



DigiLog UK Ltd Newsletter Summer Edition 2007

For Everyone's Benefit

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Harrow Council and the Department for Work & Pensions took centre stage in the fight against benefit fraud recently in announcing that DigiLog's Advanced Validation Solution (AVS) would be piloted in the London borough.

Members of the public currently claiming housing and/or council tax benefit will be called, their circumstances reviewed and assessed for risk using the combined power of DigiLog's VRA technology and NIA process. Where AVS identifies relevant risk factors,

further validation work will take place as claimants will be asked to provide further evidence to support their claim.

Work and Pensions Secretary John Hutton was vocal in his support for the adoption of DigiLog AVS. "The introduction of this cutting-edge technology will be another weapon in the battle against benefit fraud," he said.

Working in conjunction with partner Capita, DigiLog AVS is also being evaluated by Job-Centre Plus during the second

half of this year.

This important development has attracted enormous media coverage with newspapers, radio, TV and the web - across the UK and beyond, covering the story.

"This is an ideal application for the Advanced Validation process. We too are highly confident that AVS will deliver a strong, positive impact on the levels of fraud and misrepresentation experienced in the benefits sector. Additionally, we anticipate a quicker, slicker



Latest media coverage

DigiLog's AVS solution has been receiving global attention on TV and Radio, being featured as key part of a National Geographic Channel documentary, broadcast around the

world and also as a key feature on Radio 4's 'Connect' - presented by Quentin Cooper. Both programmes took an in-depth look at how VRA is used in the Insurance sector.



News in brief

A high-level insurance industry delegation from **Poland** visited the UK recently to see how our insurance businesses are setting the international standards in the use of AVS to fight fraud. Their visit was arranged to help develop a new claims handling process for a new line of insurance scheduled for launch in the country.

Capita Field Investigations have become the first Field Investigations team in the country to use the Advanced Validation process for field and bespoke investigations. "We are very pleased that Capita have decided to take AVS into field investigations," commented Kerry Furber, Managing Director of DigiLog UK. "This is an important step – not only because their field investigators will be able to complement in-house AVS activities, they will also be able to use the power of our investigative interview techniques and VRA technology to assess risk in any investigative conversations that they undertake."



On a sunny 3 days in Spring, **DigiLog** hosted **Dr Albert de Vries of Nemesysco**, a world-leading figure in VRA technology. His visit facilitated an extremely constructive series of seminars and workshops that explored future possibilities for VRA developments in a variety



ety of areas where the technology and AVS skills can combine to deliver innovative and powerful solutions.

Senior figures from DigiLog attended throughout the 3 days and unanimously applauded Dr de Vries for his invigorating and knowledgeable contribution.

DigiLog remains in demand on the domestic and international speaker circuit with DigiLog Managing Director, Kerry Furber, presented at the **Claims Network Conference in Copenhagen** in May, generating strong interest from Scandinavia, Holland and North America.

We will be presenting and exhibiting at IIR's London based **Fraud World Conference** on 26th and 27th of September 2007, an important, international event.

On the 26th Lior Koskas will lead a presentation on detecting risk in conversations, seeking to expose the myths and

shed light on the reality of modern day techniques and technologies. The following day, Kerry Furber will present a session on 'fast-tracking' genuine customers.

DigiLog is also pleased to announce that AVS has now commenced its journey into the world of screening travel insurance claims, via the recent expansion into this area by one of our existing customers - a major UK insurer. Again, this is a world first and another feather in our cap.

With the huge array of knowledge and experience available within DigiLog, we are working to develop a series of Law-enforcement, security and investigation-based training courses. Recent legislation requires staff in a number of fields to be provided with varying levels of training to fulfil their roles, and DigiLog is ideally placed to provide accredited training on a wide variety of security and investigation areas. Watch this space for further news on this exciting development in the near future.

"Capita Field Investigations have become the first Field Investigations team in the country to use the Advanced Validation process for field and bespoke investigations.."

AVS launched in Colombia

A major Financial Services organisation in Colombia has become the first in that country to launch AVS pilots across multiple lines of general and Life insurance – including Motor Theft, Property and Medical related claims. AVS is being increasingly regarded as a front runner in combating the growing fraud problems developing in the country.

The deal was spearheaded by Lior Koskas and Kerry Furber, together with the invaluable input of DigiLog’s South American partner IE Consulting. The pilot, launching in July, will be run from major operating centres in the Colombian capital, Bogota.

“This is tremendous news for DigiLog and the Colombian Financial Services Sec-

tor,” explained DigiLog UK Managing director, Kerry Furber. “We must also recognise and praise the work of our partners IE Consulting, who are also close to securing pilots at further Colombian insurers and in the banking sector. Together, we look forward to bringing immense positive change in South America’s fight against fraud”



MD of IE Consulting and Lior Koskas of DigiLog

Beeping up the technology ! !! !!! !!!!

It’s a development which on the surface seems incredibly simple, but it’s a feature which is now greatly assisting AVS operators to accurately assess risk within conversations. In conjunction with Nemesysco, DigiLog has developed an audible alert which is sounded in the op-

erator’s earpiece when a particular segment of conversation is analysed as High Risk. This means that busy operators can now easily identify that a risk segment has been detected and then instantly assess it for relevance in the context of fraud or deceit.

Virtually all DigiLog UK AVS users have already received the upgrade which has been received highly favourably and is seen as an important step forward in helping to improve both service and results.



Comedy Claims—we’ve heard them all

Dealing with insurance claims quite often means that our clients have some very unusual stories to tell about both cheats and truth-tellers.

The following really are TRUE tales from the files of AVS users:

Claim 1: - an insured called to report her car stolen, it having been found damaged and abandoned. Hence she wished to notify a claim.

However, when interviewed during stage I of AVS she point blank refused to answer any questions relating to security/safeguarding of the vehicle (whether it was locked, etc). Due to her evasion, the client decided to look further and found three previous claims on their system. The claim was assessed as High Risk and subsequently, during

the AVS Stage 2 process, she confessed that the vehicle had actually been taken without her consent by her son and his friend. They later crashed it and left the scene. She had decided not to reveal this in the first instance as she didn’t want them to get into trouble as they were “very good lads”. Aah, bless the little mites!

“DigiLog has developed an audible alert which is sounded in the operator’s earpiece when a particular segment of conversation is analysed as High Risk. .”



Comedy Claims—we've heard them all

Honesty is so obviously the best policy!!

Claim 2: - a policyholder reported his vehicle having been stolen whilst he was "visiting some friends". When interviewed via AVS, the customer ultimately admitted that the friends he

was visiting were not friends in the traditional sense, but were that *special type of friend* - the type that provides certain services once the "friendship" has been paid for! Incredibly, the customer went on to admit that part of the services involved him being tied to a bed and that it

was at this delicate moment that the "friends" suddenly got up and left the room. Intrigued as to what might happen next, our claimant lay back and waited. He had to wait for quite some time as it turned out that the friends had actually removed his car keys from his

discarded clothing and drove off from the scene by stealing his car!

We know that the psychology and conversation mgt techniques in AVS scripts are good but we didn't expect truth-tellers to want to go quite this far !!!!

Third Party Precision

The UK insurance industry faces a daily challenge in assessing the validity of claims made by third parties involved in road traffic accidents. In cases where the third party has engaged a solicitor or a claims handling company, insurance companies are often frustrated in their efforts to get direct access to the individuals involved in the accident to interview them about the matter. Instead, they have to rely solely on contact with their representatives – a situation which many people in the insurance industry find unsatisfactory to say the least.

Yet, it's as vital to establish the integrity of a claim from a third party as it is from any other source. DigiLog has been creatively addressing

this problem via an approach which sees AVS being applied to assess the 'strength' of the policy holder's account of what happened in the accident.

Thus, by assessing the integrity of the policy holder in relation to their recollection of information relating to the third party (such as number, nature of any injuries sustained, number of passengers and vehicle damage) insurers can at least benchmark the claim to help focus their attention on third party claims worthy of more detailed scrutiny. So, in comparing

these validated responses to the details supplied by the third party, it is possible to identify where claims of the third party/ies are seriously at odds with what appears to be a truthful account of a policy holder. Consequently, costly investigative resource is far better focused.

This approach offers a genuine solution to what is an ubiquitous problem for UK insurers.

"In cases where the third party has engaged a solicitor or a claims handling company it is becoming increasingly difficult for insurance companies to get direct access to the individuals . "





The security industry has been examining how it can tackle some hugely important issues through the application of DigiLog's Advanced Validation. Investigating occurrences of thefts and robbery that potentially involve staff, often in collusion with external criminal gangs, can present difficult and even dangerous situations to place under the microscope.

Recently, AVS was trialled by a major security corporation called on DigiLog to assist in an ongoing investigation into a series of thefts that had netted more than £300,000 in cash and stolen goods.

AVS trial puts crooks on trial!

Despite careful monitoring and investigation over a 2 year period, the perpetrators remained undetected and continued to help themselves to substantial amounts of cash and goods. DigiLog was called in immediately after yet another loss had been identified and set about adding AVS skills and VRA technology into the investigation mix. All potentially involved staff were quizzed and incredibly, in only the second interview, the AVS process detected relevant risk in several critical areas that were then probed further according to AVS protocols. Within a short time, the subject felt the power of AVS

focus and began to confess to being involved in the long string of thefts. He was subsequently arrested and around £100,000 pounds in vehicles and other goods has since been recovered. Further suspects have also been identified via AVS in this ongoing investigation.

Our innovative, radical and ultimately 21st Century approach to interviewing is now being considered not only for the power it can bring to investigative interviewing, but also for the screening of job applicants to the security company concerned.

It is anticipated that AVS will be a huge leap forward in finding risk in answers to questions about previous criminal convictions and other critical factors relating to integrity. We are convinced that AVS has an incredible role to play in finding the truth where ever it needs to be found.



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