

CLAIMS REP PET PEEVES

by

Daniel E. Cummins

Every profession generates its own perpetual annoyances that cause frustration day in and day out. Claims is no exception, as there are pet peeves caused by fellow claim professionals, claim management, attorneys, or even from dealing directly with insureds and claimants.

I recently floated this topic on the discussion boards of several insurance or claim groups to which I belong on LinkedIn.com (<http://www.linkedin.com/in/danielcummins>). I requested feedback about what irked people the most in claims. What follows is a cross-section of the responses I received in this unscientific study, along with suggested solutions to lessen the frequency that these annoyances occur. Let's see if any strike a nerve with you.

Surprises

A frequently mentioned pet peeve of claim professionals was being hit with surprises. Claim representatives, under the pressure of management, obviously do not appreciate being notified of a court hearing or a pre-trial settlement conference the day before it is scheduled to happen, particularly when the court previously sent out the date weeks or months before.

As noted by one claim rep, claim managers do not want any surprises from their claim staff. For example, management does not want to learn that a reserve should have been raised substantially a year ago, or that extraordinary settlement authority is needed by next day.

Possible Solution: Stay on top of your calendar — and your defense counsel — to keep you apprised.

Silence from Plaintiff's Counsel

Another continually recurring annoyance for claim representatives is the situation whereby plaintiff's counsel sends a letter of representation for an injured party and then falls as silent and unresponsive as a hippo laying in the summer sun at the zoo. The claim representative is then left with an open file in an increasingly growing list of open files, with no opportunity to work to evaluate and close the file out. This is frustrating, to say the least.

Possible Solution: Keep reaching out to plaintiff's attorney. Dangle a carrot if you can; eventually they will come around because you have what they are looking for — namely, money.

Disorganized Case Presentations

According to the replies to this inquiry on the various discussion boards, perhaps just as bad as the non-responsive plaintiff's attorney is the disorganized and/or unreasonable attorney. Claim representatives loathe the receipt of a pile of unorganized documents that are not broken out in to separate exhibits and placed in chronological order, with the duplicate copies removed from the pile.

Claim professionals also note that plaintiff's attorneys often inexplicably fail to provide current photos or, at times, any photos for claims where scarring or disfigurement is alleged. Evaluating a scar that you've never seen is obviously problematic.

It is also frustrating for claim representatives to receive records only from the date of the accident forward, as opposed to complete medical files, particularly when it is evident that the claimant has a related prior medical history.

Possible Solution: Politely indicate to plaintiff's counsel that it would be very helpful and appreciated if, next time, he could submit a streamlined demand package broken down into exhibits, and with duplicates removed. Maybe, one by one, the attorneys will learn, and you will have to deal with this pet peeve less frequently.

Ignorant Defense Counsel

Many claim professionals responded on the discussion boards by lamenting that their own insurance defense counsel often talked down to them instead of to them. Some also complained that defense counsel was often reluctant to hear out the claim representative's opinions about the file, and that counsel even took umbrage, at times, with the claim representative offering instructions about how to proceed with the case or settlement negotiations.

Other pet peeves with defense counsel included a delay in timely status reports about the file and not receiving other reports as promised. Failure of defense counsel to return phone calls was another oft-repeated complaint.

Some claim professionals complained about the apparent inability of defense counsel to answer simple questions about the value of a claim or the cost to defend through the end of the matter. One particularly irked claim professional vented about "defense lawyers who call you up, yak for 45 minutes about non-urgent items and then close by saying, 'I'll put this in a letter to you.'"

Possible solution: Have a frank discussion with defense counsel at the start of each claim, politely reminding him about how you would like certain things to be handled.

Difficult Insureds or Unrepresented Claimants

Another common lamentation by claim representatives concerns the penchant of insurers to absorb losses rather than refer fraudulent claims and claimants to the carrier's Special Investigation Unit (SIU). This claim rep would rather fight and let SIU handle such claims to conclusion where the elements of fraud are clearly displayed within the content of the submissions made by the claimant and his counsel.

Some claim reps expressed beefs about the shoddy treatment they sometimes receive from difficult insureds or unrepresented claimants. One pet peeve noted was insureds who demand immediate responses from the claim reps on their terms. For instance, for a homeowners' claim requiring an inspection, the homeowner reports that he'll be home from work at 5:30 p.m. Well, the family should finish eating dinner by 6:30 p.m., so can the adjuster simply arrive between 7 and 7:30 p.m.?

Not surprisingly, claim professionals do not feel kindly towards insureds or claimants who call and swear at them. They are also not too fond of those who threaten to call the claim representative's boss, insurance commissioner, or whomever else, provided that the claim rep does not comply with whatever request instantly.

Possible Solution: Bite your tongue. You can't win here.

Fellow Professionals

One claim rep pointed to the pet peeve of insurance agents calling at the request of insureds and asking why the claim was not being paid, without the agent having first read the applicable policy language. Another claim professional said his biggest pet peeve is opposing claim reps. Many seem burned out; many lack any personal touch. Equally frustrating are opposing claim reps who take an unreasonable settlement position in a matter involving multiple defendants and defending carriers.

Possible Solution: Remember the adage, "what goes around, comes around." Treat fellow claim professionals reasonably, and that good karma will hopefully, eventually, come back to you.

While these pet peeves may never be eradicated, perhaps an active acknowledgment of them by all of the parties involved can jumpstart the process of neutralizing irritating and frustrating situations. By addressing a pet peeve as it occurs, claim professionals can potentially minimize the frequency at which these recurring annoyances happen. In the end, the claims profession as a whole will benefit.

Daniel E. Cummins, Esq., is an insurance defense/coverage attorney with the Scranton,

Pennsylvania law firm of Foley, Cognito, Comerford, Cimini & Cummins
(www.foleycognitolaw.com). His blog, Tort Talk, provides updates about Pennsylvania civil
litigation and insurance law issues (www.torttalk.com).