Auto Casualty

Most Common Characteristics of High-Performing Third Party Claim Workflows

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While every carrier's exact workflow and claim processing techniques are distinct, most claim professionals across the third party liability industry operate with the same goals in mind—settle claims accurately, efficiently and consistently. But sometimes, the complexity of third party claim processing can cloud these seemingly simple objectives.

By using a combination of data, technology and expertise—and putting a special focus on the foundations of third party claims processing—third party carriers can overcome a myriad of barriers that can make it challenging to achieve their goals. So, how can you determine if your program is set up for success? In addition, if you're looking for a new technology or services partner, how can you be sure it's the right fit? Below, Mitchell has created a guide based on our work with high-performing claim organizations that go beyond the fundamentals and highlights what we believe to be the most important characteristics your third-party claim program should embody in order to excel.

Processes & Program-Level Characteristics

There is no shortage of tools available for claims handling. While it may be tempting to provide adjusters with the largest possible set of tools at their disposal and leave them to process claims their way, the top-performing third party carriers take the time to focus on setting up their foundations in a way that allows adjusters to work smarter. On a program level, that means committing to developing and following processes, and collecting and evaluating data to learn how they can continuously improve their workflow and overall programs. By establishing best practices and connecting those management goals to adjuster day-to-day activities, carriers can develop consistent, accurate and efficient claim handling processes, setting themselves up for both short-term and long-term success. Here's a checklist of the program-level characteristics every third party carrier should strive for:

- Commitment to establishing and following a set of best practices.
- Dedication to a data-driven approach to evaluating performance and continuous improvement.
- Focus on establishing the foundations of third party claim processing so that adjusters realize maximum benefit from new tools and technologies.

Find out the five foundational elements every third party claim workflow needs.

Learn More

What Your Program Needs in Each Stage of the Claim Lifecycle

Once you've committed to laying the right foundations for your third party workflow, the next step is evaluating each step of the claims process. Below, we've included a checklist for all of the characteristics that a top-performing third party organization should possess, whether it's your current program or one you're evaluating with an external partner.

Investigation

Early in the life of a claim, it's crucial your program helps adjusters collect the right data at the right time, and supports them by collecting the most important information for a specific loss scenario. Here's a list of what we believe to be the crucial elements in the investigation stage:

1. Clear investigation standards to ensure adjusters across the company gather consistent information about each loss based on best practices.
2. Guidance for adjusters so they can clearly adhere to those standards, while also providing the flexibility to make decisions based on the exact scenario.
3. Claim system integration, both in-bound and out-bound, to ensure your adjusters always have the information they need when they need it.
4. The ability to collect the right data and prioritize it by loss scenario.

Liability

In the liability stage, carriers should focus on helping adjusters use best practices in their evaluations for accuracy and consistency. Here are the items we recommend you execute in the liability stage:

1. Clear liability evaluation best practices and standards that utilizes data already collected during FNOL and investigation.
2. A liability evaluation recommendation tool that helps apply those best practices throughout the organization, so your adjusters can have guidance right at their fingertips for consistent evaluations.
3. A tort-duty framework specific to each loss type that you can configure.
4. Reduced cycle times through a consistent and repeatable claim evaluation approach and manager analytics dashboards that help identify areas to improve cycle time.

Injury Evaluation

In order to make sure your organization thoroughly evaluates claims consistently and accurately, the injury evaluation stage should not only be comprehensive but also fully integrated with all data streams for the claim, including investigation and demand package review. Here's how we believe your company can achieve optimal injury evaluations across the board:

1. Clear injury evaluation standards based on company best practices.
2. A services partner that has extensive bill review and third party experience that is backed by industry-leading technology to not only manage documents but also manage your bill review process.
3. An industry-leading bill review platform that presents billing adjustments in a way that adjusters can clearly understand and utilize in the negotiation stage.
4. Deep integration with the investigation and liability stages to ensure your adjusters have the data they need, where they need it.

Negotiation

In the negotiation stage, carriers should focus on providing their adjusters with clear, easy-to-explain facts, so they are fully prepared with all of the information they need to negotiate with attorneys or claimants. We recommend that carriers understand and incorporate the following items that may help improve the negotiation process:

1. A negotiation module that includes fact-based information using artifacts from the entire evaluation, including liability percentage and specials and generals amounts.
2. The tools to help adjusters develop a clearly documented strategy with a clear line of sight back to key points documented during liability and injury evaluations.

Want to dive deeper into any of these key steps of the claim process to learn more about the best practices Mitchell has seen succeed?

Consult with a Mitchell Expert

Setting Your Third Party Program Up for Success

The right organizational processes and solid claim processing foundations combined with best practices at each stage of the claim lifecycle can help your organization succeed. Mitchell's end-to-end third party solution addresses each of these areas individually and holistically. To learn more, visit **https://www.mitchell.com/solutions/casualty/third-party-liability-solutions**.



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