



A photograph or posting can speak a thousand words.

Social media – aiding claim investigations

Did you know?

2.2 bn.

The number of people using social media worldwide.¹

The use of social media and the internet has grown dramatically in the last decade, rising by 176 million users in the last year alone.² It is estimated that social media penetration reached one-third of the world's population by the end of 2015, with new users in developing nations accounting for almost all of this growth.³ China has an estimated 500 million social media users and India has approximately 250 million. The region with the highest penetration rate of social networks is North America, at

around 60% of the population.⁴ This has opened up a vast universe of information available at our fingertips that can be used to aid in claim investigations.

In the past, this information was available but it took time and effort to obtain from the various public sources. Today, this information is instantaneously accessible through the internet. Social network profiles contain a plethora of personal information about an insured as well as about their family and friends.

The information people post online can tell a somewhat different story than what is being presented to doctors and insurers on a claimant statement or application, and can be used in conjunction with other facts to adjudicate claims or when underwriting an applicant.

¹ Kadie Regan, Socia Media Today, 2015.

² Kadie Regan, Socia Media Today, 2015.

³ Simon Kemp, We are Social, 2015.

⁴ The Statistics Portal (Statista), 2016.

Who are the experts and what are they doing?

Claim assessors and investigators use social media and the internet as a complement to their normal investigations. Using social media to aid investigations requires investigators to act quickly, taking advantage of information's accessibility before it is taken down. It is a best practice to capture the information upon discovery, as it may not be available when you try to locate it again later.

There are companies who specialize in searching the internet for defined information and packaging the findings for customers' use. The demand for these types of investigative services and expertise has created a growing industry.

It is important that experts such as a qualified forensic technology manager or computer forensic examiner are employed to help assist in collating and verifying information, particularly if the insurer is going to rely on this information to make an adverse decision regarding a claim. This way, the accuracy of the material will be credible and may be used at tribunals or courts of law.

What kind of information is available?

Most social media websites are easily accessible and free to join without regard to age, race, ethnicity or socioeconomic background. They are used by people to share their lives and opinions by posting pictures, messages, and writing blogs.

Other sources of information available through the internet include:⁵

- Public government records
- Customer information provided in the course of doing business
- Self-reported information voluntarily disclosed on a survey or questionnaire
- Passively collected information from mobile devices and interactive televisions

In addition, information can be discovered by searching known family, friends, or associates. These "friends" can provide more details about an insured such as hobbies, interests, or travels. A photograph or posting can speak a thousand words.

⁵ Cynthia Hetherington, data2know.com, Internet & Online Intelligence Newsletter

Case study I

An insured died in a skydiving accident. The insured listed an occupation of rigger/packing parachutes and did not admit to participating in any hazardous sports or activities. During the claim investigation, evidence was discovered that the insured was a skydiver, trainer and base jumper. Social media posts and pictures were the source of the investigation's evidence.

The claim was denied and the policy rescinded. As you can see in this example, the information given to the insurance company at the time of application was far different from the truth and social media helped to uncover the facts.

Case study II

A total & permanent disablement (TPD) claim was declined, prompting the insured to initiate legal proceedings. As part of the preparation for trial, a search of the insured's social media accounts was undertaken. This led to the discovery of a social media account held by the insured's spouse which was available for public viewing. The social media account showed that the insured's numerous activities were inconsistent with the self-reporting conveyed to treating physicians.

The insured's social media account was not available for public viewing, but it was evident that there were around 500 photographs in an album on the account. The insurer employed the services of a computer forensics expert who confirmed the album contained photographs uploaded to the social media account from a mobile phone. It was concluded by the expert that between day 1 and day 2 of the trial, photos from the album were being deleted. Upon realizing this evidence had been discovered, the insured requested the legal proceedings against the insurer be discontinued.

Case study III

A claim was denied due to a significant misstatement of the insured's weight at time of application. The beneficiaries instigated litigation against the insurer in a legal system that requires establishing a very high threshold for insurers to prove fraudulent non-disclosure as a basis for denial.

In preparation for the litigation, the insurer employed the services of a forensic technology manager who analysed digital technology such as a computer, mobile phone, digital camera and social media accounts. Part of this analysis included photos that had been posted on social media. The forensic technology manager was able to confirm the date when the photos were taken and when they were posted online. This evidence from the forensic technology manager was significant in the judge making a finding in favour of the insurer confirming there was enough evidence to support fraudulent non-disclosure. Once again, reviewing social media made a difference to the outcome of this matter.

How should information discovered be used?

With caution! Information obtained using social media or other internet sources should be viewed as an additional piece of corroborating evidence and not as the sole basis for a claim decision. Most social media websites and applications establish terms and conditions that users agree to when joining. The access to information posted by users is then controlled through privacy settings. Often times, people forget to mark posts as private or forget who might be viewing information accessible by the public. A claim assessor or investigator should use information that is deemed for public access and not try to contact an insured by "friending" or creating a fake profile.



Claim assessors and investigators use social media and the internet as a complement.

It is important to understand and adhere to privacy laws governing the access and usage of social media information. These laws and the legality of how this information can be applied vary by country and legal system. Some courts have ruled in favour of insurers' rights to have access to privately posted information.

When gathering information from social media sources, proper steps should be taken to obtain material in a manner that is both legal and ethical.

Emerging investigative techniques

Just as the number of social media users grows each year, so do the methods by which this information can be found and used. One of the emerging investigative techniques is using services that provide location-based searches for social media content. Insureds can be located by their social media usage in a particular location or area on a map. This information can be used to demonstrate insureds are in locations and conducting activities contrary to what they are reporting to insurers.

Conclusion

Using social media to aid claim investigations is an emerging trend. Privacy laws and the definition of what is considered private are evolving and vary globally. This can make it challenging to access certain types of online information. Despite these challenges, the exploration and use of electronic information is cost-effective and another tool available to the insurance industry as they try to defend against adverse selection and fraud.

This powerful resource should be used with care and caution and not considered the sole basis for investigating suspect cases.

The information provided here should not be construed as legal advice or applied in lieu of applicable laws. You cannot always believe everything you can find on the internet.

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