

# Life Insurance Fraud Prevention Fundamentals

-A Companywide Training Course-



## Introduction

A life insurance policy protects against the financial consequences of the death of one or more individuals. That is, if an insured dies while the policy is in force, the insurer makes a payment (known as a death benefit) to the beneficiary or beneficiaries designated by the insured. People purchase life insurance for various reasons: to ensure the financial security of a spouse, children, and other family members; to preserve an estate for heirs by providing money to pay estate taxes and settle outstanding debts, or to create an inheritance for a loved one or a charity.

Since life insurance pays when someone dies, shouldn't it be difficult to commit fraud? Wouldn't one have to fake a death? Is fraud a serious problem in the life insurance industry?

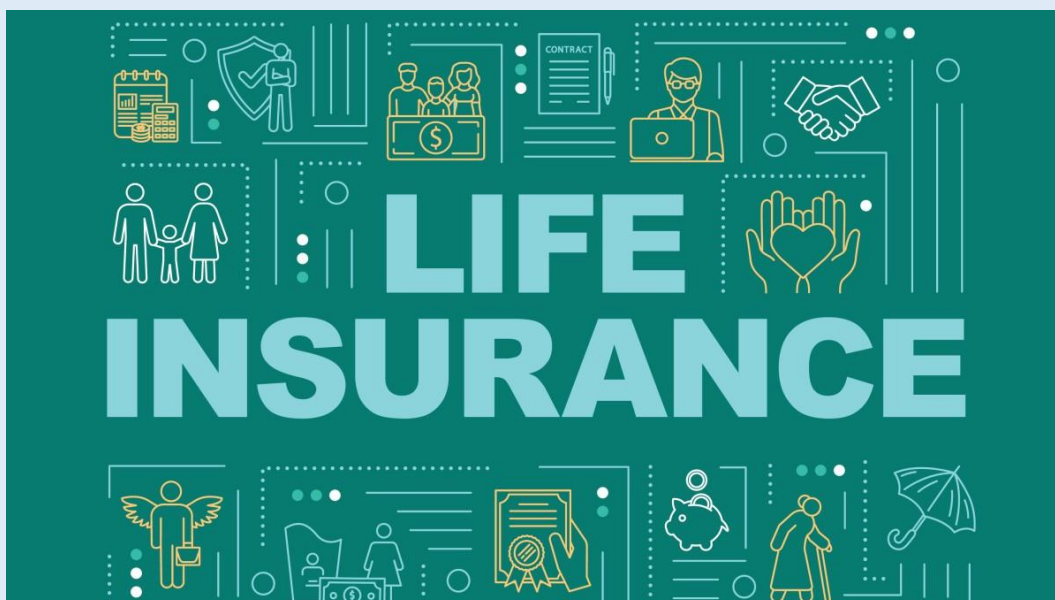
Yes, it is. People can and do fake deaths. And there are forms of fraud that do not require phony deaths, such as application fraud and viatical fraud.

This course, **Life Insurance Fraud Prevention Fundamentals**, will help your team to understand the life insurance fraud schemes and the impact of life insurance fraud and the part that they can play in identifying and preventing it in their day-to-day operations.

## Objectives

After completing this course, you will be able to: -

- Describe the principal life insurance products
- Provide examples of life insurance fraud schemes, including application, claim, and agent fraud
- Explain how viatical fraud works
- Discuss the investigative and legal issues related to life insurance fraud



## What is Covered

### Module 1: Course Overview and Insurance Fraud Statistics

- Insurance Fraud in Kenya
- Global Cost of Insurance Fraud
- Global Insurance Fraud Statistics

### Module 2: Life Insurance Products

- Term Life Insurance
- Permanent Life Insurance
- Policy Features and Options

### Module 3: Life Insurance Fraud

- Application Fraud
- Red Flags for Life Insurance Application Fraud
- Claim Fraud
- Red Flags for Life Insurance Claim Fraud
- Agent Fraud
- Viatical Fraud

### Module 4: Investigative and Legal Issues

- The Application
- The Beneficiary
- The Claim
- The Contestability Period





# *INSURANCE FRAUD IS REACHING NEW PEAKS*

**COMBATTING  
IT DOESN'T  
HAVE TO BE  
CHALLENGING**



**With the cost of Insurance Fraud reaching hundreds of millions of shillings annually, IIEA provides the resources to Combat Insurance Fraud through Education**

## **Contact Us**

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