Verisk™

The Democratization of Fraud

A data-driven case for automated digital media detection

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Executive summary

The barrier to insurance fraud has never been lower. In a single tap, a policyholder can brighten a photo, sharpen a dent, or generate damage that never existed. 57% of U.S. consumers have already used AI editing tools. Among those users, 44% say their edited results look "very realistic."

For your claims operation, the picture is just as stark: 98% of insurers agree AI editing tools are driving a rise in digital media fraud, and 99% have already encountered manipulated documentation—yet 57% do not feel very confident in their ability to detect it at scale.

This is the gap **Verisk's 2026 State of Insurance Fraud Study** brings into focus. Based on surveys of 1,000 U.S. consumers and 300 claims professionals, the findings are clear: today's fraud environment has outpaced both manual review and most detection tools currently in use.

Verisk's Digital Media Forensics closes that gap. It delivers automated, AI-powered forensics analysis of every image and document submitted with a claim, powered by the only cross-carrier image database of its kind—more than 600 million images contributed by ClaimSearch® participants.

The pages ahead walk through what the data reveals, where current defenses fall short, and how Digital Media Forensics helps your team spend less time hunting for fraud and more time paying legitimate claims faster.

99%

of insurers have already encountered manipulated documentation

98%

of insurers agree AI editing tools are driving a rise in digital media fraud

57%

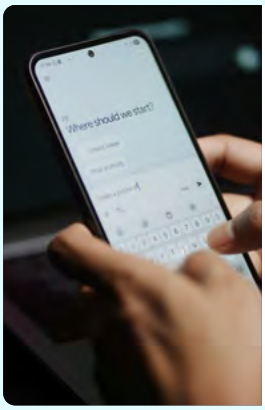
do not feel very confident in their ability to detect it at scale

Digital manipulation has gone mainstream

Not long ago, altering a claim photo required real software skills and time. Today, it requires a thumb. When asked specifically about insurance, more than 60% of consumers believe people use AI to manipulate claims often or very often, and 76% of insurers report that submissions have become more sophisticated in the past year.

What this means for your claims operation

Every claim that arrives with a photo or document now carries a higher probability of containing some form of digital manipulation, and most of it won't look obviously wrong to a human reviewer. Volume isn't the only problem. The realism is.



57%

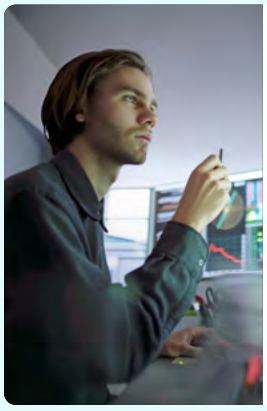
of consumers have used AI editing tools, most often on smartphones (68%).

44%

of users say their edited photo, video, or document looked "very realistic".

79%

of millennials and 78% of Gen Z have used them.



41%

of consumers personally know someone who has used AI tools to alter content for financial gain, rising to 64% among Gen Z and 54% among millennials.

The line between “fixing” and “faking” is blurry

Consumers don’t apply a single, consistent standard to claim edits. Roughly two-thirds say it’s unacceptable to make damage look worse in a photo (65%) or that altering a photo or document is a serious issue regardless of the dollar amount (63%). But sizeable minorities are comfortable with specific edits that can change how a claim is evaluated:

- **52%** think adjusting brightness or contrast on a claim photo is acceptable
- **41%** think flipping or rotating an image is acceptable
- **41%** think repairing a blurry photo "to make damage visible" is acceptable
- **39%** think cropping out background elements is acceptable

The takeaway isn’t that consumers are dishonest. It’s that the boundary is genuinely fuzzy. A population that has edited photos casually for a decade doesn’t see a distinct line between a routine touch-up and an edit that materially affects a claim. A meaningful share of them will cross that line without recognizing they have.

The generational pattern reinforces the trend: 55% of Gen Z and 49% of millennials say they’d be at least somewhat likely to make a small, rule-bending edit to a claim photo, compared with 28% of Gen X and just 12% of baby boomers.

Insurers see the same gap: 53% believe at least half of policyholders who alter claim photos or documents don’t realize their edits may qualify as fraud.

After a decade of casual photo editing, many consumers no longer recognize when a routine touch-up crosses into claim manipulation—especially younger generations, where nearly half say they’d consider a small, rule-bending edit.

Why manual review can't catch this

The most common edits are also the hardest to see. Cropping is a good example: trimming out the surrounding context to make damage look more severe is one of the most frequent manipulations adjusters encounter, and on its own a cropped image looks entirely normal. Add a slight rotation, boost the contrast, clean up the background, or generate content that never existed, and even the most experienced adjuster can't reliably spot the change by eye.

How Digital Media Forensics closes this gap

Pixel manipulation detection uses forensic AI to identify edits that are invisible to the human eye, including splicing and the kinds of small, "harmless" adjustments most consumers don't even consider fraud. As generated and partially generated content becomes more common, Verisk is advancing its models to detect it—surfacing manipulation automatically rather than relying on a review to notice.

Metadata analysis compares the data embedded in every image (capture date, device, GPS location, modification history) against the claim details. When a "fresh" photo of yesterday's storm damage was actually taken six months ago in another state, Digital Media Forensics flags it. No adjuster has the time to check this by hand. Digital Media Forensics checks it on every submission.

As digital manipulation becomes increasingly difficult to detect manually, forensic AI and metadata analysis provide a scalable way to surface risk across every claim photo.

Awareness is high. Capability is not.

The disconnect between awareness and capability is the single most urgent finding in the study.

66%

of insurers believe fraud goes undetected often or very often. Yet only...

43%

are very confident they can detect digital media fraud at scale—and 55% are only somewhat confident. Among the carriers with the most exposure, that drops to...

33%

of insurers handling 500K–999K claims a year are very confident. The more media you take in, the less confident you are that you're catching it.

Where the workflow breaks down

The study identifies the operational reasons detection lags:

44% of insurers still rely on manual review to catch digital media fraud, and half of those require it on every submission. At today's claim volumes, that workload is impossible to sustain without more edits slipping through.

39% cite insufficient integration between fraud tools and existing claims systems as their top challenge. Even when better tools exist, they live outside the adjuster's daily workflow.

38% say their current tools miss too many fraudulent submissions.

35% say their tools generate too many false positives.

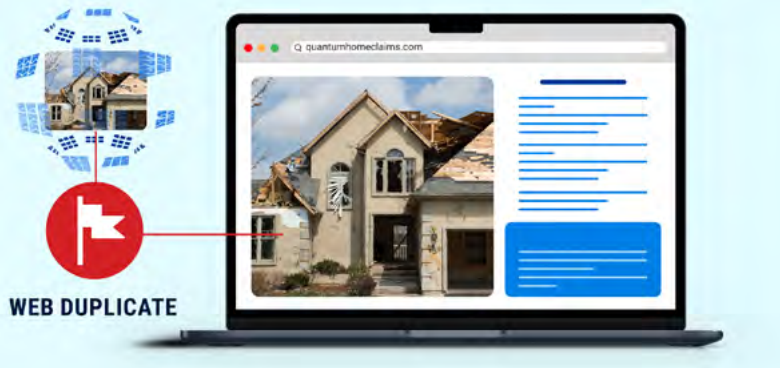
A tool that lives in a separate system, requires a separate login, and produces low-value alerts won't get used.

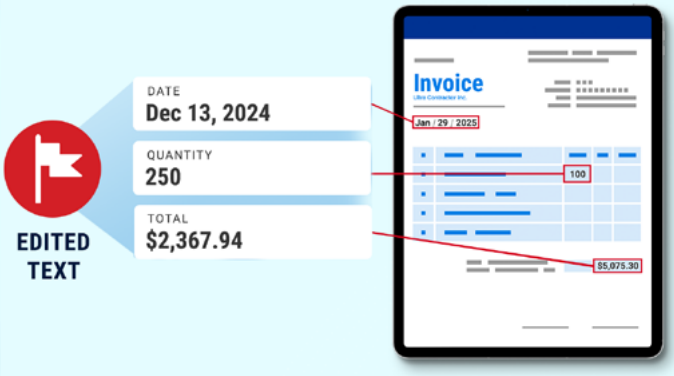
How Digital Media Forensics closes this gap

The problems on the previous page are workflow problems, not awareness problems. Adjusters know manipulated media is arriving; what they lack is a way to check every submission without adding steps, systems, or time they don't have. Digital Media Forensics runs the full forensic suite automatically on every image and document submitted with a claim.

That automated coverage includes two forms of manipulation that are especially difficult to catch through review alone, because spotting them means looking outside the claim file itself: searching the open web for a matching image, or reconciling line items across a document's history.

Most importantly, every Digital Media Forensics alert lands directly in the ClaimSearch workflow your team already uses, closing the integration gap 39% of insurers identified as their top challenge, without adding a new system, a new login, or new training to teams already stretched.





Internet image duplication

Flags photos lifted from the open web, including stock images, social media posts, and previously published news content

PDF manipulation detection

Evaluates the integrity of estimates, invoices, and receipts, and other supporting documents, catching tampering that image-only tools miss

Fraud rings count on the fact that insurers don't talk to each other

The same photo of a damaged roof, a totaled vehicle, or a flooded basement can be—and routinely is—submitted to multiple carriers.

A single-carrier detection tool, no matter how sophisticated, can't see across that boundary. Most insurers have little to no visibility into whether a submission has already surfaced as suspicious somewhere else:

- Only **27%** of insurers rate their visibility into suspicious media flagged by other carriers as strong and effective
- **34%** describe that visibility as inconsistent, with significant gaps, meaning suspicious media flagged at one carrier often never reaches the next, leaving the same fraudulent images free to circulate
- **34%** cite lack of cross-carrier visibility as a top challenge in identifying fraudulent media

Fraud rings exploit this weakness—and it's the one weakness no individual carrier can solve alone.

How Digital Media Forensics closes this gap

Cross-carrier image duplication is the capability exclusive to Digital Media Forensics. It compares every submitted image against the 660M+ contributory database—a network that already includes 5 of the top 10 U.S. insurers.

The value compounds with every participant. Every carrier that contributes makes the database more powerful for every other carrier. That's the network effect at work, and it's why this is Digital Media Forensics' most significant differentiator.

For carriers still relying on single-carrier detection, the question isn't whether fraud rings are testing your defenses by submitting the same images elsewhere. They are. The question is whether you have visibility into it.

The next wave is already arriving

Generative AI is improving faster than detection capabilities. The 26-point gap between insurer confidence in detecting edited photos (58%) and deepfakes (32%) is the leading edge of the next fraud wave. The harder problem is that manipulation is getting easier to produce and more realistic every month, to the point where the human eye alone can no longer reliably tell real from altered.

How Digital Media Forensics closes this gap

Deepfake detection is on the Digital Media Forensics roadmap and arriving soon. Carriers integrating Digital Media Forensics today will already have the platform, workflow, and data pipeline in place when deepfake detection goes live—rather than scrambling to procure new tooling after the threat has scaled.

Verisk's broader anti-fraud research on emerging synthetic media threats reinforces the urgency. The carriers that move first will define the standard. The rest will spend the next several years catching up.

Catching fraud is only half the value

It's easy to frame digital media forensics as a fraud problem. But the real benefit goes further: when automated detection handles the suspicious media, your adjusters and SIU analysts get their time back, and they spend it on the claims that deserve it.

That means:

- Faster cycle times on meritorious claims
- Lower operational strain on overworked teams
- Improved client experience for the policyholders who play by the rules
- Better SIU efficiency, with caseloads focused on real fraud rather than chasing false leads

With 48% of insurers expecting digital media fraud to drive greater technology adoption and 36% anticipating higher operational strain, accurate detection is becoming an operational necessity—not just a fraud tool, but a business imperative.

The data backs this up. Insurers expect digital media fraud to drive higher tech adoption (48%), greater operational strain (36%), and higher premiums (35%) over the next three to five years. Carriers that solve for detection now will avoid passing those costs to honest policyholders—the outcome 69% of consumers are most worried about.

Built into the workflow you already use

For ClaimSearch customers, Digital Media Forensics is built right into the platform your team already uses. No new system to procure, no new login for your adjusters, no workflow disruption.

Data-to-solution summary

WHAT THE DATA REVEALS	HOW DIGITAL MEDIA FORENSICS ADDRESSES IT
57% of consumers have used AI editing tools; **44%** of those edits look "very realistic"	Pixel manipulation detection catches edits, including splicing, that are invisible to human reviewers
52% of consumers think brightness/ contrast edits to claim photos are acceptable	Metadata analysis compares capture date and location against claim details and flags modification dates that don't match
99% of insurers have encountered manipulated or AI-altered documentation	PDF manipulation detection evaluates document authenticity and flags tampering
Only **27%** rate cross-carrier data sharing as strong and effective	Cross-carrier image duplication leverages the 660M+ image ClaimSearch database; no other contributory network matches this scale
Only **32%** feel confident detecting deep-fakes vs. **58%** for edited photos	Deepfake detection (coming soon) addresses the fastest-growing confidence gap
39% cite tool-to-system integration as their top challenge	Digital Media Forensics integrates directly into the ClaimSearch workflow, no new platforms or logins required

See Digital Media Forensics in action

Request a demo to see how Digital Media Forensics catches what manual review can't, at the scale your claims operation requires.

Request a demo

Sources

Verisk State of Insurance Fraud Study, March 2026. Findings based on surveys of 1,000 U.S. consumers (ages 18+) and 300 U.S. insurance claims professionals (manager level and above) conducted December 2025 through January 2026.

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