

For information
on 13 January 2012

**Legislative Council Panel on Transport
and Panel on Financial Affairs**

**Joint Subcommittee on Issues Relating to Insurance Coverage
for the Transport Sector**

Information relating to exaggeration of claims and sick leave

The Hong Kong Federation of Insurers ("HKFI") provides information on –

- a) Trend line of cases involving sick leave exceeding six months

The trend of increasing number of sick leave exceeding six months from 2006 to 2010 is shown in **Appendix**.

- b) Number of cases involving psychiatric impairment

Member companies are conducting further analysis to extract cases involving psychiatric impairment. The findings will be reported to the Joint Subcommittee by the next meeting date.

- c) Fraudulent cases handling method

Since the handling of fraudulent cases involve a wide variety of activities performed by different stakeholders such as the insurers' claim staff, loss adjusters, private investigators, etc, it is difficult to quantify the amount of resources incurred.

However, after the last meeting of the Joint Subcommittee, a meeting was held between HKFI and the Commercial Crime Bureau of the Police whereby an agreement has been reached to set up a special communication channel for the report of potential fraudulent claims. This mechanism is expected to be formally set up after the Chinese New Year.

The Hong Kong Federation of Insurers
12 January 2012

Appendix

Members' survey on trend line of Personal Injury ("PI") claims involving excessive sick leave

No. of respondents: 12 Member Insurers

PI claims substantiated by sick leave more than 6 months during each of the past 5 accident years	No. of cases (i)	% of no. of claims indicated in (i) against All PI claims (of the individual responded Members) occurred in the said year	
		Range	Average
2010	2,278	1.2 - 28.22	10.5
2009	2,048	1.5 - 43	9.31
2008	2,013	1.32 - 23.85	10.6
2007	1,882	2 - 24.82	11.38
2006	1,482	1.9 - 42	14.22