



professional liability

claims management services



There is a lot of uncertainty in the medical malpractice world today. While overall claims volume has decreased in recent years, risk managers are reporting an upswing in both the frequency and severity of claims.

Managing more with less

To add to their challenges, many organizations are cutting back on in-house resources; often leaving risk managers with fewer personnel trained to effectively manage professional liability claims.

This shift is leaving many risk managers without access to the experts they once had for managing medical malpractice claims. Many are now in need of a qualified professional liability partner to meet their ongoing claims and risk management service needs. Sedgwick can help by:

- Finding innovative ways to reduce risk
- Ensuring compliance
- Preventing adverse events
- Finding new ways to do more with less

Sedgwick has been helping clients answer virtually every question there is about professional liability. As a result, our clients experience some of the best outcomes and lowest overall claims' costs in the nation.

Sedgwick delivers customized, performance-based professional liability claims and risk management solutions. Where you see medical malpractice liability risk, we see an opportunity to provide a highly innovative service to reduce costs, maximize resources, and achieve a financially sound professional liability claims management program.

Think of us as a flexible extension of your existing staff. A trusted member of your team who can help to expand your

existing capabilities, and provide the expertise and resources that will help further empower your risk management team. We can provide the tools needed to control costs and reduce risks.

Our services include:

- Claims management
- Investigations
- Auditing and consulting
- Healthcare risk management
- MMSEA 111 reporting and Medicare compliance
- Benchmarking and data analytics

Customized, flexible programs

Sedgwick can design a customized program for your organization that can dramatically reduce frequency, indemnity, expense payments, and ultimately, total loss costs. Here's how:

- Early investigation and assessment of claims
- Aggressive management of the litigation process
- Fair and innovative settlement of meritorious claims
- Positive relationships with co-defendants, brokers, carriers, and counsel
- Jurisdictional experts in state-specific regulations and requirements

A successful professional liability program integrates both loss prevention and reduction.



Our solutions: Processes, values, services

Initial data assessment

Your claims team will assess initial incident reports, records, and other documents to develop a strategy for controlling and investigating each potentially compensable event (PCE).

Claim control

Our claims specialist will contact the claimant at the client's request to manage the PCE and attempt to prevent a lawsuit. If there is already legal representation, the investigator will immediately contact retained counsel.

Claims investigation

Our national branch network is dedicated to professional liability claims management solutions and allows for prompt claims investigation anywhere in the United States. Comprehensive training, ongoing mentorship, professional support, and continuing education initiatives enable our investigators to protect our clients' reputations and financial interests.

Our staff is comprised of registered nurses who are thoroughly trained investigators. They can identify potential problems early, pursue resolution and, in some cases, avoid or mitigate costly litigation.

Liability evaluation

Upon completion of our investigation, we will render an evaluation as to whether the claimant or plaintiff has sustained a compensable injury, and determine if there has been any breach in the standard of care. We then consult with you as to the advisability of offering a settlement versus denying the claim.

Reserving

Our experienced claims professionals will establish financial

estimates regarding the ultimate potential judgment value (PJV) of each claim. In calculating this figure, they consider the damages, venue, liability, and numerous other factors. We then reduce the PJV by the percentage of the insured's exposure or contribution to the injury. This value is then reduced by the percentage of the insured's chances of losing the case if put before a jury. That final number represents the assigned indemnity reserve, which adjusts in accordance with the claim's development.

Pre-litigation

In order to prevent lawsuit filings, we provide for claimant and claimant attorney control, when appropriate, including making personal visits to the claimant.

Litigation management

We will arrange immediate response on behalf of your company or any covered person to any summons, petition, claim, and/or attorney inquiries. Our philosophy calls for a published posture of hard line defense. An exception would be a case of clear liability.

As part of your program's design, we will clearly define defense policies and procedures to facilitate monitoring and control of defense counsel activities by requiring completion of all investigation and discovery within specific time frames. These defense procedures will enable an early evaluation of the exposure in each individual case.

Client banking services

We can maintain an escrow account to pay all indemnity and allocated loss adjustment expense (ALAE) invoices. Prior to approving disbursement, we will review all invoices in conjunction with established litigation guidelines. We currently provide this service for more than 75% of our healthcare clients.



Litigation cost containment

We utilize a variety of control systems designed to mitigate unnecessary legal costs and expenses.

Our cost containment begins with assigning a lawsuit to defense counsel experienced in the nature of the claim and limiting discovery to activities essential to the defense.

All defense counsel adheres to the framework set forth in our defense counsel guidelines.

Expert consulting network

For cases requiring an outside consultant, we rely on our extensive database of experienced individuals, which includes only those who are well qualified to provide expert consultations on the specific medical, legal, and/or economic issues.

The industry's most intensive ongoing training and education

Investing in education through our Sedgwick University program creates knowledgeable and loyal colleagues, as evidenced by our low turnover rate — less than 2% — ensuring you receive superior service and program stability.

Claims committee and roundtables

The primary purpose of a claims committee meeting is to discuss high-exposure/high-cost claims and cases approaching mediation, trial, settlement, or denial.

These discussions ensure client management is aware of the claims and relevant recommendations.

Claim file maintenance

We create and maintain an electronic file for each reported matter. Our diary system ensures timely review of each claim,

focusing all our efforts on reducing your exposure and improving the financial results of your liability program.

Claim resolution

Our staff is skilled in claimant/plaintiff negotiations and will assist in bringing about timely and equitable settlements. If, upon completion of a claim investigation, a settlement offer is deemed advisable, we will negotiate, settle, and issue payment.

Client service instructions

We detail your custom liability management system in a client service instruction manual to ensure consistency in the application of policies and procedures. The manual will specify the named insureds, coverages, approved defense counsel, levels of authority, and detailed reporting requirements, as well as responsibilities for all program participants.

Primary and excess carrier relations

A positive and cooperative working relationship with the excess carrier is fundamental to a program's success. We fulfill the reporting requirements of any excess carrier.

Quality assurance total performance management

Our total performance management (TPM) process is the strongest in the industry. It establishes standards and best practices for performance, measuring our results against internally established standards and any client requirements. TPM monitors performance and provides client feedback for continued improvement.

Support services

MMSEA 111 reporting

We can meet your company's Medicare MMSEA Section 111 reporting requirements with our proprietary query



and reporting solution. The use of internal systems and resources allows for complete control over data, enhancing data integrity, security, and quality. Our proprietary system provides an interface directly to Medicare's administrative arm, the Centers for Medicare & Medicaid Services (CMS). The system sends query and claims data, and accommodates the return interchange of data back from CMS to our claims application.

Medicare compliance

We integrate our MMSEA reporting solution with our Medicare compliance services to gain immediate access to important data (e.g., Medicare eligibility). The earlier in a claim cycle we have the data, the earlier we can identify and address potential Medicare issues. It's a critical part of how we work to shorten claim cycles.

State and federal claims reporting and compliance

If designated as the authorized agent of the insured, Sedgwick's professional liability team will file National Practitioner Data Bank medical malpractice settlement reports on behalf of your company. We will also manage individual state reporting. Your designated client services manager will work with your claims specialists and Sedgwick's professional liability experts to ensure compliance with state and federal laws and regulations governing our industry.

Healthcare risk management

Your dedicated program manager will use our proprietary risk management information system to capture data and information about your program and exposures. Using the data, we can recommend policy changes that may potentially lower risk frequency and reduce loss costs.

Delivering the solutions you need

Program management

Sedgwick's program management is a unique value-added service offered to all our customers. We assign a dedicated client services manager to support your internal claims specialists and every facet of your claims program. In addition to your own client services manager, there is an entire team of Sedgwick experts backing up and supporting your claims program.

This team of experts provides everything from implementation, and contract and MMSEA administration to data analysis from experienced healthcare industry specialists.

Our mission is to provide back-office support to your claims specialist so they can concentrate on what is important to your organization and ensure the best outcomes on all claims.

We are the only professional liability company that dedicates claims specialists to managing claims while your program manager provides added value through data analytics and back-office support.

The right information to make informed decisions

In many ways, the professional liability industry has been in the dark ages when it comes to maximizing the use of data. Many organizations are just now beginning to code and track their liability claims data, and leverage its use. Without this data, hospitals and health systems are missing key opportunities to reduce and even predict future risks.

Using relevant reporting and proprietary modeling techniques, our analysts convert data into meaningful and usable intelligence. We provide highly customized reports, incorporating events and incidents into risk management profiles and claims processes, to identify trends, potential problems, and the value of new approaches.



Meaningful data

The capture of events and incidents is one of the most challenging risk management activities presented to all types of healthcare organizations. Many attempt to capture this information in databases such as Excel or other similar programs. Sedgwick has a solution that allows for the capture and more importantly the analysis of data. Highlights of the Event Reporter include:

- A web-based tool that allows for an infinite number of users
- Standard and customized screens to capture your unique exposures
- Robust coding capabilities
- Integration with our AccessOne system to track events that convert to claims
- Real time data
- Custom reports to aid in analysis of data (See Appendix for a sample – Event Reporter)

Data analysis

Our technology solutions provide the platform in which strong reporting capabilities are coupled with the superior analytical skills of our experienced staff to drive the best possible outcomes. We go beyond what is typically expected from a TPA by converting your data into knowledge and applying it to your business in a relevant and meaningful manner. With tools such as trend and pattern analysis, we can apply risk modeling techniques that are able to affect claim outcomes.

Satisfied customers

Our satisfied clients include urban, suburban and rural healthcare organizations of all sizes, such as hospital systems, medical practice groups, elder care facilities, research and teaching institutions, and medical device and pharmaceutical manufacturers.

All of our clients share one simple trait: a high level of satisfaction with our programs, service and their Sedgwick team. When asked why they are satisfied, our clients point to our highly trained nurse investigators, designated client services managers, and experienced claims specialists; as well as the size, strength, and overall stability of the Sedgwick organization.

Sedgwick professional liability...

Improving results in professional liability management. One claim at a time.

Contact us today to find out more about Sedgwick's professional liability services.

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