

Goal

A carpentry contractor in Illinois joined the RMA to seek a more proactive claims management process to manage workers' compensation incidents. When a severe incident occurred onsite, they turned to their RMA partnership for guidance.

Action Plan

Working closely with their RMA Program Advocate, Assurance Claims Advocate and RMA, the member was able to establish a strategic claims management program that resolved this claim fairly and quickly.

Achievements

- » \$1.39M in potential claim cost savings
- » Maintained strong relationship with injured employee throughout the process
- » The claim was resolved in 19 months opposed to the expected number of years due to the efficient communication of all parties
- » The injured employee was able to return full duty on a permanent basis

\$1.39M

in potential cost savings

RMA Member Significantly Reduces Claims Costs with Claims Management Program

The Story

A carpentry contractor in Illinois prioritizes safety of their employees first and foremost. Even with a safety program in place, a fall occurred on a jobsite that resulted in severe injuries to an employee. The construction company turned to their partnership at Illinois Contractor's Risk Management Association (RMA) for assistance in resolving the claim.

The RMA provides a unique workers' compensation solution to a select group of Illinois contractors who qualify as best-in-class for risk management. In this case, the member worked closely with the Assurance Claims Advocate, RMA Advocate and adjuster to develop a strategic approach to resolve the claim that satisfied all parties involved, which included:

- 1. Effective communication.** Maintaining contact with the injured employee throughout the claim process to address any concerns they may have.
- 2. Creating a return to work program.** This was crucial to mitigate claim exposure and strengthen the relationship with the injured employee. The contractor made certain the employee was aware a position would be available once cleared to return to work.
- 3. Maintaining a good working relationship with the adjuster.** This is imperative to guarantee all parties are on the same page throughout the claims process.
- 4. Participating in meaningful claim reviews with the insurance broker and RMA to mitigate the exposure.** These claim reviews are key to strategize next steps to move the claim forward and formulate an action plan agreed upon by all parties.

The RMA member kept in close contact with their injured employee by frequently calling to ensure the employee knew they are valued and doing all they could to create a positive resolution. The member also reassured the employee they had a position available for him once he was able to return to work. The contractor, claimant, adjuster, Assurance Claims Advocate and RMA advocate were diligent in their efforts to mitigate the claim and defense counsel was able to secure a settlement on a full and final basis, which resulted in \$1.39M in potential cost savings. The communication and collaborations from all parties resulted in the claim closing in less than two years as opposed to the expected several years. Furthermore, the actions taken by the member and its risk management team resulted in the injured worker not pursuing a third-party action over claim which could have cost in the millions of dollars.

Get in Touch

To learn more about the RMA visit <https://rcecusa.org/rma.html> or contact JD Seymour, Director of Alternative Risk Programs at 847.463.7121 or jseymour@assuranceagency.com.