type of claim may allow assessors to develop product-specific skills and experience, resulting in enhanced claims risk management.

Processes & Procedures – Underwriting

Strengths

- High prevalence of automated control mechanisms being used at underwriting stage to mitigate risk.
- Trend analyses are being used widely to identify negative areas/states/pin codes.

Opportunities

- Enhance/adopt manual fraud detection methods at the time of underwriting to complement system automation – this is a more balanced approach to enhance fraud detection. This may be achieved by imparting regular trainings/insisting on academic qualification/granting restricted net search access for background checks, etc.
- Individual Life & Group carriers engage in mystery shopping at a much higher rate, suggesting there may be benefits for the Non-life carriers to explore.

Processes & Procedures – Organizational

Strengths

- All respondents recognize the risks associated with insider threats, having processes to monitor agents/brokers and claims employees for unusual trends.
- All have systems or processes to detect account takeovers, identity theft and accounts associated with fake (or synthetic) identities. This is crucial, considering the elevated threats associated with such incidents.
- All conduct periodic fraud risk assessments on a routine basis.

Opportunities

- There may be an opportunity to utilize Insurance Information Bureau of India (IIB) resources to a higher degree. Other insurers in this market have found IIB's tools to be valuable.

Processes & Procedures – Claims

Strengths

- Of the insurers who use straight-through/non-assessed claims processes, all have controls in place to identify questionable claims and withhold them from automated processing as needed.
- Respondents all have specific procedures in place that guide staff on how to investigate suspicious claims and bring them to resolution. Having clearly defined and articulated guidelines helps maintain consistency and compliance.
- All respondents with applicable product lines appear to have special review processes for claims involving hospitalization/CI events that occur abroad. This reflects a strong commitment to an efficient claims servicing for comprehensive global coverage.
- Most appear to use a balanced combination of manual and systematic processes to help identify questionable claims. This balanced approach is considered a best practice by many insurers.
- Regarding third-party vendors and providers, the industry could explore ways to ensure that investigators in this market adhere to quality and compliance expectations.

Opportunities

- Some may consider expanding the use of routine due diligence (background) checks on insureds/claimants (e.g., online research, social media checks, database checks, etc.) to help with claim validations.
- Some respondents may choose to review their de-duplication processes in order to reduce risks and achieve operational efficiencies.
- None of the participants utilizes third-party voice or biometric analytics, data aggregators, or customer authentication tools. Although the data suggests some may use in-house solutions, others may choose to explore options in order to mitigate risk.
- Participants reported “difficulty in obtaining evidence” and “lack of support from legal authorities” as key concerns. There may be value in collaborating with local legal and regulatory resources as to evidence collection, admissibility, and methods for developing compelling circumstantial cases in a compliant manner.
- The market may benefit if local authorities (e.g., IRDAI) establish a formal process that allows insurers to compliantly share information with each other when reasonable due diligence is required.

Policy Language

Strengths

- Insurers utilize policies that contain language/clauses that allow for voiding the policy or declining claims when fraud, material misrepresentation, and/or material concealments are identified. This is an industry-wide best practice.

Opportunities

- There may be value in expanding the use of anti-fraud warnings in written communications. This is an effective strategy used in many markets worldwide.

Recording & Reporting

Strengths

- All companies compile annual fraud statistics, an important part of any anti-fraud strategy. Respondents were, therefore, able to report on the most common types of fraud they encounter. In no particular order, they are as follows:
 - Bill inflation
 - Hospital abuse – false documents without any admission
 - Non-disclosure of pre-existing medical conditions
 - Fabricated documents
- When asked to identify the factors that may be increasing their exposure to questionable claims, the top responses were:
 - Rise in remote/digital interactions with customers
 - Difficulty in obtaining evidence
 - Claims digitization (straight-through processing with little/no supporting documents/non-assessed claims)
 - Customer authentication challenges

Opportunities

- We received mixed responses when participants were asked if fraud was formally defined in their market and whether any civil immunity statutes exist. This may point to the need for industry-wide education on this subject.
- Some may need to examine their regulatory compliance regarding the reporting of fraud cases to IRDAI.

Conclusion

This survey studied the fraud-risk mechanisms being utilized by a sample of Indian insurers who offer Loan Cover, Critical Illness, Specialized CI, Accidental TPD, Accidental Death, Fixed Hospital & Surgical Benefit, Hospital Indemnity, and/or Travel.

The data indicates that insurers in India who offer these product lines have adopted many of the best practices associated with effective underwriting and claims risk management. Effective fraud risk management, however, involves a multi-layered approach that takes into consideration potential vulnerabilities and should be ever-evolving. The survey highlights key opportunity areas that clients can consider as potential ways to mitigate fraud risk.

Gen Re is here to support your organization's fraud risk mitigation efforts and is available to provide consultative services on any matter of interest. If you would like to learn more, or if you would like to discuss potential solutions, please contact your local Gen Re representative.

Whitepaper Available

The full report on the survey data is available in a whitepaper format.

Request to receive it here:



genre.com/india-fraud-survey

Survey Results

No.	Questions	Responses
1	How is your Claims Team structured?	
	One central team for all types of claims	60.0%
	Separate teams for each type of claims	40.0%
2	How many employees are there in your Claims Departments?	
	1-5	0.0%
	6-10	0.0%
	11-19	0.0%
	20+	100.0%
3	Do you have an in-house Risk/Fraud/Special Investigation Unit (SIU) or similar, that is dedicated to the identification and investigation of questionable claims and underwriting matters?	
	Yes	100.0%
	No	0.0%
4	How is your Risk/Fraud/SIU structured?	
	One central team for all investigations	40.0%
	Separate teams for regions/zones	60.0%
5	How many employees are there in your Risk/Fraud/SIU?	
	1-5	0.0%
	6-10	0.0%
	11-19	0.0%
	20+	100.0%
6	Within the next year, do you expect your Claims and Risk/Fraud/SIU staffing level to:	
	Increase	80.0%
	Decrease	0.0%
	Remain the same	20.0%
7	Other than staffing, within the next year do you expect your budget related to fraud prevention through technology to:	
	Increase	100.0%
	Decrease	0.0%
	Remain the same	0.0%
8	Are your Claims Assessors trained to identify suspicious indicators of potential frauds (i.e., fraud awareness training)?	
	Yes	100.0%
	No	0.0%
9	What type of fraud awareness training is provided to your Claims Assessors? (Check all that apply):	
	Informal "on-the-job" training	100.0%
	Formal internal training programme e.g., periodic fraud awareness training	60.0%
	External training programme e.g., sessions by forensic expert/judicial authorities, etc.	40.0%
	Academic training programme e.g., courses offered by the Insurance Institute of India	20.0%
	Other (please specify)	0.0%

No.	Questions	Responses
10	How often are employees provided fraud-awareness training?	
	Only during onboarding/new-hire training	20.0%
	Monthly	20.0%
	Quarterly	40.0%
	Yearly	0.0%
	Never	0.0%
	Unspecified Schedule	20.0%
11	What training needs have you identified for your team?	
	Open-Ended Response	
12	Do you utilize straight-through (STP)/simplified Underwriting (UW) processes?	
	Yes	100.0%
	No	0.0%
13	Are there controls in place to identify questionable policies and/or applications sold via the STP/simplified UW process?	
	Yes	100.0%
	No	0.0%
14	During the UW process, how are questionable policies and/or applications identified for further review/investigation? (Check all that apply):	
	System automation (e.g., Risk score model)	100.0%
	Manual identification of suspicious indicators by UW assessor	60.0%
	Use of technology during pre-issuance medicals (e.g., face match/geo tagging, etc.)	60.0%
	Pre-issuance verification call	60.0%
	Insurance Information Bureau of India (IIB) checks (e.g., utilization of other insurance details/red alert medical center database [Medical Network Task Force])	40.0%
	Artificial intelligence	40.0%
	Random sample (e.g., tele/video medical examination report in non-medical cases, discrete checks, etc.)	20.0%
	Post-issuance book review	20.0%
	Net search	0.0%
	Other (please specify)	0.0%
15	At the time of application, are all applicants asked if they have other policies in force, or if other policy applications are pending?	
	Yes	80.0%
	No	20.0%
16	Life only: Are Life Insurance applicants asked if the policy premiums are being funded by others?	
	N/A	80.0%
	Yes	0.0%
	No	20.0%
17	Does your company utilize routinely red alert medical center database (MNTF)/Registry of Hospitals in Network of Insurance (Rohini)	
	N/A	0.0%
	Yes	100.0%
	No	0.0%

No.	Questions	Responses
18	Does your company monitor negative areas/states/pin codes (i.e., locales with a high prevalence of suspected fraud)?	
	Yes	100.0%
	No	0.0%
19	How are these negative areas/states/pin codes identified? (Check all that apply):	
	IIB or industry data	80.0%
	Internal data	100.0%
	Internal claim analysis	80.0%
	Ground intelligence	60.0%
	Other (please specify)	0.0%
20	Have you adjusted how you do business in these areas (e.g., stopped doing business, increased due diligence measures, or similar?)	
	Yes	100.0%
	No	0.0%
21	Do you engage in "Mystery Shopping" to help identify questionable entities (e.g., business enterprises, agents or brokers, branches, diagnostic centers, hospitals, etc.)?	
	Yes	40.0%
	No	60.0%
22	Do you have processes in place to monitor if certain agents/brokers/firms demonstrate unusual trends?	
	Yes	100.0%
	No	0.0%
23	Is there a process in place that allows individuals to inform your company of any suspected fraudulent behavior (e.g., a whistle-blower channel)?	
	Yes	100.0%
	No	0.0%
24	In order to properly authenticate and validate customers, do you have systems or processes in place that help identify account takeovers, identity theft, and accounts associated with fake (or synthetic) identities? For example, a know-your-customer program?	
	Yes	100.0%
	No	0.0%
25	Does your company conduct periodic fraud risk assessments?	
	Yes	100.0%
	No	0.0%
26	How often does your company conduct periodic fraud risk assessments?	
	Open-Ended Response	

No.	Questions	Responses
27	Which IIB resources does your company utilize? Choose all that apply	
	None	60.0%
	Quest	20.0%
	Caution Repository	20.0%
	Prism	0.0%
	Retrospective	0.0%
	MOMA	0.0%
28	Does your company have an ongoing process to identify frauds/misrepresentation/non-disclosure of in-force policies within contestability period?	
	Yes	100.0%
	No	0.0%
29	What is the estimated percentage of cases you identify in this process?	
	Open-Ended Response	
30	Are any of your claims straight-through processed, automated, or auto-adjudicated?	
	Yes	60.0%
	No	40.0%
31	Do your straight-through/non-assessed claims processes have controls in place to identify questionable claims and withhold them from automated processing?	
	Yes	60.0%
	No	0.0%
32	Do you have specific procedures in place that guide staff on how to investigate suspicious claims and bring them to resolution?	
	Yes	100.0%
	No	0.0%
33	How are suspicious claims identified for further review/investigation? (Check all that apply):	
	System automation	80.0%
	Manual identification of suspicious indicators by staff	80.0%
	Internal database of suspicious indicators, red flags, watch list, or "red book"	60.0%
	Information from industry	60.0%
	Information from IIB	20.0%
	Other (please specify)	0.0%
34	If system automation is used to detect possible claims fraud, what are you using? (Check all that apply):	
	Artificial intelligence or machine learning detection platforms	80.0%
	Automatic rules-based triggers, based on defined scenarios	60.0%
	Other (please specify)	0.0%
35	If system automation is used to detect possible claims fraud, what are you using? (Check all that apply):	
	An in-house solution	80.0%
	An externally developed solution	20.0%

No.	Questions	Responses
36	If system automation is used to detect possible claims fraud, how effective are these tools?	
	Extremely effective	60.0%
	Moderately effective	20.0%
	Not effective	0.0%
	Comment	0.0%
37	Do your Claims Assessors take steps to verify deaths on all Life Insurance claims?	
	N/A	80.0%
	Yes	20.0%
	No	0.0%
38	If your Claims Assessors don't take steps to verify deaths on all Life Insurance claims, under what circumstances are verifications bypassed?	
	Open-Ended Response	
39	Are special review processes in place for all claims involving deaths/hospitalisation/CI that occur abroad (foreign deaths)?	
	N/A	40.0%
	Yes	60.0%
	No	0.0%
40	Do your Claims Assessors perform routine due diligence (background) checks on every insured/claimant (e.g., online research, social media checks, database checks, etc.)?	
	Yes	40.0%
	No	60.0%
41	If your Claims Assessors don't perform routine due diligence (background) checks on every insured/claimant, please state the criteria for selection.	
	Open-Ended Response	
42	Do your Claims Assessors routinely check for all policies across different product types? (De-Duplication between Retail/Group Credit/Group Term Life/Health/Indemnity)	
	Yes	60.0%
	No	40.0%
43	Do your Claims Assessors routinely check for any changes that have been made to the policy/coverage/beneficiaries close to the date of claim?	
	Yes	80.0%
	No	20.0%
44	Do your Claims Assessors routinely perform due diligence checks to verify customer-supplied evidence?	
	Yes	100.0%
	No	0.0%
45	Please state the measures to perform due diligence checks (e.g., obtain police report, financials, medical records, employment records, in-field verifications, witness interviews, surveillance, etc.)	
	Open-Ended Response	

No.	Questions	Responses
46	Other than IIB, do you utilize third-party digital tools, analytic platforms, or information platforms to assist with claim verifications or other transactions?	
	Yes	60.0%
	No	40.0%
47	Other than IIB, which third-party digital tools, analytic platforms, or information platforms do you utilize? (Check all that apply):	
	Document analysis tools	60.0%
	Fraud/waste/abuse analytic platform	60.0%
	Claim history databases (not from IIB)	40.0%
	Social media search vendor	40.0%
	Metadata analysis tools	20.0%
	Photo/image analytics	20.0%
	Miscellaneous public records (e.g., courts, licenses, electoral)	20.0%
	Signature analysis/verification tools	20.0%
	Voice analytics	0.0%
	Biometric analytics	0.0%
	Data brokerage/aggregator (e.g., consumer reports)	0.0%
	Customer authentication tools	0.0%
	Other (please specify)	0.0%
48	Who is responsible for claim investigation process in your company? (Check all that apply):	
	Internal Risk/Fraud unit	100.0%
	Claims team	40.0%
	Other (please specify)	0.0%
49	Do you outsource claim investigation activities to third-party providers (e.g., vendors, private investigators, etc.)?	
	Yes	100.0%
	No	0.0%
50	What types of activities are assigned to third-party providers?	
	Open-Ended Response	
51	How do you ensure control/quality mapping of third-party claim investigators and providers? (Check all that apply):	
	Regular training	80.0%
	Audits	80.0%
	Mystery shopping	20.0%
	Performance evaluation by internal regulatory committee	60.0%
	Other (please specify)	0.0%

No.	Questions	Responses
52	When suspicious claims are identified, do you contact or involve the following? (Check all that apply):	
	Internal Risk/Fraud/SIU	100.0%
	Industry peer groups	100.0%
	Claims Review committee	60.0%
	Internal Legal Department	40.0%
	Internal senior management	40.0%
	Law enforcement (police complaints/first information report)	40.0%
	IIB	20.0%
	Other (please specify)	0.0%
53	Do you have system controls (e.g., Workflow) in place to monitor claims authority for all types of claims, to help identify insider threats/employee fraud?	
	Yes	100.0%
	No	0.0%
54	Specify the types of claims (e.g. Group Term/Credit cover) where system controls are not in place	
	Open-Ended Response	
55	Do you have system controls in place to monitor payouts for all types of claims to help identify insider threats/employee fraud?	
	Yes	100.0%
	No	0.0%
56	Specify the types of claims (e.g. Group Term/Credit cover) where system controls are not in place	
	Open-Ended Response	
57	Is there an information-sharing process in place for industry checks that has been formally defined and approved by your regulator?	
	Yes	40.0%
	No	60.0%
58	Do your insurance policies contain language/clauses that allow for voiding the policy or declining claims when fraud, material misrepresentation, and/or material concealments are identified?	
	Yes	100.0%
	No	0.0%
59	Do your written communications with customers contain anti-fraud warnings of any sort?	
	Yes	40.0%
	No	60.0%
60	Do all policy contracts contain language that requires the customer/insured to cooperate and provide information relevant to their claim?	
	Yes	100.0%
	No	0.0%
61	Do your policies afford the insurer the right to require an insured to submit to an Examination Under Oath, factual interviews, or similar?	
	Yes	80.0%
	No	20.0%

No.	Questions	Responses
62	In the jurisdictions where you do business, are there laws in place that define Insurance Fraud as a criminal act?	
	Yes	40.0%
	No	60.0%
63	In the jurisdictions where you do business, are there immunity statutes (laws) in place that protect insurers from civil liability when reporting suspected Insurance Fraud to appropriate authorities?	
	Yes	40.0%
	No	60.0%
64	What consequences might an insured/claimant face if fraud is identified? (Check all that apply):	
	Rejection of Application	80.0%
	Termination of the policy	100.0%
	Denial of claim	100.0%
	Repayment of any ill-gotten insurance proceeds	40.0%
	Possible criminal prosecution	40.0%
	Other (please specify)	0.0%
65	What is the most common type of fraud identified by your company? Responses in Ranked Order:	
	Bill inflation	
	Hospital abuse – false documents without any admission	
	Non-disclosure of pre-existing medical conditions	
	Fabricated documents	
66	Do you report all established cases of fraud to the authorities?	
	Yes	80.0%
	No	20.0%
67	To whom are they reported?	
	Open-Ended Response	
68	Does your company compile annual fraud statistics (e.g., number of claims declined or proportioned down on the grounds of fraud and misrepresentation)?	
	Yes	100.0%
	No	0.0%
69	Are your fraud statistics reported to any regulatory bodies or industry groups?	
	Yes	80.0%
	No	20.0%
70	To whom are they reported?	
	Of the respondents who do report fraud statistics to a regulatory body or industry group, all report their data to IRDAI/IIB	
71	Has your company seen an increase in suspicious claims since the onset of the COVID-19 pandemic?	
	Yes	80.0%
	No	20.0%
	Uncertain	0.0%

No.	Questions	Responses
72	Select the top 5 factors that may be increasing your exposure to questionable claims	
	Rise in remote/digital interactions with customers	80.0%
	Difficulty in obtaining evidence	80.0%
	Claims digitization (straight-through processing with little/no supporting documents/non-assessed claims)	60.0%
	Customer authentication challenges	60.0%
	Lack of information resources (e.g., claim history, background data, reliable private investigators)	40.0%
	Economic stressors (e.g., inflation or other cost of living factors)	40.0%
	Regulatory restrictions related to information-sharing and personal identifiable information.	40.0%
	Lack of support from legal authorities	40.0%
	Lack of training: staff have insufficient awareness of fraud trends, flags, indicators, etc.	20.0%
	Underwriting digitization (e.g., straight-through/simplified UW processes)	20.0%
	Relaxation of UW guidelines	20.0%
	Company reluctant to investigate due to customer service concerns, litigation avoidance, ombudsman/regulatory involvement, or similar	0.0%
	Company lacks automated resources/analytical tools to detect suspicious activity	0.0%
	Internal systems and/or available internal data are not optimized for fraud detection	0.0%
	Fraud detection is not an organizational priority	0.0%
73	How may Gen Re support your organization's Claims & Underwriting Risk Management efforts?	
	Open-Ended Response	



Jason Weesner

Head of Global Special Investigations (Forensics)
+1 240 749 4071
jason.weesner@genre.com



Dr. Aparna Rangnekar

Head of Claims Gen Re India Branch
+91 9820 993515
aparna.rangnekar@genre.com

General Reinsurance AG | India Branch

Units 105-108, B Wing Dynasty Business Park,
Andheri Kurla Road, Andheri (East), Mumbai 400 059
Tel. +91 22 6134 4100

Photos: © Getty Images - Userba011d64_201

This report is confidential and is being shared for your use only as a participant in the Fraud Survey of the Indian Insurance Market. It is not to be distributed outside of your organization. The findings and content of this report do not constitute legal advice. If you believe that the contents of this report may affect your business, you are encouraged to seek your own professional advice. The Gen Re group of companies does not encourage or condone any form of fraud. If you detect fraud, or have suspicions of fraud, you are encouraged to report it to the appropriate authorities.

genre.com

