

THE FORUM

Using your skills to reduce exposure

MODERATOR



Richard Lenkov,
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Mr. Lenkov's practice areas include insurance litigation and workers compensation, among others. With nearly 20 years of experience, he serves as co-chair of the Claims and Litigation Management Alliance's Workers Compensation Committee.

There is no shortage of service providers seeking to work with you. What qualities do you look for in a partner?

ERIC SPALSBURY: It may sound academic, but being intimately connected to the client and possessing a somewhat innate knowledge of a client's operations is paramount to the success of an enterprise risk management process on many levels. In a dynamic environment, strategic planning and tactical decisions must be able to occur without the client reviewing every detail.

CASSANDRA GOMEZ: Commitment to communication. Without communication and updates, that service provider's efforts are not seen and therefore cannot add value to the progress on that case. When I am considering a change in a service provider, I will check the reputation of that provider as well. The workers compensation industry is a close-knit community and we all work with similar providers, so checking with industry partners is a must if I have no prior experience with that provider.

At what point in the process is it important to bring on a service provider?

SPALSBURY: This depends on the situation and variables involved. In some instances, immediate engagement is critical. This determination needs to be ingrained in the client management procedures and occur consistently from claim to claim and situation to situation. Whether to engage a resource and the specific resources available should

be assessed in the opening rounds.

GOMEZ: Workers compensation claim handling varies depending on the case, the insured and the company you work for. Each entity may have requirements that make that decision for you. For example, a client may require a nurse on every time loss file or utilization review on every surgery. The important aspects to always remember are the requirements of your client or company and the facts of your claim.

How do you provide resources to your clients to truly add value to the claim, justifying your additional costs?

KEVIN GRODICK: Clients value insight into what potential jurors think a case is worth or jurors' views on certain issues specific to a case. We provide online jury research that allows clients to accurately value a case early on, giving them an opportunity to make a smart settlement or litigation management decision that will save them money in the long run. Clients are finding that spending a small amount of money up front on jury research saves them even greater sums of money on settlement/defense costs.

ANTHONY CANNIZZO: I like to be involved early in a claim before major decisions have been made. Clients willing to staff counsel on cases early and spend resources on useful discovery — such as doctor cross examination or surveillance — have better and quicker resolutions.

What should service providers avoid when trying to help manage cases efficiently?

GRODICK: Avoid telling your client what you think they want to hear instead of what the client needs to hear. We are often approached to do focus groups on cases to verify the client's position on how much a case should settle for or to confirm that a case is a "slam dunk" for the defense at trial. Unfortunately, many times what we learn in research does not reflect the client's original notions on the value of the case. We advise the client on how to apply what we've learned in research in order to reshape the trial strategy or settle the

case for a different sum than expected.

CANNIZZO: Avoid personalizing cases.

SPALSBURY: Avoid utilizing a strictly formulaic approach — be creative and open to options. Every event is unique and requires open dialogue in how best to manage it. Prior lessons should always be considered. I believe that getting together and having open-forum discussions on challenging claims is beneficial. Make the time, schedule a conference room, order a pizza and bounce the details and options around!

GOMEZ: Do not forget who your customers really are. I have seen providers that have worked with a client for a long time and become very comfortable with them. Then the client decides to hire a new (third-party administrator). Instead of working with the new TPA, that provider begins going directly to the client for their communication, leaving the new TPA out of the decision-making.

What is the single most important thing that our readers should do today to manage their claim efficiently?

GRODICK: Get a feel for the case early on in the litigation process, by asking "what is this case worth?" and "what are my strengths and weaknesses?" By assessing cases early on, clients can quickly eliminate cases that are not favorable to their position, sooner rather than later. Early assessment also allows clients to identify points of strength, either towards settlement or throughout the discovery phase, providing the strongest possible position and a higher level of confidence.

CANNIZZO: Having an attorney whom you trust and who has the ability to adapt to your needs is vital to achieving your goals.

SPALSBURY: Establish processes for immediate notification and thorough information sharing by your business partners. If you do not have an e-tool for communicating incidents and managing information flow, you are behind the times. Telephone notification has gone the way of the dodo.

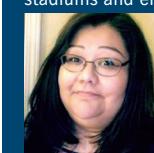
GOMEZ: Keep in steady contact with the providers; they have been added to the file to bring value and efficiency to the case. If the handler has to consistently follow up for updates, then it is taking away from the actual aspect of moving the claim to conclusion. This goes for the claim handler as well. If they are not communicating with their customers (insured, providers, claimants), the case will not progress.

MEET THE PANEL



Anthony Cannizzo is a partner and member of the workers compensation team at Manning & Kass, Ellrod, Ramirez, Trester LLP's Los Angeles office. He

has spent more than 15 years litigating on behalf of domestic and international companies including restaurants, hotels, airlines, manufacturers, movie studios, stadiums and entertainment companies.



Cassandra Gomez is a workers compensation supervisor at CorVel Corp. in Downers Grove, Illinois. CorVel provides risk management

solutions for the workers compensation, auto, health and disability management industries nationwide. She has over 30 years of experience from operations to training.



Kevin Grodick is director of business development for Magna Legal Services in Chicago. Magna Legal Services provides litigation support services to law firms, corporations, and governmental agencies throughout the nation.



Eric Spalsbury is director of risk management for Stanley Steemer International Inc. in Dublin, Ohio. He has worked for the large U.S.-based residential and commercial cleaning company for over 12 years. He has over 36 years of experience managing risk at various levels and oversees all aspects of risk control, including insurance/risk transfer, loss control/safety, fleet maintenance and claims/litigation management. He is president and a longtime member of the Board of Directors of the Central Ohio Chapter of the Risk & Insurance Management Society Inc.