

**GIA Insurance Fraud Tip-Off (GIFT)  
Choose Reward, Don't Get Caught.**

**Frequently Asked Questions**

**1. What is the GIFT reward scheme?**

The GIFT reward scheme is the latest initiative developed by the General Insurance Association of Singapore (GIA) in its efforts in combating insurance fraud.

Insurance fraud is a serious concern that affects everyone. It costs the insurance sector millions of dollars each year and also costs the consumer – from insurance buyers to public transport users to patients seeking medical treatment.

The reward scheme encourages members of the public to report suspected insurance fraud cases by coming forward with information and supporting evidence to GIA.

Informants are paid if their information has led to successful conviction of the offender.

**2. What is the investigation process like?**

After a report is received, GIA will review the information and evidence provided. If the report has enough evidence to make out a case, we send the details to the affected insurers to investigate, and co-ordinate cases involving more than 1 insurer.

If the insurers conclude that there is strong suspicion or evidence of fraud, they will report the case to the law enforcement agencies.

The law enforcement agencies will investigate and prosecute the suspect where evidence has been made out.

**3. What is the role of GIA?**

We collect and review the reports if there is enough evidence to make out a case to start an investigation. If the report has enough evidence to make out a case, we send the details to the affected insurers to investigate, and co-ordinate cases involving more than 1 insurer.

We and our members have worked with the law enforcement authorities in Singapore to report and prosecute fraudsters. Many insurance fraudsters have been convicted and these cases have been reported in the news (e.g. The Straits Times' article – [“More cases of motor insurance fraud reported as police and insurers intensify efforts”](#) published on 15 November 2017).



| Stakeholder              | Role                                                                                     |
|--------------------------|------------------------------------------------------------------------------------------|
| GIA                      | Conducts first level screening and initiates joint investigations with affected insurers |
| Insurer                  | Investigates the claim and reports the offence to the law enforcement agencies           |
| Law Enforcement Agencies | Investigates and prosecutes the offenders under the relevant laws such as the Penal Code |

GIA pays the reward.

#### 4. How can I report a case?

Members of the public who have been approached to participate in insurance fraud, such as by making false or inflated claims, or have firsthand information and relevant and specific evidence about others carrying out insurance fraud can submit reports online at: <https://gia.org.sg/consumers/contact.html>.

You should make a report only if you have direct access to inside information about the fraud. Hearsay information (e.g. an overheard conversation from unknown third parties) is unlikely to be useful to make out a case.

#### 5. What kind of evidence must I submit?

Documentary evidence should show proof that the parties have conducted or are conducting insurance fraud. These include:

- a. **Detailed descriptions** of how the fraud was conducted, the parties involved and their roles
- b. **Electronic document trails** such as screenshots of email or phone messages
- c. **Digital proof** such as photos, voice or video recordings, call logs
- d. Actual copies or proof of **forged or tampered documents** that provide evidence of fraud
- e. Documents showing money transfers for the payments for wrongdoing
- f. Any other **physical/digital evidence** that can prove wrongdoing

The better the evidence, the more likelihood of success in making out the case.

#### 6. When is the reward paid out?

After successful prosecution and conviction of the offender, GIA will pay the informant the equivalent value of the fraudulent claim up to S\$10,000.

We can only pay informants that have given us their particulars when making the report.

#### 7. What if I don't give my particulars and contact details?

We understand that not everyone who reports wrongdoing may want to claim the reward.

If you have submitted a case with actionable evidence, we will investigate the case. However, without your particulars, we cannot pay you after the offender is convicted.

#### 8. Can I make the report verbally instead of online?

As we will need the evidence to be submitted together with the report, you need to make the report online. Reports without actionable evidence are not likely to be useful.

#### 9. What are some cases of insurance fraud?

*(All names have been changed for anonymity)*

#### 10 Month's Jail for Committing Insurance Fraud

Lydia who was being hospitalized for minor injuries received from a motorbike lesson, was approached by Henry while still in hospital. Knowing that Lydia could not claim monetary expenses for her minor mishap, Henry told Lydia that he could help her get some money if she would contact him after she was discharged.

When they subsequently met, Henry brought along a friend and instructed Lydia to file a false motor accident report, offering \$100 to lodge the report. Henry taught the pair to claim that they were on a motorbike when a taxi abruptly cut into their lane, sending them both skidding.

While Henry's friend pulled out at the last minute, Lydia went ahead to make the false accident report with her insurance company.

However when the insurance company started their investigations into her claim, Lydia decided to come clean about falsifying the accident report in a bid to make \$6,000 in insurance pay-out.

The court found the pair guilty and sentenced both Henry and Lydia to jail. As the instigator, Henry was jailed 10 months and Lydia was jailed 5 months for her involvement.

**What it could have been: Report instead of supporting, avoid going to jail and be awarded instead!**

If Lydia had reported the case to GIA with evidence such as electronic records of messages from Henry instructing her how to carry out the false claim, she would have been awarded up to S\$6,000 for her tip-off instead of being sent to jail for 5 months.

### **Charged for Architecting Insurance Fraud**

On 22 January 2019, 2 men and a woman were charged in court for their suspected involvement in insurance fraud.

On 20 March 2018, the Commercial Affairs Department (CAD) commenced investigations against a male chiropractor and two insurance agents for abetment to cheat an insurance company through false personal accident claims for treatments received at the chiropractor's clinics located at Tampines and Tanjong Pagar. Investigations revealed that between June 2017 and March 2018, the trio were believed to have conspired with one another, to instigate patients receiving treatment for pre-existing medical conditions at the chiropractor's clinics, to purchase personal accident insurance policies.

The patients could then make false personal accident claims against the insurance policies, for injuries purportedly sustained after they bought the policies, in order to receive payout from the insurance company for their chiropractic treatment.

There were 17 false claims totalling more than \$17,000, out of which about \$4,450 was paid out.

**What it could have been: Report instead of supporting, avoid going to jail and be awarded instead!**

If you were one of the patients already undergoing chiropractic treatment and approached by people who persuade you to buy a personal accident policy from them, and tell you that you could make false insurance claims for your future treatments by claiming that your injuries were sustained after you bought the policy, you should report this.

Collect and provide evidence such as email or text message trails, call logs and voice recordings of the wrongdoing.

By reporting the fraud instead of joining it, you can save yourself from being prosecuted and jailed, and earn yourself a reward instead.

Or if you were working at the chiropractic clinic or insurance agency, and have direct knowledge and evidence of your co-workers or business partners conducting insurance fraud, you should report it and earn the reward after they have been successfully convicted.

### **Unsuccessful Case: Insufficient Evidence to Prove Wrongdoing**

Mr Ong's car bumped into the bumper of another vehicle. Mr Ong did not see any visible damage to the other vehicle when he inspected the damage after the minor collision. After the accident, the owner of the other vehicle made a claim against Mr Ong for \$3,000 damage to his vehicle.

Mr Ong, under the impression that the claim was unjustified, reported the matter to GIA claiming that the other party filed a fraudulent claim.

Mr Ong was unable to produce evidence such as in-car camera recordings that could show clearly that the other vehicle did not sustain damage as a result of that accident. He also could not submit evidence of the other party aggravating the damage after the accident.

#### **Tip: A Case Cannot Be Made with only a Report without Enough Evidence**

To prove wrongdoing, allegations, opinions or hearsay is not enough. The evidence must show that the alleged fraudulent act did take place.