

USPTO Application Number	12816574
Title of Invention	FRAMEWORK AND SYSTEM FOR IDENTIFYING PARTNERS IN NEFARIOUS ACTIVITIES
Patent Assignee	INFERNOTIONS TECHNOLOGIES LTD.
Application Receipt Date	16-JUN-2010

FIELD OF THE INVENTION

[0001] The present invention generally relates to collusion detection, and particularly relates to system and process for assessing collusion risks involving two or more entities in a network.

BACKGROUND OF THE INVENTION

[0002] Collusion fraud is a big problem for industries where an outcome relies on correct information to be exchanged honestly and fairly across multiple entities that are part of the operating eco-system. For instance the insurance sector reports staged accidents as an example of collusion. Staged accidents are performed by a group of individuals acting together to charge the insurer for non-existent treatment. In industry parlance, such a group is called an accident mill or a fraud ring. In one fraud scenario a vehicle is deliberately rammed into a barrier such as a wall without endangering the vehicle occupant(s). The vehicle occupant(s) claim injury and are directed to a clinic for treatment. The clinic is also part of the fraud ring. The claimants are prescribed therapy and rehabilitation equipment for non-existent soft tissue injuries. The charges for this treatment are borne by the insurance company. This type of collusion is a common insurance fraud.

[0003] In other industry segments some parties cheat their peers or their clients by restricting correct or timely information to select parties. Processes and technology exist to identify the isolated entity who subverts the process for individual gain. Barring a whistleblower, it is non-trivial to identify the other participants in the fraud. Indeed, if the singular fraudulent entity is identified but does not compromise the other participants, the remaining fraudsters remain active and learn to fly beneath the investigation unit's radar. It is thus not sufficient to assess individual service providers in isolation. In order to break fraud rings it is critical to look at the system composite and isolate subgroups who have compromised the integrity of the system. It is therefore an objective of the present invention to isolate these subgroups in a fraud ring.

[0004] It is further an objective of the present invention to assess the risk of a service provider engaging in collusion with one or more partners in the ecosystem of service providers.

[0005] It is further an objective of the present invention to detect collusion propensity in an ecosystem network.

[0006] It is further an objective of the present invention to provide a system and process for assessing the risk of collusion or detecting collusion propensities in a manner that can be scaled up such that large data volume involving hundreds of service providers and several hundreds of thousands of transactions can be handled.

[0007] It is still further an objective of the present invention to provide a system and process for assessing the risk of collusion with polynomial complexity.