

# Edging up

*Short takes on industry trends, emerging issues  
and service enhancements*

# Global claims fraud trends and the economy

BY **LINDA WISNESKI**

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On the heels of the pandemic — during which we saw a spike in fraudulent claims due to the accelerated rate of technology, information access and virtual workflows — we have now entered a phase of worldwide economic downturn affecting consumers and businesses alike. When there's economic uncertainty, there's typically an uptick in suspect claims, as financial distress is one of the major drivers of fraud. During times like these, we see more representation fraud at the point of purchase as many look for cheaper premiums, and there will also be more post-disaster contractor fraud, auto repair schemes, defaults and exaggeration fraud.

Insurance fraudsters are becoming more sophisticated — and sometimes more desperate.

Some notable trends to watch for include:

- Fraudulent claims filed by specially designed bots.
- The use of identity theft in insurance fraud.
- Willingness to inflict actual self-harm to “pass” more scrutiny by insurers.
- Ghost brokering, where fraudsters masquerade as insurance brokers or agents and use phishing schemes to fleece unsuspecting individuals seeking insurance policies. Fake policy documents, designed to look like they have been issued by legitimate carriers, are produced and sold to unsuspecting customers.

Sedgwick's global fraud team is helping insurers combat these trends by:

- Leveraging the power of technology-enabled services like artificial intelligence (AI), fraud scoring, open-source data, voice risk analysis, image forensics, smart cameras, advanced video capabilities and virtual platforms to investigate claims, mitigate fraud, and reduce unnecessary spending.
- Layering in human expertise, as technology alone is not a silver bullet. The need

for human engagement and interpretation throughout the claims process is paramount to improving the chances of detecting fraud and appropriately connecting with individuals through an investigation.

- Applying a “think global, act local” approach in terms of exchange of ideas, adaptation of best practices and consistent reporting and information sharing across borders, while maintaining appropriate levels of local protection and compliance.

For more on what's trending, see the latest news and blogs about fraud on our [website](#).

Sedgwick understands that effective claims investigation and fraud mitigation are critical components of organizational risk management strategies. To learn more about our services, please [contact us](#).

# Forensic accounting: measuring the financial impact of a loss

BY **ROB FOX**

*vice president, forensic accounting operations, Sedgwick*

Forensic accountants in the insurance services space analyze the financial components of claims to ensure they are accurately quantified and resolved. We serve as independent, trusted advisers and provide information that corporate, claims and legal professionals need. In many cases, we are asked to determine what would have happened from a financial perspective if a particular incident had not occurred. Of course, we are not fortune-tellers and have no crystal ball. So, how do forensic accountants project what might have been had the events that sparked a claim never occurred?

The field of forensic accounting combines financial and data analysis with thorough investigative processes. Our projections are based on investigations of available evidence, assessing the assumptions made in the claim, and judgments firmly rooted in our expertise, experience and professional principles. We look at everything from past performance and anticipated trajectories to seasonal changes and the impact of economic factors on various industries. We must also be familiar with how insurance policies are applied and what kinds of variables affect those determinations. For more on how forensic accounting brings value to the claims resolution process, see our [recent blog](#).

Here at Sedgwick, our global forensic accounting services (previously called forensic advisory services) offer solutions and expertise in business interruption, corporate crime and employee fidelity, cyber claims, litigation support,

personal injury, product liability, product recall, stock and inventory loss quantification and valuation, and subrogation. Our 120 forensic accounting colleagues across six continents have extensive experience in a broad range of industries, including construction, healthcare, hospitality, manufacturing, mining, power and energy, retail, service, technology and transportation. This breadth of knowledge ensures we engage the right resources on each assignment.

Our forensic accountants collaborate with insureds and adjusting teams to understand each loss and the key factors involved. They review complex financial information and complete a thorough analysis to help clients achieve the best possible results. To learn more about our global forensic accounting services, visit our [website](#).

# Brand protection state of the nation reports show increases in U.S. and European recalls

BY **CHRIS HARVEY**

*senior vice president, client services, Sedgwick*

For the second consecutive year, product recalls rose across multiple industries in the U.S. and European markets. Through Sedgwick's state of the nation recall index reports, our brand protection experts offer a year-in-review analysis of recall data trends, insights and predictions across multiple industries — as well as delve into the economic, regulatory and legal issues affecting product safety.

According to Sedgwick's [U.S. state of the nation recall index report](#), 2022 was a record-setting year for the number of units recalled, reaching nearly 1.5 billion, with the largest recall increases occurring in the consumer product, food and pharmaceutical sectors.

Product recall activity across five key European markets also continued to increase in 2022. Sedgwick's latest [European state of the nation recall index report](#) revealed a 4.3% increase over 2021 numbers, with the largest recall increases occurring in the automotive, toy and clothing sectors.

With regulatory scrutiny, economic uncertainty and increased legislation continuing into 2023, businesses in all industry sectors must remain vigilant on matters of product safety and recall preparedness across a variety of areas, including:

- Business interruptions
- Supply chain challenges
- Regulatory and legislative changes
- Financial impacts
- Product updates, upgrades and warranty work
- Product recalls and market withdrawals
- Data, privacy and cybersecurity issues
- Innovation and advancements in technology
- Constantly shifting consumer demand
- Customer and partner apprehension

Sedgwick provides a wide range of brand protection solutions to assist clients with product recalls, remediation and customer retention. To learn more about these services, visit our [website](#). For our latest blogs, updates and industry thought leadership, visit [sedgwick.com/news](https://sedgwick.com/news).

# Emerging solutions and service enhancements

## Expanding our UK home emergency network

**BY JON MAINWARING**

*client director, home emergency network, Sedgwick*

From a boiler breakdown to a leaking roof, Sedgwick's home emergency contractor network assesses, contains, and repairs damage – while delivering round-the-clock, quality service and peace of mind for policyholders. Plus, with connectivity to our claims management services, Sedgwick provides a one-source, end-to-end solution that delivers a seamless customer experience and reduces claims costs for insurers.

We continue to grow and invest in this service with custom solutions and new technology, including options for the straight-through processing of low-complexity property claims in our [smart.ly](#) platform. Smart.ly simplifies the process for the end user by enabling automated adjudication of claims. Policyholders preferring to report a claim over the phone can still do so. We're also pleased to share that we've expanded our network to reach even more remote areas in the UK to help more homeowners get the timely service they need.

Our network offers access to 3,000 highly skilled engineers and tradespeople to repair household boilers, plumbing, electrical, drainage and more. If we can be of assistance or you have any questions regarding our [UK home emergency solution](#), please [contact me](#).

## Services expand across the Nordic region

BY **CHRISTIAN LEIF HANSEN**

*CEO, Nordics, Sedgwick*

Sedgwick is committed to bringing advanced solutions and localized expertise to the Nordic region. With the [acquisition](#) of full ownership of Leif Hansen A/S, Denmark's largest and leading claims handler, we've deepened our expertise and expanded our investment in regional solutions, including loss adjusting, third party administration (TPA), building consulting and more. We've also recently entered the [Finnish market](#) and made key leadership appointments in Sweden and Norway. The team is further strengthened by the technical and environmental expertise of Sedgwick's [EFI Global](#), a division we are now expanding to include the Nordics.

We are on an exciting growth journey in the Nordic region. With Finland onboard, we're now able to offer the industry a full Nordic setup that fulfills clients' wide-ranging needs. Our outstanding colleagues — led by [Dan Sivertsen](#) in Norway, [Julia Holm](#) in Sweden, [Noora Valla](#) in Finland and [my team and I](#) in Denmark — are ready to service your organization.

## New loss adjusting service in Germany

BY **TOBIAS WALTER**

*CEO, Germany, Sedgwick*

Earlier this year, Sedgwick expanded its loss adjusting capabilities in Germany. The team now assists clients with all types of property, liability and specialty claims, while continuing to manage major and complex losses. We

provide experienced adjusters to support insurers and brokers with daily overflow issues and unexpected surges in claim volume.

Our nationwide network of German adjusters is available for short-, medium- and long-term assignments, offering additional capacity and flexibility for claims teams. Each adjuster is measured on performance quality and compliance with service level agreements, rather than claim volume. Our personalized service and innovative technology, including intelligent digital solutions and smart reports, help clients settle claims quickly and maintain high-quality service for their customers.

We offer resources with expertise in a wide range of claims, such as those involving residential and commercial contents, buildings and glass, personal losses, public and animal owners' liability, home and landowners' liability, and motor vehicle impact. Our newly expanded loss adjusting services help clients respond effectively to increases in claim volume and manage talent shortages. To learn more about our new loss adjusting services in Germany, see our [press release](#). For information on all our services in Germany, visit our [website](#).

## French training team joins global Sedgwick University network

BY **RENAUD DE CASTILLON**

*training manager, France, Sedgwick*

Since 2018, Sedgwick has had a dedicated team in France providing skills training for colleagues and bespoke training for clients. I'm pleased to share that this team recently joined the global Sedgwick University network to expand our offering to be even more comprehensive.

French colleagues and clients now have access to a broader range of in-person learning opportunities, as well as a shared library of virtual training courses taught by a growing list of experts from around

the world. Courses range from training on technology systems to optimizing claims resolution, and from understanding building pathology to the requirements of the General Data Protection Regulation (GDPR) – and much more.

We're excited for this new chapter and to further support the evolving learning and development needs of Sedgwick's colleagues and clients. If you are interested in learning more about Sedgwick University, please [contact me](#).

## Growing our global brand protection offering

BY **JULIE ROSS**

*international business development director,  
brand protection, Sedgwick*

Tougher regulations, evolving technologies, more complex supply chains and heightening customer expectations are just some of the factors driving the need for organizations to better manage their risks before, during and after a product-related crisis. Brand and reputation are among a company's most valuable and vulnerable assets. That's why Sedgwick offers a comprehensive brand protection solution, including product recall, remediation and customer retention services.

We continue to expand our global footprint to support even more companies in Europe, Asia and Australia, in addition to our U.S. and U.K.-based operations. We're also further investing in our recall readiness program, where we work alongside companies to put a thorough and vetted preparedness plan in place, manage mock exercises, and help them secure a master service agreement (MSA) to allow for quick response should an event occur. Without fail, companies that are recall ready recover and restore full operation sooner and are better able to reduce the impact of negative publicity and litigation risks than those that are less prepared.

Protecting your brand against legal, financial, regulatory and operational threats associated with product recalls and other in-market incidents is essential. Sedgwick is here to help. If we can be of assistance or if you have any questions about our global [brand protection services](#), please [contact me](#).