**Project Initialization and Planning Phase**

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| Date | 15 July 2024 |
| Team ID | 739990 |
| Project Name | Auto Insurance Fraud Detection using Machine Learning |
| Maximum Marks | 3 Marks |

**Define Problem Statements (Customer Problem Statement Template):**

* Insurance is claimed in order to get a relief amount for any damage cause. Insurance is a means of protection from financial loss, but now-a-days Many people are claiming the Insurance by fraud claims. It can be called as a scam. It is called as fraud claim when a claimant attempts to obtain some benefit or advantage they are not entitled to, or when an insurer knowingly denies some benefit that is due.
* These type of Insurance claims cause loss to the company. So, It is necessary to detect the claims which are fraud. The number of cases of insurance fraud that are detected is much lower than the number of acts that are actually committed. So the main purpose of the Insurance Fraud Detection system is to predict the Insurance claim is a Fraud or Legal Claim based on the different appeals and parameters.

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| **I am** | **I’m trying to** | **But** | **Because** | **Which makes me feel** |
| Insurance Fraud Detection | Detect insurance fraud Claim | It’s Challenging Identify all fraudulent Fraud claims | Fraudulent claims can be sophisticated and mimic legitimate behaviour | Concerned about the effectiveness and efficiency of detection system |

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| **Problem**  **Statement**  **(PS)** | **I am**  **(Customer)** | **I’m trying to** | **But** | **Because** | **Which makes me feel** |
| PS-1 | A male  applicant seeking a insurance. | Secure a insurance for the property. | Married with no co-applicant income. | Self-employed with a good credit history. | Optimistic about insurance approval. |