

## swiftcover.com cracks down on drivers who lie

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Car insurer swiftcover.com is cracking-down on drivers who lie about their previous claims to get cheaper insurance, by becoming the first company in the UK to automatically check the claims histories of motor insurance applicants.

swiftcover.com says that as many as 10% of applicants do not disclose all of their previous claims, and that drivers who cover up their claims histories are more likely to make more insurance claims in the future, with many of them attempting to make fraudulent claims.

The insurer's investigations also reveal that around 60% of drivers who don't own up to their previous claims won't renew with swiftcover.com when their policies end, indicating that many people jump from insurer to insurer, lying about their previous claims histories to keep their insurance costs unfairly low.

swiftcover.com says that while some drivers simply hide their previous claims to get cheaper insurance, this is still fraud and costs swiftcover.com up to a £1million each year in lost premiums. These kinds of fraud cost law-abiding drivers millions of pounds each year in higher premiums.

swiftcover.com's new system will instantly compare the claims disclosed by a driver on their application with a database holding the details of 22 million drivers in the UK. If the claims disclosed on the application do not tally with the database, applicants will be asked to check that they have accurately disclosed the claims history of all the drivers they want to insure.

swiftcover.com says the new checking process will ensure that drivers with a higher number of claims, who are therefore a higher risk, pay the appropriate level of premium, whilst people with fewer or no previous claims will be charged lower premiums.

Steve Gaywood, swiftcover.com's Counter Fraud and Compliance Manager, says that motorists who cover up their claims history will find that the final premium they are offered is likely to be higher than their initial quote.

But he explains: "It is not fair that safe, law-abiding drivers should pay higher premiums to subsidise people who lie about their previous claims to get cheaper insurance. swiftcover.com's new check will help us identify people that have not fully disclosed their claims history and ensure that they are charged the appropriate price for their insurance.

"Some drivers who have tried to cover up their claims history and got a lower quote as a result may decide not to use swiftcover.com when the correct premium is calculated. However, swiftcover.com is determined to crack-down on people who try and buck the system. This will help us keep insurance costs lower for drivers who are open about their claims history and circumstances."

## EASIER FINANCE

swiftcover.com's claims history check has been developed in conjunction with technology provider CRIF Decision Solutions and makes use of the Claims Underwriting Exchange (CUE-CACHE) database, which collates claims data from the vast majority of UK insurance companies. It works in the same way that financial providers credit check consumers before issuing loans and credit cards.

swiftcover.com is the first UK insurer to use this kind of claims history check on individual applications during the quote and sales transaction. The insurer says that by incorporating the check during the sales transaction, it makes the process more transparent, so that drivers with a claims issue will be alerted before they have actually bought the policy, in addition to helping to cut down the numbers of attempted fraud.

The claims check is carried out instantly when a driver decides to purchase a swiftcover.com insurance policy. If the applicant's claims history is accurate, the sale will be processed; if there is a discrepancy between the application and the CUE-CACHE database, the sale may be halted and the applicant will be advised to check the claims history of all drivers named on the application.

Drivers who do not disclose all their previous claims are likely to see their insurance premium increase in price above their initial quote when the correct claims information is disclosed. Drivers will be able to appeal if they feel the information held by the CUE-CACHE database is incorrect.