



Risk Manager

Insurance Claims Representatives' Pet Peeves

By: Erin McNeill. *This was posted Thursday, February 25th, 2010*

Daniel Cummins, an insurance defense and coverage attorney in Pennsylvania reached out to his claims reps using social media to compile a list of their pet peeves. He compiled the results with some solutions in an article that he posted to his blog, www.torttalk.com. The article was picked up by *Claims* magazine for their online publication.

You can read the article on his blog, here: <http://www.torttalk.com/2010/02/claims-rep-pet-peeves.html>.

As an attorney who is still fairly new to law practice, I am glad to get this "insider information" on how to serve claims reps more effectively. I can't help but notice, however, that a major pet peeve about defense counsel is an inability to accurately value a case or estimate the costs of representation to trial. For an unusual fact pattern or a case with a challenging opposing counsel (or insured!) these costs can quickly escalate beyond even a well-informed estimate.

Cummins proposed solution is for claims reps to give defense counsel a more accurate understanding of their expectations, but I think defense counsel are aware that claims reps want accurate and timely information. Instead, should defense counsel communicate areas of uncertainty more accurately? Instead of providing a fixed figure in budgeting, attorneys can give a range of likely costs with a low end number and a high end for certain litigation activities. This way defense counsel can communicate which areas of the case can contain the potential for hidden costs. For example, settlement with a realistic and collegial opposing counsel and claimant can take only a few hours from start to finish. But with unrealistic or combative parties across the table, suddenly attorneys' fees for settlement discussions skyrocket.

Feedback suggests that claims reps want more accuracy from budget figures, however, not more uncertainty. As a defense attorney I put my best estimate on budgets and keep my claims reps in the loop as facts develop that might change my initial evaluation of the case, rather than use ranges as

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proposed above. Reading Cummins article about claims reps' pet peeves regarding surprises and accuracy, I wonder which approach is the best solution, or if there is another alternative.

If you have thoughts on how to bridge this communications gap between claims reps and defense counsel, please share them in the comments.

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