

Lesson 8 Adjudication

Prerequisites

For this exercise, you will use ClaimCenter and a supported web browser.

ClaimCenter Server and Contact Manager should be running when you start the exercise.

The default URL for ClaimCenter is <http://localhost:8080/cc/ClaimCenter.do>.

8.1 Exercise: Add an incident to a claim



Activity

In this exercise, you add an incident to an existing claim. The claim you will use is the Kevin Smith claim that involved the two-vehicle accident.

1. Log on to ClaimCenter as studentXX with a password of "gw".
2. Use the following transcript of a recent call from Kevin Smith to add an incident to the accident claim. This is not the windshield claim.

Transcript

Hello. My name is Kevin SmithXX. My policy number is 123456-XX. I reported an accident earlier today and need to add some information.

I told you that I was not injured in the accident but after I got home, I started getting a major headache. It became bad enough that I went to the Doctor and she found that I have a concussion.

I have an appointment with a specialist tomorrow to see how bad it is.

8.2 Solution: Add an incident to a claim



Solution

2. Use the following transcript of a recent call from Kevin Smith to add an incident to the claim.
 - a) Open the claim.
 - b) Edit the Loss Details

- c) Add an Injury for Kevin Smith.

Loss Details

Edit

Details

Loss Details

Description	I was trying to make it through a yellow light, but I couldn't. I hit the brakes, but there was oil on the road. I skidded into the intersection and hit a car traveling
Loss Cause	Collision with motor vehicle
Fault Rating	
Catastrophe	
Weather	
In Course of Employment?	
Date of Loss	08/19/2018 12:01 AM

Injuries

Add

Add

	Name	Severity	Description
<input type="checkbox"/>	Michael Cashman	Minor	Minor concussion

 Injury Incident [Return to Loss Details](#)

Injury Details

Injured Person	* Kevin Smith99
Loss Party	* Insured's loss
Severity	Moderate
Describe Injuries	Concussion
General Injury Type	Specific injury
Detailed Injury Type	Concussion

Body Parts [Add](#) [Remove](#) | [Make First](#)

Area of Body*	Body Part*	Body Part Description	Side	PPD Percentage
Head	Brain			%

Vehicles [Add](#) [Remove](#)

	Make	Model	Plate	State	Loss Party	Driver
<input type="checkbox"/>	Ford	Fiesta	223RFT	Michigan	Third-party liability	Michael Cashman
<input type="checkbox"/>	Honda	Civic	1JXZ199	Illinois	Insured's loss	Kevin Smith99

Properties [Add](#) [Remove](#)

Address	City	State
No data to display		

Injuries [Add](#) [Remove](#)

	Name	Severity	Description
<input type="checkbox"/>	Michael Cashman	Minor	Minor concussion
<input type="checkbox"/>	Kevin Smith99	Moderate	Concussion

8.3 Exercise: Add exposures to a claim



Activity

In this exercise, you will create the exposures for the Kevin SmithXX claim.

1. **As studentXX, log on to ClaimCenter. Navigate to the Kevin SmithXX accident claim. Manually create the exposures for the claim. To help you determine what exposures are needed, the transcript from the First Notice of Loss and the follow-up call have been copied below.**

When it comes to selecting the correct coverage, keep the following definitions of coverages in mind:

- Collision covers losses to the insured's vehicle due to an accident (such as hitting another vehicle).
- Medical Payments covers injuries to any driver covered on the policy and to any passenger in a covered vehicle.
- Liability – Bodily Injury and Property Damage covers damage the insured does to a third party or something owned by a third party.

Note: You may not be using all these coverages in your exercise.

Initial transcript

Hello. My name is Kevin SmithXX. My policy number is 123456-XX. I was involved in an accident yesterday and I want to report it.

You want to confirm my contact information? I live at 1024 Glenwood Avenue in Waukegan, Illinois. It's probably best to call me on my home phone. It's (312) 336-6210. Yes, I should be the person you contact for questions about this claim. The accident involves my Honda Civic.

The accident occurred at the intersection of McAree Road and Grand Avenue in Waukegan, Illinois. I was driving my Honda Civic on Grand Avenue traveling north. I was trying to make it through a yellow light, but I couldn't. I hit the brakes, but there was oil on the road. I skidded into the intersection and hit a car traveling west on McAree.

The other vehicle was a 2002 Ford Fiesta with a Michigan license plate of 223RFT. It was driven by Michael CashmanXX. He lives at 713 Leith Avenue, Waukegan, Illinois, 60087. His cell phone number is (312) 343-2909.

The left side of the other car is fairly smashed up, including damage to the driver-side door.

Mr. CashmanXX also hit his head against the steering wheel. He was taken to the hospital and diagnosed with a minor concussion.

Yes, my car will need servicing by an auto body repair shop, but I'm not sure which shop I'll be taking it to. I will let you know later. I don't need any services right now.

Follow-up transcript

Hello. My name is Kevin SmithXX. My policy number is 123456-XX. I reported an accident earlier today and need to add some information.

I told you that I was not injured in the accident but after I got home, I started getting a major headache. It became bad enough that I went to the Doctor, and she found that I have a concussion.

I have an appointment with a specialist tomorrow to see how bad it is.

- If you see a message about the Fault Rating not yet being entered, the accident was Mr. Smith's fault, so set the fault rating before you create the exposures.
- When you have completed the exposures, review them in the exposure list. Your exposures should look like the ones listed below. Your exposures may appear in a different order and have a different XX suffix. But for each exposure, the Type, Coverage, and Claimant values should match those in the screenshot below.

Exposures							
All claimants		Type	Coverage	Claimant	Adjuster	Status	Remainder
#							
1	Vehicle	Collision		Kevin Smith99	Sam Tudent99	Open	
2	Vehicle	Liability - Bodily Injury and Property Damage		Michael Cashman	Sam Tudent99	Open	
3	Bodily Injury	Liability - Bodily Injury and Property Damage		Michael Cashman	Sam Tudent99	Open	
4	Med Pay	Medical Payments		Kevin Smith99	Sam Tudent99	Open	

When each exposure was created, ClaimCenter executed exposure workplan rules. Review the claim's workplan.

4. For each exposure, identify the activities that were created.

- Damage to Kevin SmithXX's vehicle:
- Damage to Michael CashmanXX's vehicle:
- MichaelCashmanXX's concussion:

8.4 Solution: Add exposures to a claim



- As studentXX, log on to ClaimCenter. Navigate to the Kevin SmithXX accident claim. Manually create the exposures for the claim. To help you determine what exposures are needed, the transcript from the First Notice of Loss and the follow-up call have been copied below.
- If you see a message about the Fault Rating not yet being entered, the accident was Mr. Smith's fault, so set the fault rating before you create the exposures.

Loss Details

Details

Loss Details

Description	I was driving my Honda Civic on Grand Avenue traveling north. I was trying to make it through a yellow light, but I wasn't able to. I hit the brakes, but there was oil on the road. I skidded into the
Loss Cause	* Collision with motor vehicle
Fault Rating	Insured at fault
Insured's Liability %	%
Catastrophe	<none>
Weather	<none>

3. When you have completed the exposures, review them in the exposure list. Your exposures should look like the ones listed below. Your exposures may appear in a different order and have a different XX suffix. But for each exposure, the Type, Coverage, and Claimant values should match those in the screenshot below.

New Exposure	Kevin Simms199 Sam Tudor199 Open
Choose by Coverage Type ▾	
Choose by Coverage ▾	Policy Level Coverage ▾ <ul style="list-style-type: none"> 2002 Mini Cooper (4FRT299 / Illinois) ▾ 2004 Honda Civic (1JXZ199 / Illinois) ▾
Claim Actions	Liability - Bodily Injury and Property Damage ▾ <ul style="list-style-type: none"> Medical Payments Uninsured Motorist - Bodily Injury Uninsured Motorist - Property Damage
Assign Claim	Liability - Bodily Injury
Close Claim	Liability - Property Damage
Print Claim	Liability - Vehicle Damage 

New Exposure - Vehicle

Exposure

Loss Party Third-party liability
Primary Coverage Liability - Bodily Injury and Property Damage
Coverage Subtype Liability - Vehicle Damage
Coverage Policy Level Coverage (Liability - Bodily Injury and Property Damage) ▾

Claimant

Claimant * Michael Cashman ▾
Type * Driver of other vehicle ▾
Contact Prohibited? Yes No
Primary Phone 312-343-2909
Address 713 Leith Avenue, Waukegan, IL 60087

Incident Overview

Vehicle * 2002 Ford Fiesta (223RFT / Michigan) ▾
Driver Michael Cashman
Description Left side is fairly smashed up, including damage to the driver-side door.

New Exposure - Bodily Injury

Exposure

Loss Party Third-party liability
Primary Coverage Liability - Bodily Injury and Property Damage
Coverage Subtype Liability - Bodily Injury
Coverage Policy Level Coverage (Liability - Bodily Injury and Property Damage) ▾

Claimant

Claimant * Michael Cashman ▾
Type * Driver of other vehicle ▾
Contact Prohibited? Yes No
Primary Phone 312-343-2909
Address 713 Leith Avenue, Waukegan, IL 60087

Alternate Contact

<none> ▾

Injury Incident Overview

Injury * Michael Cashman, Minor Concussion ▾
Injured Person Michael Cashman
Severity Minor
Description Minor concussion

New Exposure - Med Pay

Exposure

Loss Party	Insured's loss
Primary Coverage	Medical Payments
Coverage Subtype	Medical Payments
Coverage	Policy Level Coverage (Medical Payments)

Claimant

Claimant	* Kevin Smith99
Type	* Insured
Contact Prohibited?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Primary Phone	312-336-6210
Address	1024 Glenwood Avenue, Waukegan, IL 60085
Alternate Contact	<none>

Injury Incident Overview

Injury	* Kevin Smith99, Moderate Concussion
Injured Person	Kevin Smith99
Severity	Moderate
Description	Concussion

Exposures

All claimants						
<input type="checkbox"/>	#	Type	Coverage	Claimant	Adjuster	Status
<input type="checkbox"/>	1	Vehicle	Collision	Kevin Smith99	Sam Tudent99	Open
<input type="checkbox"/>	2	Vehicle	Liability - Bodily Injury and Property Damage	Michael Cashman	Sam Tudent99	Open
<input type="checkbox"/>	3	Bodily Injury	Liability - Bodily Injury and Property Damage	Michael Cashman	Sam Tudent99	Open
<input type="checkbox"/>	4	Med Pay	Medical Payments	Kevin Smith99	Sam Tudent99	Open

4. For each exposure, identify the activities that were created.

- a) Damage to Kevin SmithXX's vehicle:

Get vehicle inspected

- b) Damage to Michael CashmanXX's vehicle:

Make initial contact with claimant and Get vehicle inspected

- c) MichaelCashmanXX's concussion:

Make initial contact with claimant and Get claimant medical reports

8.5 Exercise: Adding reserves



Activity

In this exercise, you modify the reserves for the Kevin SmithXX claim that you have been using (the claim with two vehicles and two injuries).

- 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				
2				
3				
4				

- 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.**
- 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.**
- 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.**

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	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

- 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	1	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