



Esure to use Voice Risk Analysis to cut fraud And speed genuine claims

25th November, 2003

Esure, the UK's fastest-ever growing car insurer - is to use Voice Risk Analysis (VRA) technology for some types of claim to help cut fraud and improve the service for genuine claimants, while keeping premiums as low as possible for the honest majority.

VRA, which identifies micro changes in the voice that occur when a speaker is showing higher levels of stress while giving a statement or answering a question, will be used by Esure from 4 December 2003.

The system will be used to 'fast-track' cases where no adverse risk is registered during the claim logging call. In cases where high levels of risk are registered, the system will only ever be used as a 'flag' to trigger further investigation of any potentially suspicious elements within the claim.

Esure will never treat VRA analysis as 'evidence' of potential fraud but will use it as a tool to direct the examination of a particular claim towards hard evidence that can be found through focused investigation. This will help to ensure that 'false positives' - where a genuine claim might be turned down - never occur using the system.

As the system identifies 'low risk' claims extremely quickly (i.e. where there is no indication of relevant risk on the part of the claimant) Esure will be able to make payments more quickly in many cases.

The pilot for the VRA system, which has been developed and marketed by DigiLog and will be implemented for Esure by Brownsword plc - will initially be used to analyse higher risk claims, such as un-recovered thefts and burn-out car claims. In the future, this is likely to expand to potential staged accidents and home insurance claims.

Gordon Hannah, Esure's Head of Claims, said:

"Esure believes in this technology and we believe it can cut fraud. We want to reward honest claimants with faster service and lower premiums, so we consider this technology an important step.

Voice Risk Analysis cannot disadvantage a genuine claimant; it will only ever speed up their claim. It will, however, provide an indicator of potentially fraudulent claims and can help direct the search for concrete evidence of fraud. If none is found, the claim will be paid as with any other.

This system is not intrusive. Claimants will be told clearly that their call is being recorded and analysed. We believe the honest majority is fed up with funding the cost of fraud so it is essential that Esure works to identify and act against potential fraud. Voice risk analysis is just one tool, but we believe it is a very strong one."

During the roll-out of the system, Esure is writing to all UK civil liberties and consumer groups and asking them to contact the company if they have any concerns over VRA. Esure will then provide demonstrations of how the system will work and reassurances regarding the measures in place to prevent intrusion or error.