



Insurance Claims Leakage Prevention Checklist 2026

Pre-Claim Verification & Intake Audit

Ensuring all policy details, coverage limits, and effective dates are accurately validated at the moment of first notice of loss (FNOL) to prevent initial error-driven leakage.

Date of Loss Reported

Policy Number Verification

Coverage Status Confirmation

- ☐ Active
- ☐ Lapsed
- ☐ Pending Renewal

Initial Damage Type Identified

- ☐ Physical Damage
- ☐ Theft/Robbery
- ☐ Natural Disaster
- ☐ Liability/Injury
- ☐ Other

Initial Incident Description Summary

Write something...

Proof of Loss Documentation

 Upload File

Adjuster Verification Signature

Reserving Accuracy & Adequacy Review

Protocols for evaluating whether initial reserves, supplemental reserves, and closing reserves accurately reflect the projected ultimate loss costs.

Date of Initial Reserve Setup

Enter date...

Initial Estimated Loss Reserve Amount

Enter a number...

Current Total Outstanding Reserve

Enter a number...

Reserve Adequacy Status

- ☐ Adequate
- ☐ Under-reserved
- ☐ Over-reserved
- ☐ Requires Immediate Re-evaluation

Justification for Reserve Adjustments

Write something...

Supporting Actuarial or Loss Valuation Report

 Upload File

Claims Manager Approval Signature

Claims Handling & Adjudication Oversight

Verification of adjuster workflows, timely decision-making, and adherence to established adjudication guidelines to prevent delays and administrative errors.

Date of Claim Assignment

Adjuster Assignment Status

- ☐ Assigned
- ☐ Pending Review
- ☐ Escalated

Adjudication Milestones Completed

- ☐ Coverage Determination
- ☐ Liability Assessment
- ☐ Damage Estimation
- ☐

Summary of Coverage Determination Logic

Estimated Loss Reserve Amount

Claim Decision Documentation

 Upload File

Supervisor Review Authorization

Vendor & Third-Party Service Management

Audit steps for evaluating the performance, billing accuracy, and cost-effectiveness of independent adjusters, appraisers, and legal counsel.

Vendor Category

- ☐ Independent Adjuster
- ☐ Legal Counsel
- ☐ Appraisal Services
- ☐ Medical Examiner
- ☐ Salvage/Auto Shop

Vendor Name

Write something...

Service Contract Expiry Date

Enter date...

Total Vendor Spend (YTD)

Enter a number...

Compliance Audit Checklist Completed

- ☐ Certificate of Insurance Verified
- ☐ Background Check Performed
- ☐ Service Level Agreement (SLA) Review
- ☐ Fee Schedule Alignment Confirmed

Vendor Contract/Agreement

 Upload File

Vendor Performance Notes & Discrepancies

Write something...

Auditor Verification Signature

Subrogation & Recovery Optimization

Checkpoints for identifying potential third-party liabilities and ensuring all recovery opportunities are pursued and documented effectively.

Third-Party Identity Details

Write something...

Subrogation Potential Status

- ☐ Confirmed Potential
- ☐ Under Investigation
- ☐ No Subrogation Identified
- ☐ Closed - No Recovery Possible

Evidence of Liability Summary

Write something...

Date of Incident/Loss

Enter date...

Estimated Recovery Amount

Enter a number...

Police Report or Incident Evidence

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Action Items Completed

- ☐ Notice of Intent Sent
- ☐ Demand Letter Issued
- ☐ Third-Party Insurer Contacted
- ☐ Evidence Gathered

Settlement & Payment Integrity

Controls for reviewing final settlement calculations, checking for overpayments, and ensuring all disbursements align with approved indemnity and expense limits.

Settlement Date

Total Indemnity Amount Paid

Total Expense Reimbursement Amount

Payment Method Used

- ☐ Electronic Funds Transfer (EFT)
- ☐ Physical Check
- ☐ Digital Wallet/Mobile Payment

Verification Checkpoints Completed

- ☐ Policy Limit Verification
- ☐ Tax Withholding Calculation
- ☐ Subrogation Interest Check
- ☐ Release Form Validation

Signed Release Document

 Upload File

Claims Manager Approval

Litigation & Legal Expense Control

Monitoring of legal spend, defense counsel performance, and the effectiveness of litigation strategies to mitigate unnecessary legal cost inflation.

Litigation Status

- ☐ Pre-Litigation
- ☐ Active Litigation
- ☐ Settled/Closed
- ☐ Subrogation Pending

Defense Counsel Name

Write something...

Total Legal Fees Incurred

Enter a number...

Date of Litigation Commencement

Enter date...

Legal Fee Invoice/Statement

 Upload File

Litigation Strategy Summary

Write something...

Identified Leakage Risks

- ☐ Excessive Attorney Fees
- ☐ Lack of Regular Case Updates
- ☐ Unapproved Settlement Authority
- ☐ Inadequate Discovery Oversight

Claims Manager Approval

Fraud Detection & SIU Coordination

Integration of Special Investigation Unit (SIU) triggers and red-flag monitoring to prevent payouts on fraudulent or exaggerated claims.

Fraud Red Flag Identified

- ☐ No Red Flags Detected
- ☐ Suspected Fraudulent Activity
- ☐ Potential Documentation Discrepancy
- ☐ Unusual Claim Pattern Detected

Detected Red Flag Indicators

- ☐ Inconsistent Statement
- ☐ Pressure to Settle Quickly
- ☐ Incomplete Accident Details
- ☐ Frequent Claim History
- ☐ Involved Parties Unverifiable
- ☐ Physical Damage/Injury Inconsistency

Fraud Investigation Summary

Write something...

Date of SIU Referral

Enter date...

Supporting Evidence/Documentation

 Upload File

Investigator Verification

Data Integrity & Documentation Compliance

Ensuring all claim files contain complete, accurate, and auditable documentation to prevent leakage caused by missing evidence or poor record-keeping.

Required Documents Present

- ☐ Police/Incident Report
- ☐ Medical Records/Estimates
- ☐ Photographic Evidence
- ☐ Witness Statements
- ☐ Damage Assessment Report

Last File Audit Date

Enter date...

Data Accuracy Rating

- ☐ Fully Compliant
- ☐ Minor Discrepancies
- ☐ Critical Missing Data

Discrepancy Notes & Remediation Plan

Write something...

Auditor Verification Signature

Post-Claim Analytics & Continuous Improvement

Reviewing closed claim trends and root-cause analysis of leakage incidents to update training protocols and internal controls for 2026.

Review Completion Date

Enter date...

Total Leakage Value Identified (\$)

Enter a number...

Root Cause Analysis of Leakage Incidents

Write something...

Identified Leakage Drivers

- ☐ Inaccurate Reserving
- ☐ Vendor Overcharging
- ☐ Process Non-Compliance
- ☐ Failure to Pursue Subrogation
- ☐ Inadequate Documentation

Required Follow-up Action Level

- ☐ Low - Monitor
- ☐ Medium - Process Update Required
- ☐ High - Immediate Training/Audit Required

Updated Standard Operating Procedure (SOP) Document

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Compliance Officer Approval

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✔ Finish

 **Generate Sample Report**