



PRE-BID CONFERENCE

ON

**REQUEST FOR PROPOSAL
FOR ANALYSIS AND REPORTING**

ON

INDUSTRY WIDE FRAUDS

10th May, 2011



AGENDA

- Introduction
- Project Vision
- Scope of work
- Output
- Important Conditions
- Bidding Process
- Important Dates
- Questions and Answers



INTRODUCTION

- Insurance Regulatory and Development Authority has constituted the Insurance Information Bureau (IIB), a central repository of insurance industry data that collects, processes and disseminates data
- Currently all non-life insurers upload the insurance data on motor, health and other lines of business online as per the data formats prescribed
- The aggregate level data for the nonlife industry as a whole is made available to the insurers for making better underwriting decisions



INTRODUCTION

- In order to report on industry-wide trends of fraudulent behaviour affecting the insurance industry, IRDA requests for proposal from reputed Firms/ Organizations for developing effective reporting on industry – wide fraud within healthcare insurance based on data collected by the IIB.
- IRDA proposes to enter into a partnership with a Firm/ Organization



PROJECT VISION

- to benefit the insurance industry by developing effective reporting on industry-wide fraud trends within health care insurance and increasing the difficulty of committing fraud against insurer, which lowers their costs and leads to better rates and better service for consumers



SCOPE OF WORK - I

- Helps IIB establish an appropriate data analysis, reporting environment and a process to accomplish the following:
- Aggregate relevant data to undertake analysis of claims fraud
 - Initial data set will be the data that IIB currently collects about healthcare claims
- Identify additional data that IIB may request from its members that will aid in claims fraud modeling.
- Perform analysis of the data
 - Analyse the data submitted and determine the scope and the frequency of the descriptive predictive models to be built
 - Determine the best method, consistent with the laws and regulations of India to have access to the data needed for analysis and model building



SCOPE OF WORK - II

- Output actionable information based on the analysis
 - build a statistical model that will allow IIB to identify likely concentrations of claims fraud in carrier, geographic or other segments of the market
 - Models to identify likely fraud at claim level and aggregations of like claims into actionable concentrations (including healthcare provider types)
 - Determine the best method, consistent with the laws and regulations of India to have access to the data needed for analysis and model building
- Interpret information to maximize the effectiveness of fraud reduction initiatives



SCOPE OF WORK - III

- To determine formats for reports from both the analysis and the model results as well as alternatives for IIB to consider in employing model results with the carriers
- Specify software tools and services used in process
- Provide comprehensive training of IIB in
 - Understanding the fundamental concepts to carry out the process
 - Using software tools required
- Interpreting analysis and modeling and translating them into actionable insights



OUTPUT - I

- Qualitative information regarding indicators of fraud – this will be the output from analysis of the IIB dataset that will allow IIB to characterize and monitor claims fraud patterns as they arise in the Indian healthcare market
- Statistical models to describe claims fraud in the healthcare line of business in India – IIB will own the model that will be developed based on the variables to be used in the model, algorithm employed and definition of target claims (the dependent variable) such that IIB will be able to maintain and refresh the model in future



OUTPUT - II

- Regular written reports – IIB employees should be able to produce half-yearly reports based on the findings of the analysis process to inform insurers and other stakeholders of the industry-wise fraud trends. The report may suggest ways for insurers to combat fraud or inform about new regulatory requirements for fraud reduction



IMPORTANT CONDITIONS

- Selected firm shall deploy resources physically at IIB premises in Hyderabad for the project
- IIB will provide working environment and data access for the successful bidder only at the IIB facility in Hyderabad.
- IRDA would not allow remote access of insurance data



BIDDING PROCESS

- Eligibility Criteria
- Bidding Documents
- Bidding Process
- Submission of bids
- Deadline for submission of bids
- Bid opening and evaluation
- Pre-bid conference

IMPORTANT DATES

S.No.	Activity	Date
1	Issue of RFP	30-04-2011
2	Pre bid Conference at IRDA Hyderabad Office	10-05-2011 Time 12:00 pm
3	Prebid questions and answers	14-05-2011
4	Receiving Technical and Commercial Bids separately in sealed covers	20-05-2011 Time 3:00 pm
5	Opening of Technical Bids	25-05-2011 Time 12:00 pm
6	Technical Presentations	28-05-2011
7	Commercial Bid Opening at IRDA Hyderabad Office	31-05-2011 Time 12:00 pm
8	Selection of Vendor and Award of Contract	03-06-2011



Q&A

Questions and Answers



THANK YOU