Auto Casualty, General Liability

Nurse Review Helped Carrier Settle for 70% Less Than Original Demand Amount

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More than ever, plaintiff attorney demands are inflated, intimidating even the most seasoned adjusters. A recent LexisNexis survey found that attorneys encourage claimants to seek additional treatment, increasing the demand amount in 71% of cases. One leading insurance carrier, handling both personal and commercial lines, uses Enlyte's Demand Package Review Solution to gain leverage in negotiating a quarter-million-dollar demand. This results in a substantial reduction in medical specials.



Claim Settled for 70% less than the Original Demand Amount



The Challenge: Inflated Demand Buried in 475 Pages

A midsized insurance carrier came to Enlyte for an enhanced bill review and nurse review of a 457-page demand package received from the plaintiff's attorney. The demand was for an auto accident that occurred in Pennsylvania, six months prior, when a hay bale fell off a large truck and struck the injured person's car. They sought care due to injuries caused by glass lacerations to the face and body. In addition, treatment continued for

the next six months for cervical pain.

Demand Package Review: What Was the True Exposure on the Claim?

The claim was assigned to a complex claims adjuster due to the massive amount of past medical history. Organizing records and bills is frequently a time-consuming burden on the adjuster, which is why the carrier turned to the Enlyte nurse review team. The claims adjuster was able to craft questions regarding the claim for the nurse, specifying the facts of this claim to ensure he received all the information he needed. The registered nurse sleuthed through all medical records submitted and organized a treatment timeline. Once the demand was organized, a summary report was created to show an accident summary, facts of the case, comorbidities, medication use, and the medical and surgical treatment pre and post date of loss. Each medical treatment description included insights and recommendations made by the nurse. Finally, a summary analysis of red flags was documented and surfaced to the adjuster for consideration in their negotiation talking points.

The nurse review revealed a significant variance to the story the plaintiff's attorney painted. This was a complicated case and now the claims leadership had a clearer understanding of the true exposure and was empowered to negotiate a fair settlement. With multiple aggravating factors, this type of case would typically demand a full policy payout of $250K.

Top Five Ways You Can Reduce Settlements Using Demand Package Review

- **Comprehensive medical bill insights** deliver a full accounting of medical charges, finding 53% average adjustments to billed charges, alongside insights into injury-relatedness and causation, helping you settle claims accurately for the fair amount owed.
- **Right-sized services** meet your specific claim needs, by providing the right service with either an enhanced bill review with our industry leading software or nurse review for a more complex case.
- **Top-down summary reporting** is returned to the adjuster within an average of three days after submission. This provides information needed to guide the adjuster through the evaluation and negotiation phases, strengthening the negotiation and settlement process.
- **Non-standard bill detection** ensures 100% of provider billing is addressed and complete to strengthen the adjuster's negotiation credibility.
- **Quick and easy setup** with no IT resources needed! Get up and running in 30 days.



Empowering the Negotiation Strategy

“The nurse summary report was a fundamental part in reviewing this claim,” said the Bodily Injury Resolution Leader from the insurance carrier. “The nurse’s findings were instrumental in empowering the adjuster to communicate with the plaintiff attorney about why the claim was not worth the $250k demanded. It built the adjuster’s confidence to derive a fair settlement amount and craft a strategy for negotiation.” The claims leader aptly compared the Demand Package Review to a home inspection. “Would you purchase a million dollar home without obtaining a home inspection? In claims management this is no different, we want to make sure our evaluation is sound, and risks are known or reduced. The clarity and specificity that comes with a nurse review is something everyone involved in the claim needs to have. We want the findings of a medical expert, especially when there are high limits.”

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In this case, the nurse determined that there was prior history of cervical dysfunction and surgical treatment. The medical findings after the date of loss showed degenerative cervical changes and exacerbation of a preexisting injury. Based on this analysis, the nurse recommended that none of the medical billings were related to the claim. The carrier used this in their negotiation strategy and reserving practices.

A strategic negotiating tool that proved the strength of the causation and unrelated treatment issues, demonstrated a risk to opposing counsel that the claim was not worth the demand.



$75K Claim Settlement Amount

By the Numbers



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