



# Central Illinois CPCU I- Day– November 2022

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# Whose Roof Is It Anyway?

## The Importance of Image Forensics in your Claim Investigation

- Agenda
  - Digital Adoption & the Covid Impact
  - Straight Through Processing
  - Fighting Fraud in the Digital Age
  - Image Forensics



## Digital Adoption

- “Nearly 400,000 employees are expected to retire from the insurance industry workforce within the next few years.” - **U.S. Bureau of Labor Statistics**
- A **PwC** survey found that “41% of respondents said they were likely to switch insurance providers due to a lack of digital capabilities”
- “Automation can reduce the cost of a claims journey by as much as 30%” - **McKinsey**
- “Insurtech startups are providing customers with reduced costs, improved efficiency, and expanded insurability through new measuring and controlling tools and more accurate price risk.” - **Bell Ventures**

## What Impact Did Covid Have?

- “Digital adoption grew 20% globally over the past year, almost four times the compound annual growth rate of the prior four years.” - **Bain & Company**
- “We have vaulted five years forward in consumer and business digital adoption in a matter of around eight weeks” - **McKinsey**



# Covid Drives Digital Collaboration



**ClaimXperience:**  
**933% growth in**  
**15 months**

- "Share of Auto Claims Using Photo Estimates Doubles During the Pandemic" - **Claimsjournal.com**
- "Zoom usage shot up to 300 million meeting participants in April 2020, compared with 10 million in December 2019." - **Business of Apps**
- "Some of the behaviors developed in crisis—including wide-scale digital adoption—will outlast the pandemic, well after restrictions on activity are lifted." - **BDO.com**

# Straight Through Processing

“Touchless claims attractive for everyone...

...especially fraudsters” - Insurance Business America

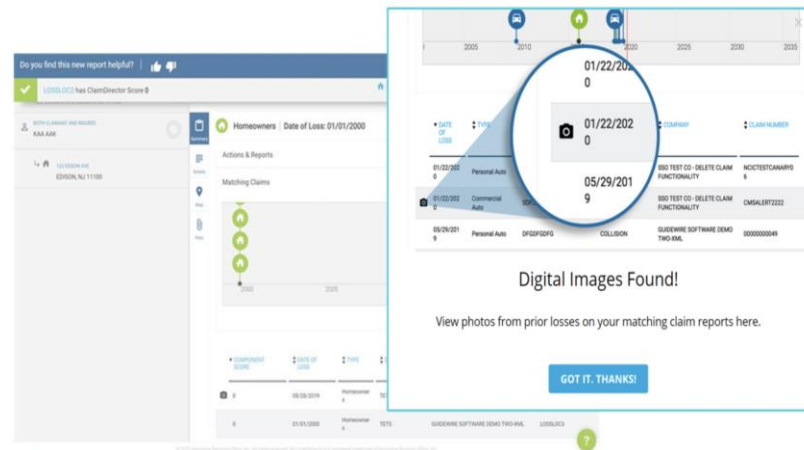
- “Straight through processing is the only scalable manner in which traditional insurers can meet increasingly demanding customer expectations and maintain their competitive advantage. “ - **Nuxeo**
- “Customer expectations are becoming more demanding and STP is one of the only scalable ways to help you retain your current client base.”- **Gallagher Bassett**
- “In the race to have the best customer experience possible, insurers should be considering the advantages touchless claims presents.” - **Business Agility**
- “Straight-through processing of simple claims (over 70% of standard claims can be no touch)” - **Deloitte**

# Fighting Fraud in the Digital Age – Image Forensics

Digital Media Forensics: Algorithms designed to identify fraud/manipulation in digital media files such as photos and documents.

Examples of forensics:

- Evaluating potential reuse of digital files
- Analyzing file metadata
- Directly identify image/document forgery with AI
- Identify photos sourced from the internet



## Industry Collaboration is Critical

# Automated Reuse Detection



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## File details

Details  Analytics

### Image inspection

Unable to process all image inspection checks due to image format or lack of data

### Internet check

No similar images identified by the internet search

### Hazard recognition

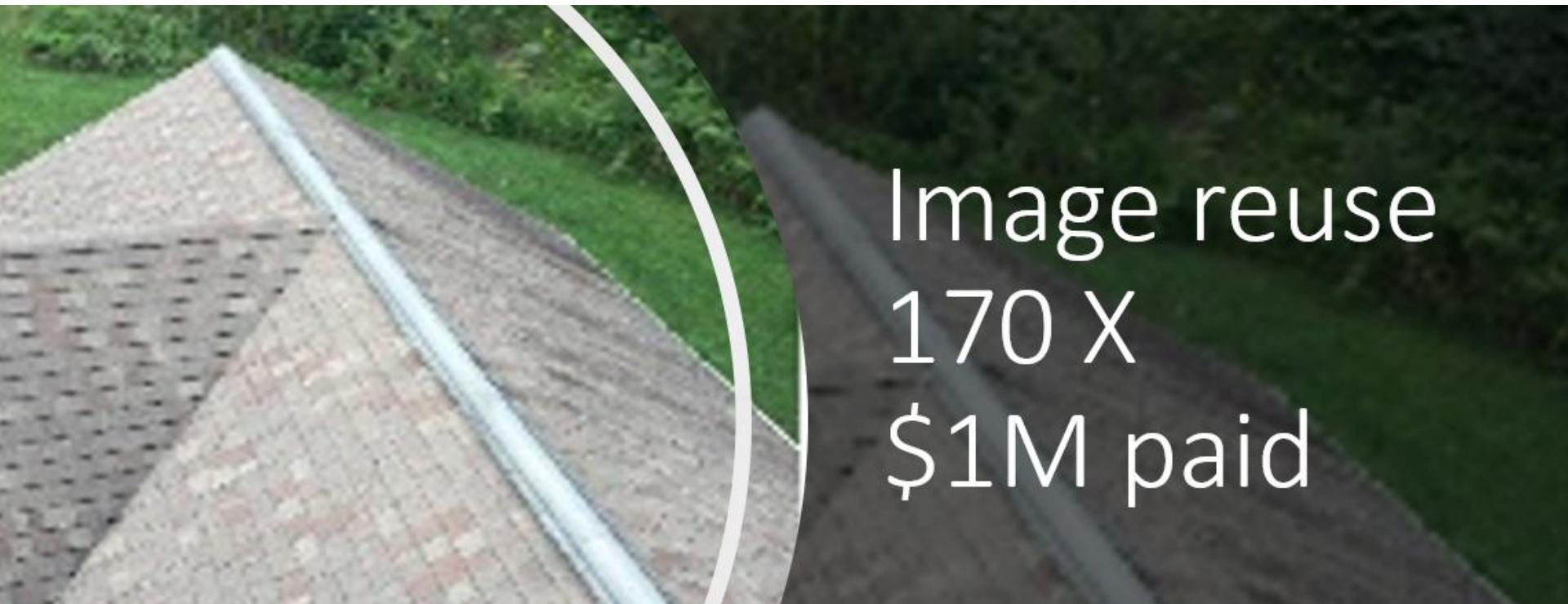
**Possible porch/patio/deck/stairs hazard**

Missing railing

Missing or incorrect hazard? Provide feedback. 

ANTI-FRAUD SOLUTIONS

## Threat – Image Reuse



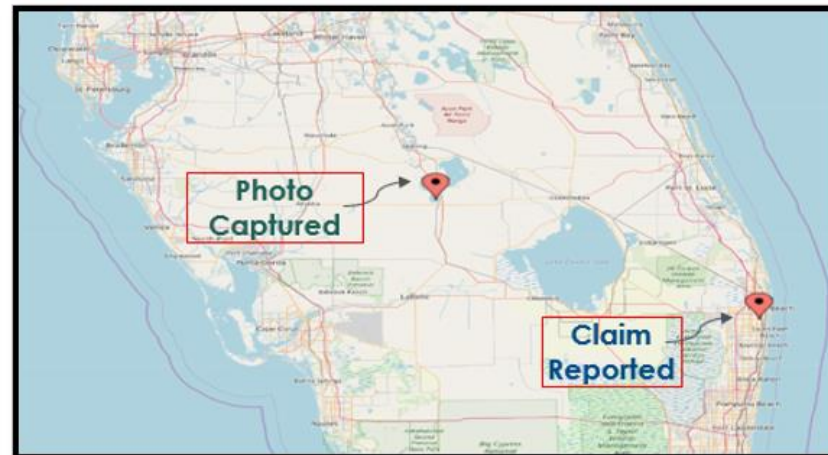
# Image Metadata Can Reveal Fraud



**Reported claim details:**

**Date of Loss: Sept 2018**

**Location of Loss: West Palm Beach, FL**



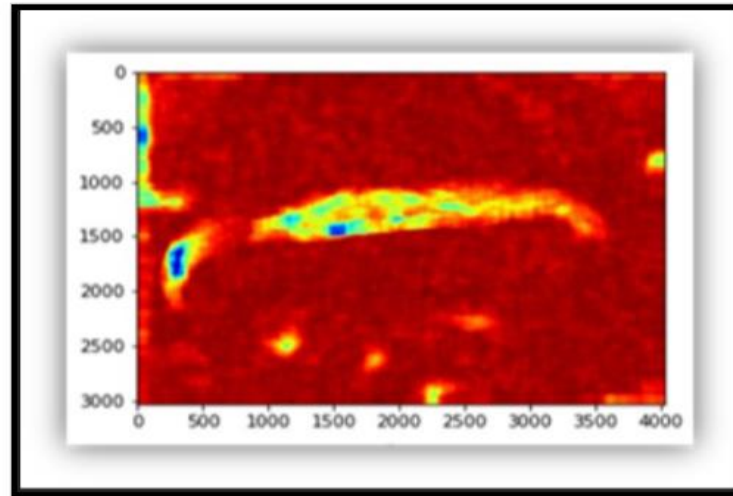
**Image metadata:**

**Photo taken: July 2015**

**Photo Captured: Lake Placid, FL**

## 3 years and 100 miles apart

# Image Manipulation Detection



How do we identify altered images?

- Patented AI technology:
  - Detect “noise patterns”
  - Multiple noise patterns in one image = Manipulation

## Image Forensics Mitigate Fraud for Effective STP

- Validate the time and location a photo was taken is appropriate for the loss
- Confirm the photo didn't come from the internet
- Confirm the image hasn't been used before
- Confirm no evidence of receipt or documents manipulation
- Ensure the image hasn't been modified



Thank you!

Questions?

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