



 A close-up photograph of a hand holding a silver pen, poised to sign a document. A red circular stamp is visible on the paper.

SSA-NAME3 Pays for Itself

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This software paid off the first month.”*

John Klarquist, Director of Audit, The Hartford

Fraud
Investigation

A report emerged showing the suspected individual had nearly \$106,000 in illegal checks in her possession. Before the search, no one had been aware of this individual's multiple illegal transactions.

Someone was on a plane to California before some of the checks were cashed,” said John Klarquist.

This software paid off the first month. Now we use it with auditors and investigators, and we can assist personnel who come to us to run specific reports they need.”

Today the software package runs on a LAN, and auditors don't even need to know exactly how to spell the name they are researching – a vast improvement over the system of guessing and entering countless options on spelling in the past.

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Flashes of Brilliance

By Sara S. Patterson and Kimberly A. Stevo-Cianci

In transportation, what started with the wheel has taken us to the stars. In art, what began with sketches on cave walls has given us the works by Michaelangelo on the Sistine Ceiling and paintings by the Impressionists and Surrealists.

In the profession of auditing, what perhaps originated as counting the beans has evolved into examining billions of transactions, verifying their accuracy and dollar value in minutes using computer systems.

The evolution of the IS auditing profession has only just begun.

IS auditors are pioneers in their profession, open to the challenge of change, to breakthrough thinking, to the flashes of brilliance that will enhance the success and quality of their organizations.

Implementing New Systems

John Klarquist, Director of Technical Audit, The Hartford, was called about a possible problem.

A person was suspected of fraudulently making out a check to them self. Using the phonetics search-software purchased only weeks before, an investigator keyed in the suspected name. "It was like hitting a slot machine," according to Klarquist.

A report emerged showing that the suspected individual had nearly \$106,000 in illegal checks in their possession. Before the search, no one had been aware of this individual's multiple illegal transactions.

Someone was on a plane to California before some of the checks were cashed," Klarquist said. "This software paid off the first month. Now we use it with auditors and investigators, and we can assist business personnel who come to us to run specific reports they need."

Klarquist and his associates have used the software repeatedly over the past year to detect and quantify all sorts of internal and external fraud – including premium and claim fraud by policyholders. Klarquist has also shared this valuable find with auditors in other insurance firms and believes that the software will enable companies to make inroads in thwarting fraud and help to control insurance rate increases for everyone.

Prior to the purchase of the pivotal software, The Hartford's auditing department had only one flat paid file that kept information on past payees. Weekly information from The Hartford's systems saved names and addresses, but they were in unformatted fields and could be tracked only by expensive and time-consuming methods. In fact, one search in January, analyzing activities of more than 25 names during a five-year period, cost The Hartford's \$100,000. Today, the software package runs on a LAN, and auditors don't even need to know exactly how to spell the name they are researching. A vast improvement over the system of guessing and entering countless options on spelling in the past.

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John Klarquist,
Director of Audit,
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About Identity Systems

Identity Systems is the pioneer in enabling organizations to build and maintain high-quality identity data search and matching software solutions.

The company has been in this area of specialization since 1986, and has over 500 clients worldwide who rely on its robust, enterprise-wide software. For more information please visit our website.