

Insurance Guarantee Fund

FROM COMPENSATIONS
TO ANALYTICAL CENTRE

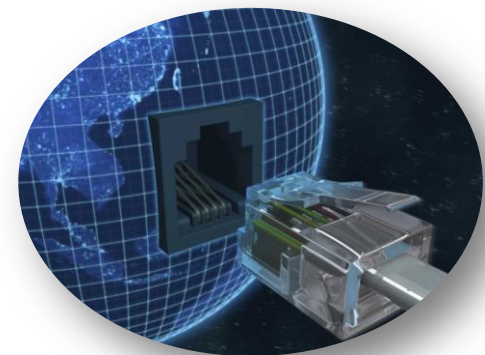


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APRIA 2017, Poznań, 31.07.2017

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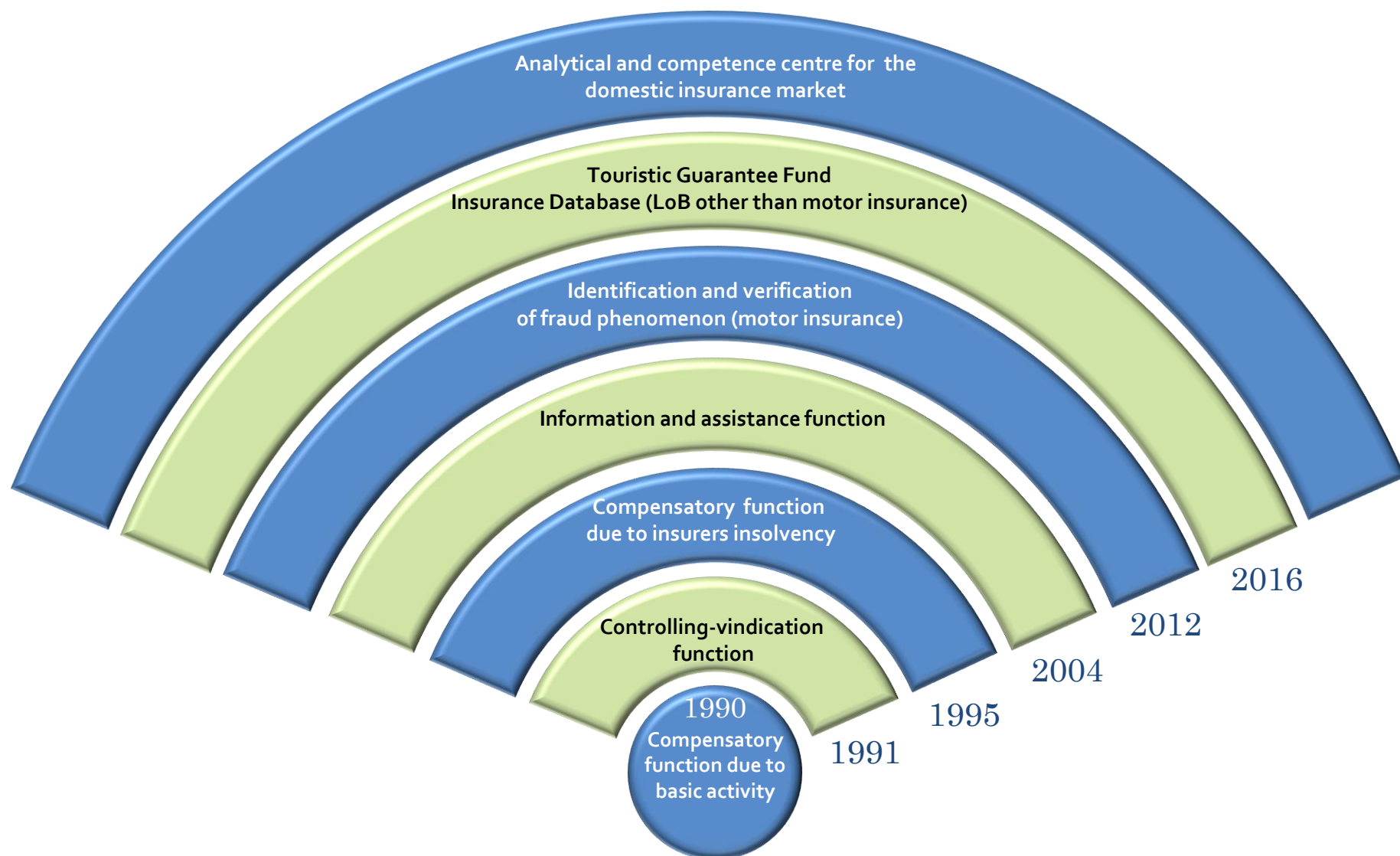
Development of IGF activities in years 1990-2016

2

Development of Information Centre

3

IGF as IT and analytical centre for the insurance market



Directive 2009/103/EC of the European Parliament and of the Council, article 23:

Issue: enable the injured party to seek
compensation

Solution: establish/approve information centre

register
containing
information

coordinate the
compilation and
dissemination
of that
information

assist entitled
persons to be
apprised of the
information

cooperation
between
centres

Development of Information Centre – short history

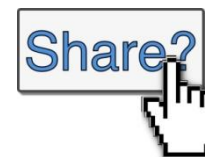


2004: Information Centre foundation → the beginning of database creation.



2009: launching mechanisms of data sharing for aggrieved party, insurance market and other entities; managerial information for insurance companies.

Information provided electronically, in short period of time, allowing proper risk assessment, setting appropriate premiums and claims verification in motor insurance.



IGF's Information Centre:

The biggest database in insurance sector – data from 27 insurance companies – 390 m records:

- MTPL and autocasco concluded contracts
- MTPL and autocasco reported claims
- MTPL and autocasco compensations and benefits paid

Information sharing:



insurance companies



natural persons



institutional entities
(authorized institutions, law
enforcement authorities, etc.)

IGF is obliged to share information with:

natural persons

- MTPL insurance for accident victims
- insurance history – MTPL insurance holder

insurance companies

- risk assessment, data verification, tariffication
- claim settlement in case of multiple insurance contract
- to perform insurance contract
- statistics

institutional entities

- implementation of statutory duties: Financial Supervisory Authority, Polish Motor Insurers' Bureau, Financial Ombudsman, Polish Insurance Association, Central Anti-Corruption Bureau, Internal Security Agency, courts, prosecutors, police, vehicle licensing authorities, etc.



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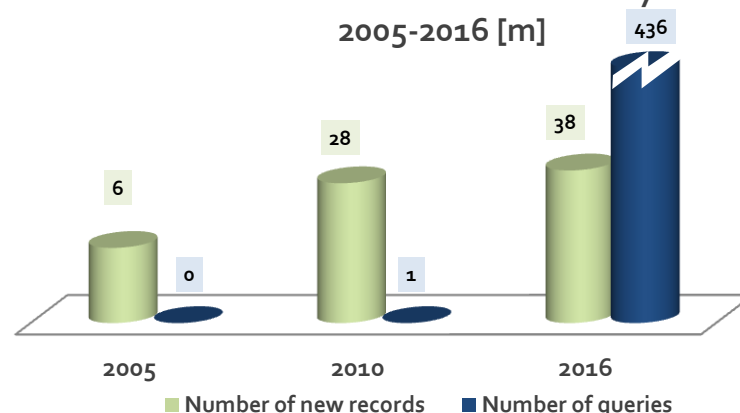


natural persons



institutional entities
(authorized institutions, law enforcement authorities, etc.)

Data collected in and shared from Information Centre database in years 2005-2016 [m]



Overall during 2005-2016: ca. 370 m records and ca. 1 bn queries

Number of insurers' queries to Information Centre database listed by methods in years 2014-2016 [m]

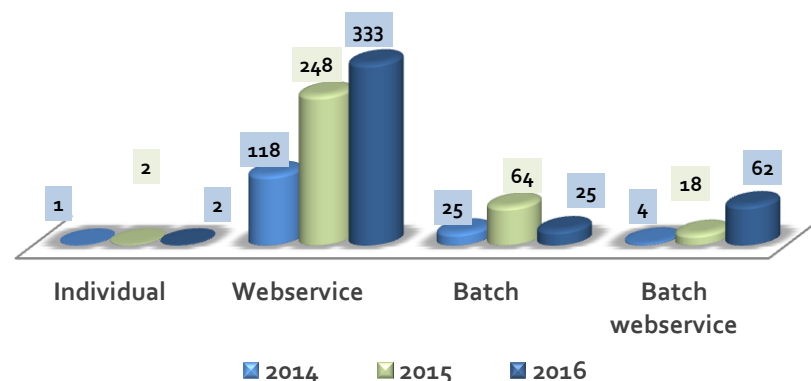


Chart does not include information about queries „Check MTPL insurance for the vehicle”

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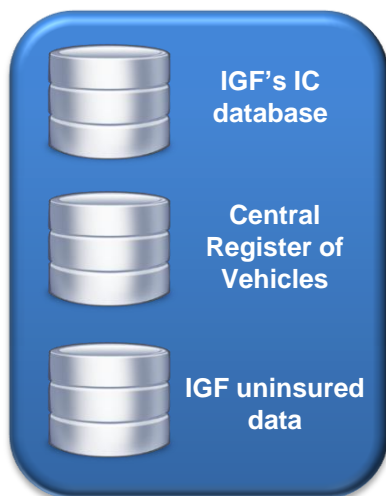


2011: development in the field of uninsured detection → increasing level of uninsured detection:

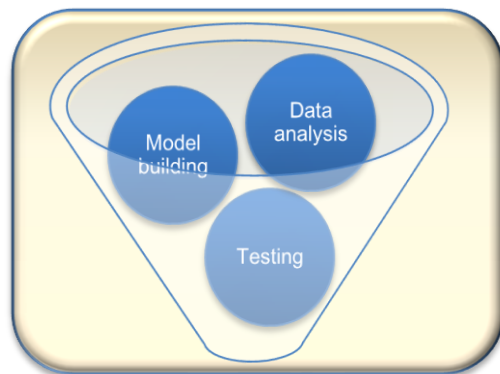
1. e-notification implementation,
2. advanced and effective system applied to check MTPL insurance: external databases crossing and machine supervised learning.



Data



Predictive modelling



Detection



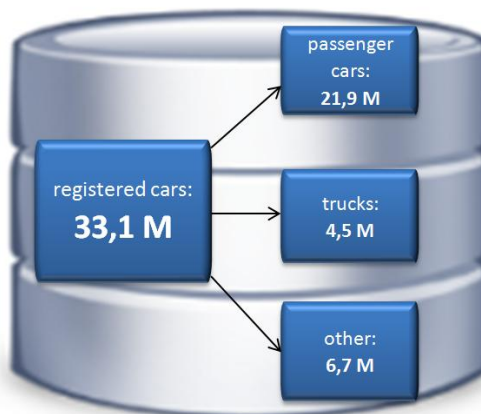
Verification
(insurance companies)



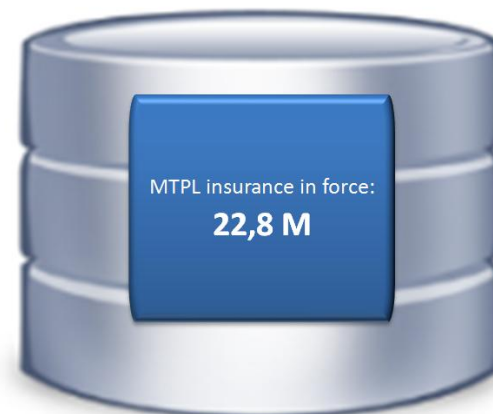
Summons (fees and vindication)



Central Register of Vehicles



IGF's IC



difference 10,3 M

Development of Information Centre – short history

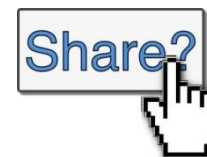


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2015 – 2017: fraud detection function in life and non-life insurance (Insurance Database) –
legislation; database creation – analytical and IT works; pilotage phase.

2017: fraud detection in motor insurance: project co-financed by EU; launching platform for
stakeholders in 2019 with possibility to implement some services earlier.



34,9 bn PLN

- Gross compensations and benefits paid in 2015 (all lines of business) [FSA]

10,4 bn PLN

- Gross compensations and benefits paid in 2015 (motor insurance) [FSA]

191,1 m PLN

- Amount of irregularities in 2015 (all lines of business) [PIA]

146,1 m PLN

- Amount of irregularities in 2015 (motor insurance) [PIA]

3,5 bn PLN

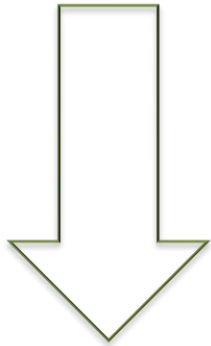
- Potential amount of irregularities in 2015 (all lines of business)

1,0 bn PLN

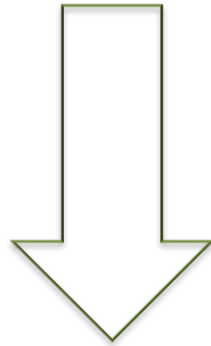
- Potential amount of irregularities in 2015 (motor insurance)

Sources: Financial Supervision Authority, Polish Insurance Association, Insurance Europe; **1 PLN=4,25 EUR**

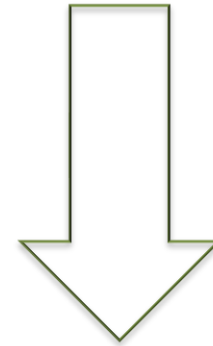
Identification, verification and fight against violation of interests of insurance market participants



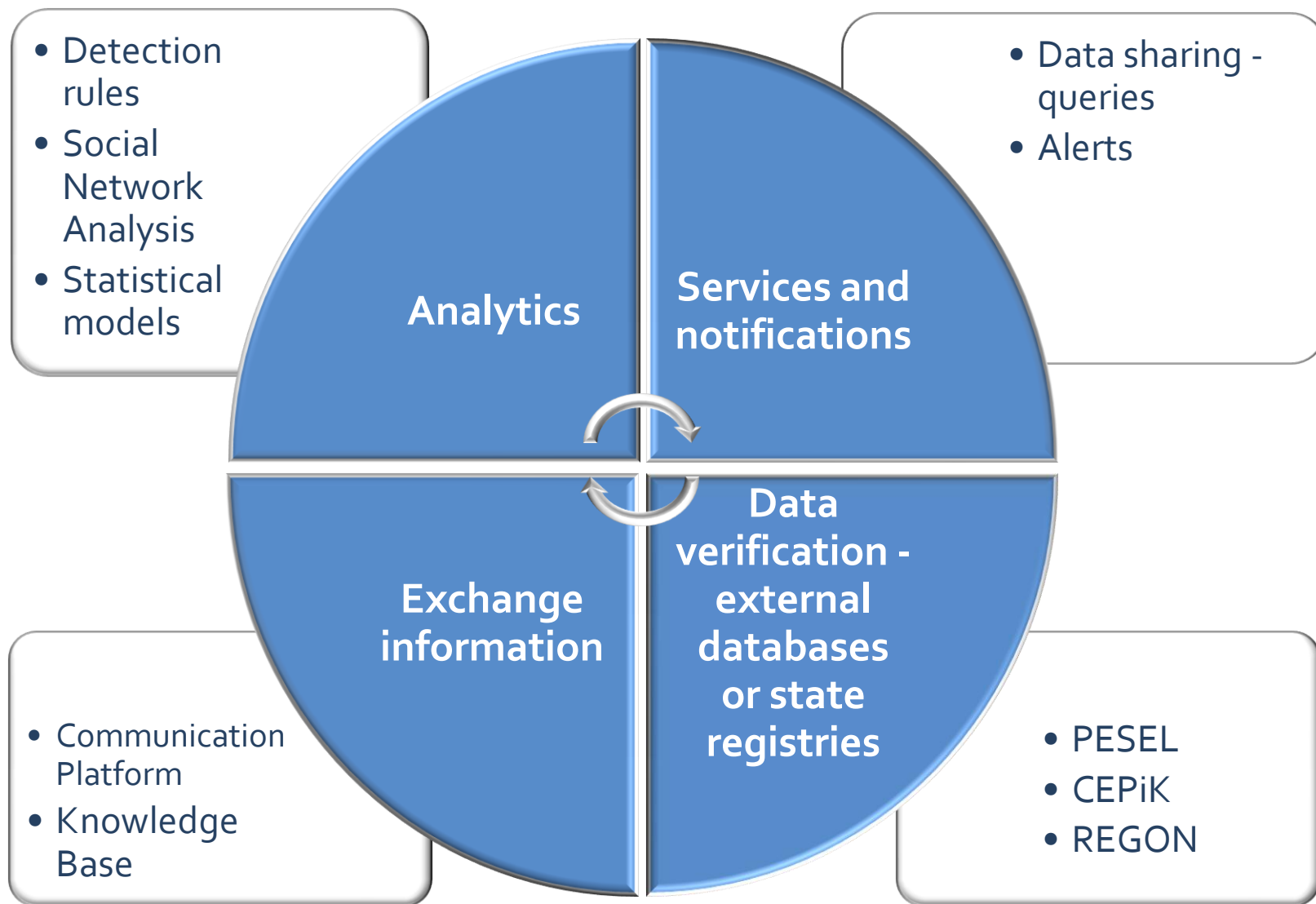
Reduce the
cost of unjustified
compensations and
benefits



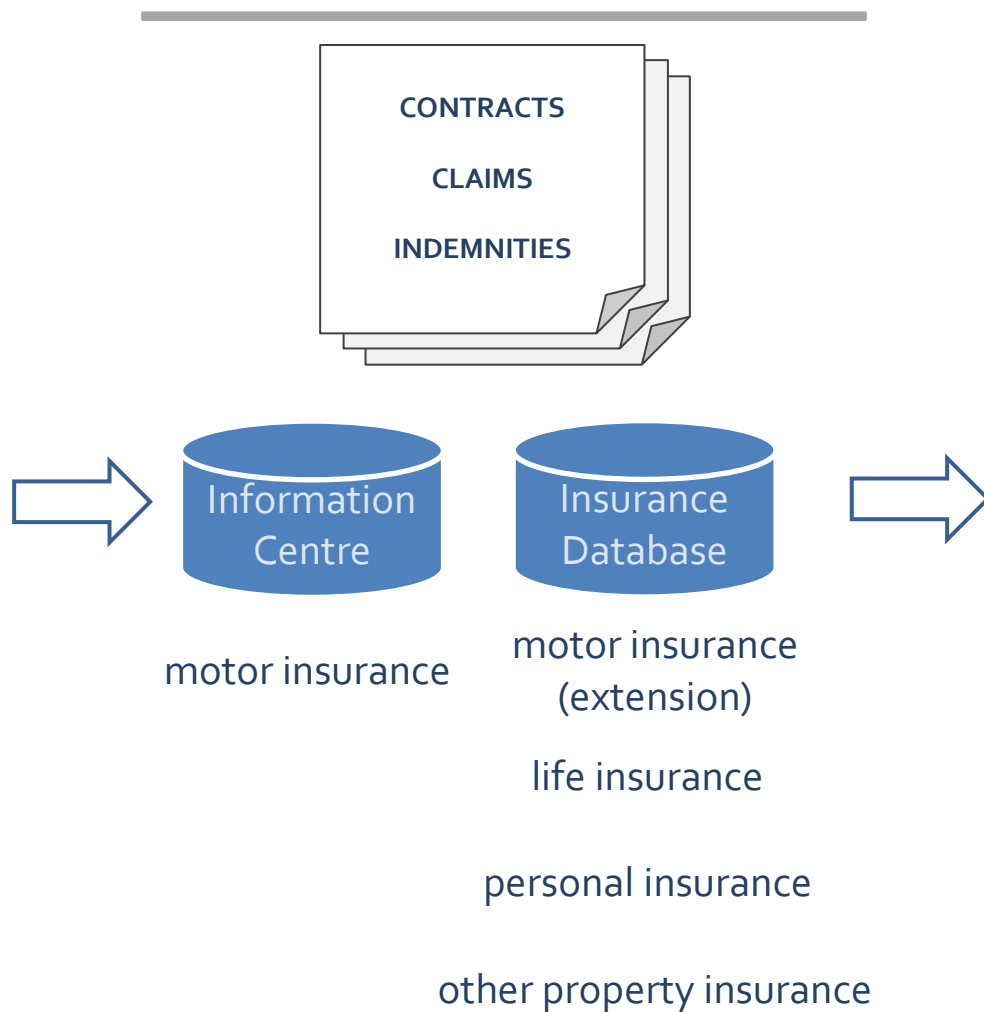
Protection of honest
clients



Ensuring the adequacy
of premium in relation
to real risk



now:
incomplete
information about
customer



IGF's sectoral databases allow insurance companies to limit the exposure to risk.

Insurance risk: tariffication process

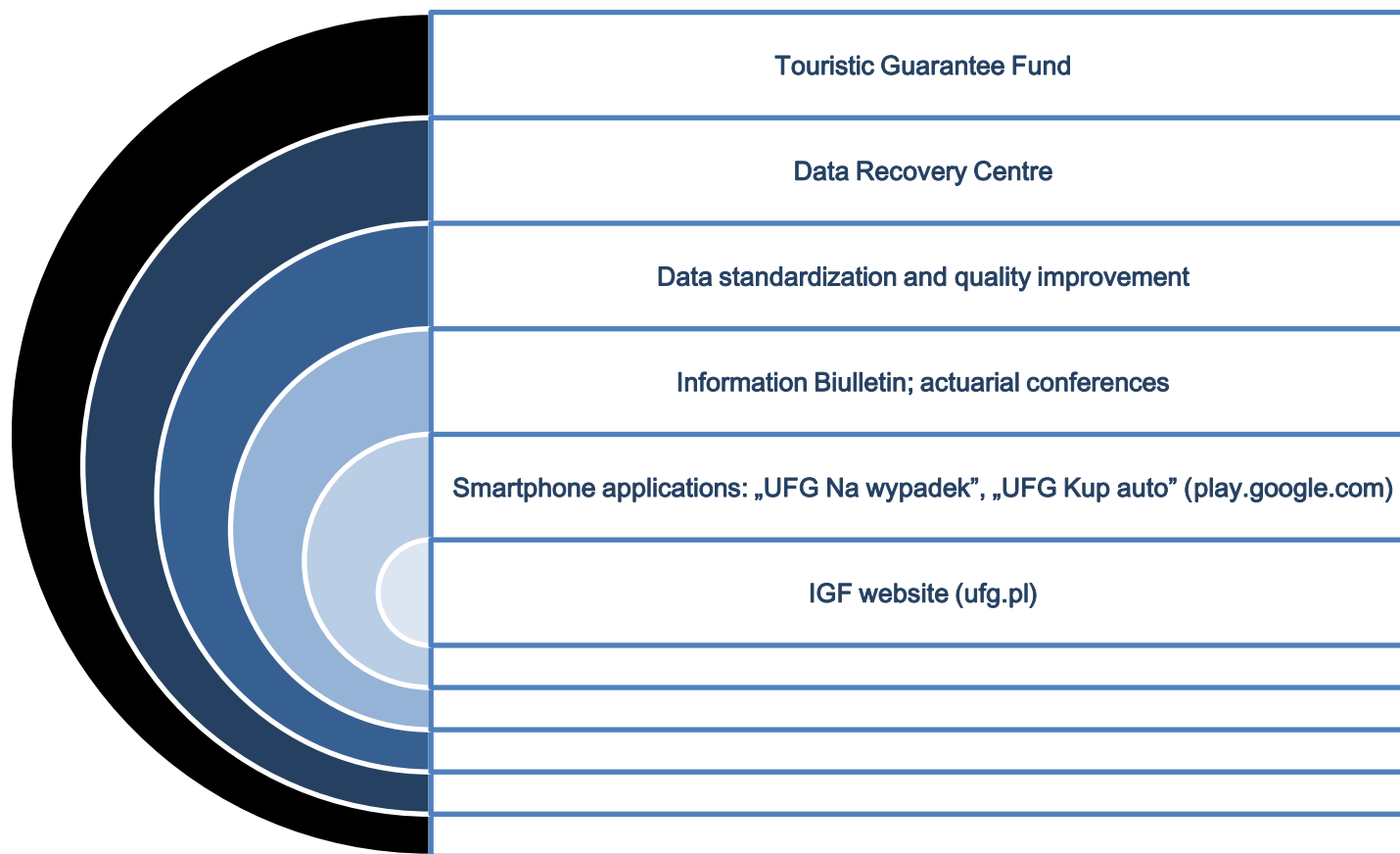
Operational risk: fraud detection

Product risk: process of data errors explanation

Technical and technological risk: additional data source in case of internal databases breakdown

Process continuity risk: cooperation with IGF enforces high quality of internal processes within insurance companies

Uninsured detection: risk and costs reduction in case of accidents caused by uninsured





Technically advanced insurance companies and other stakeholders are able to take advantage of access to central IGF system and use it in automated or semi-automated processes. **Synergy effect of IGF's databases** provides a wide range of opportunities for our stakeholders.

During over 25 years **Insurance Guarantee Fund** has gone through the role of institution that conducts compensatory and controlling-vindication function within compulsory MTPL and compulsory farmers TPL insurance to the role of analytical and competence centre for the domestic insurance market. IGF constitutes stabilization role by supporting not only insureds, injured parties and other entitled parties but also insurance companies – IGF members.

Thank you for your attention!