

Communication to plan members

Top 5 types of group insurance fraud

People with malicious intent are constantly finding new ways to cheat the system.

March is Fraud Prevention Month, so we're taking this opportunity to continue our efforts to raise awareness and remind you that everyone is part of the solution.

Let's look at the five most common group benefits fraud schemes.

Forging a receipt

This is a common scheme where a plan member submits a falsified receipt to get more money from their plan. For example, an individual may alter a receipt to show a higher cost for a service they received.

Claiming a service that was never received

A person submits a claim for a service they never received, such as treatment, or for an item they never purchased, such as prescription glasses.

Submitting a claim on behalf of a dependent

A person who has reached their annual limit submits a claim on behalf of a dependent. If the dependent never received the service, it's fraud.

Colluding with a provider

A person colludes with a provider to submit a claim for a service covered by their insurance, but the service the person actually receives is not covered. The person and the provider usually split the money from the insurer.

Provider fraud

A provider uses a person's information without their knowledge to submit a false claim for a service they never provided.

A real crime with real consequences

Group insurance fraud can have serious consequences for everyone.

Plan sponsors may face higher premiums and have no choice but to reduce their employees' coverage. This can have additional consequences, as we know that group benefits are key to attracting and retaining talent.

Furthermore, as a plan member you may end up paying more money for less coverage and spending more money out of pocket for services that used to be covered.

And what about the fraudsters themselves? The consequences of getting caught are not worth it: they can lose their jobs, face criminal charges and end up with a criminal record that will follow them for the rest of their lives.

What are we doing to minimize the risk?

iA Financial Group takes group insurance fraud very seriously. In fact, the fight against fraud is a daily battle.

First and foremost, we rely on an experienced and dedicated investigation team that is always on the lookout for suspicious activity and driven by one mission: to thwart fraudsters and preserve the integrity of our plans.

We also carry out random checks. Every day, we select claims at random and check them for legitimacy.

We also use advanced analytics and artificial intelligence to identify anomalies and profiles so we can deepen our investigations, recover undue payments and even, on occasion, ban unscrupulous providers.

Finally, as an active member of the Canadian Life and Health Insurance Association (CLHIA), we share strategic information on fraud trends and help raise public awareness through a national campaign.

And what can you do?

Group insurance fraud affects everyone. By learning how to properly use your plan, you will be better able to recognize and help prevent fraud.

Useful resources

- [Understanding and preventing insurance fraud](#)
- [Report or prevent insurance fraud](#)
- [Canadian Life and Health Insurance Association \(CLHIA\)](#) website
- [Fraud is fraud](#) website

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