

Financials: Summary				
View	Exposure			
			Remaining Reserves	Net Total Incurred
▼ Claim Total			\$10,750.00	\$10,750.00
▼ (1) 1st Party Vehicle - Kevin Smith99 - Collision			\$3,000.00	\$3,000.00
▼ Claim Cost			\$2,500.00	\$2,500.00
Auto body USD		▼	\$2,500.00	\$2,500.00
▼ Expense - A&O			\$500.00	\$500.00
Vehicle inspection USD		▼	\$500.00	\$500.00
▼ (2) 3rd Party Vehicle - Michael Cashman - Liability - Bodily Injury and Property Damage			\$3,000.00	\$3,000.00
▼ Claim Cost			\$2,500.00	\$2,500.00
Auto body USD		▼	\$2,500.00	\$2,500.00
▼ Expense - A&O			\$500.00	\$500.00
Vehicle inspection USD		▼	\$500.00	\$500.00
▼ (3) 3rd Party Bodily Injury - Michael Cashman - Liability - Bodily Injury and Property Damage			\$2,750.00	\$2,750.00
▼ Claim Cost			\$2,000.00	\$2,000.00
Medical USD		▼	\$2,000.00	\$2,000.00
▼ Expense - A&O			\$750.00	\$750.00
Other USD		▼	\$750.00	\$750.00
▼ (4) 1st Party Med Pay - Kevin Smith99 - Medical Payments			\$2,000.00	\$2,000.00
▼ Claim Cost			\$2,000.00	\$2,000.00
Medical USD		▼	\$2,000.00	\$2,000.00

8.6 Solution: Adding reserves







Solution

1. ClaimCenter has already added initial reserves for the exposures during exposure set-up. For each reserve line, identify the exposure, cost type, cost category, and amount of remaining reserves.


Reserve Line	Exposure #	Cost Type	Cost Category	Remaining Reserves
1	1	Claim Cost	Auto body USD	\$2500

Reserve Line	Exposure #	Cost Type	Cost Category	Remaining Reserves
2	1	Expense – A & O	Vehicle inspection USD	\$500
3	2	Claim Cost	Auto body USD	\$2500
4	2	Expense – A & O	Vehicle inspection USD	\$500


List of transactions:

Financials: Transactions							
Type ▾	Date ▾	Amount ▾		Exposure ▾	Coverage ▾	Cost Type ▾	Cost Category ▾
Reserve	12/29/2022	\$2,500.00		1	Collision	Claim Cost	Auto body
Reserve	12/29/2022	\$500.00		1	Collision	Expense - A&O	Vehicle inspection
Reserve	12/29/2022	\$2,500.00		2	Liability - Bodily Injury and Property Damage	Claim Cost	Auto body
Reserve	12/29/2022	\$500.00		2	Liability - Bodily Injury and Property Damage	Expense - A&O	Vehicle inspection


2. Create a new reserve line for the exposure covering the injury to Michael CashmanXX. This reserve line is to indemnify Michael CashmanXX. Set the reserve amount to \$2000.

06/07/2022	\$2,000.00		3	Liability - Bodily Injury and Property Damage	Claim Cost	Medical
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3. Create a new reserve line for the exposure covering the injury to Michael CashmanXX. This reserve line is for expenses incurred by Succeed Insurance in obtaining medical reports about his injury. Set the amount to \$400. (You can use the "Other" expense category.) Click Save after adding this reserve line.

10/17/2018	\$400.00		3	Liability - Bodily Injury and Property Damage	Expense - A&O	Other
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4. You just received a memo stating that the cost of processing medical reports has just increased. Increase the reserve line you just created so that it has \$750.

10/17/2018	\$350.00		3	Liability - Bodily Injury and Property Damage	Expense - A&O	Other
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When you are done, review the reserve lines for the claim (financials summary). They should look like this (some columns hidden to allow enough space to fit on the page):

Financials: Summary

View Exposure ▾ |

		Open Recovery Reserves	Remaining Reserves	Future Payments	Total Paid	Recoveries	Net Total Incurred
▼ Claim Total			\$8,750.00				\$8,750.00
▼ (1) 1st Party Vehicle - Kevin Smith99 - Collision			\$3,000.00				\$3,000.00
▼ Claim Cost			\$2,500.00				\$2,500.00
Auto body USD	▼		\$2,500.00				\$2,500.00
▼ Expense - A&O			\$500.00				\$500.00
Vehicle inspection USD	▼		\$500.00				\$500.00
▼ (2) 3rd Party Vehicle - Michael Cashman99 - Liability - Bodily Injury and Property Damage			\$3,000.00				\$3,000.00
▼ Claim Cost			\$2,500.00				\$2,500.00
Auto body USD	▼		\$2,500.00				\$2,500.00
▼ Expense - A&O			\$500.00				\$500.00
Vehicle inspection USD	▼		\$500.00				\$500.00
▼ (3) 3rd Party Bodily Injury - Michael Cashman99 - Liability - Bodily Injury and Property Damage			\$2,750.00				\$2,750.00
▼ Claim Cost			\$2,000.00				\$2,000.00
Medical USD	▼		\$2,000.00				\$2,000.00
▼ Expense - A&O			\$750.00				\$750.00
Other USD	▼		\$750.00				\$750.00