

Artex Claims Analytics Solutions



Artex

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Artex Analytics provides hands-on oversight and management of day-to-day claims operations.

The Artex Analytics team provides a continuum of a la carte services beginning with detailed client profiling and risk analysis to determine a client's specific needs. Identification of claim trends and irregularities allows us to develop and employ proactive strategies to mitigate risk, reduce loss costs and achieve effective claims resolution. We ascertain whether cost reduction for existing or run-off business exists through the involvement of expert teams that continuously seek preemptive solutions to complex claims issues.

Semiannual file reviews

Client or TPA case reviews are an excellent way to move claims files toward successful conclusion. Our advocates will review the files, address action plans and recommend specific strategies to expedite closure. As your expert advocate, we coordinate with front-line adjusters to ensure that all resources are properly directed. Reviews are conducted twice a year (more frequently for complex cases), and proactive recommendations are promulgated to ensure that your files receive priority by adjusters.

Claims administration assessment

Developing baseline standards and creating effective action plans are essential elements for optimizing claims resolutions. Our advocates will conduct an in-depth audit to evaluate the effectiveness of your current claims administration. Our analysis yields detailed recommendations for improving claims management outcomes. This process is especially useful for assessing the collateral requirements or projecting potential dividend returns of loss-sensitive insurance programs.

- › Reserve adequacy
- › Litigation management
- › Subrogation control and management
- › TPA evaluation
 - Compliance with handling guidelines
 - Action plan quality
 - State regulation compliance

The Artex Advantage

Artex provides a full range of alternative risk management solutions, customized for our clients' individual challenges and opportunities. Powered by independent thought and an innovative approach, we empower our clients and partners to make educated risk management decisions with confidence.

Operating in over 30 domiciles and in more than 15 offices internationally, we have the proven capacity to supply any alternative risk need. Artex is a solutions company, and we invite you to learn more about our breadth of services and depth of talent. There is an upside to risk. Let's work together to find the right solution for your organization.

Claims oversight services

Taking control of loss costs is an important element of a successful risk management program. Our claims oversight provides a daily, hands-on approach for clients that partly or completely outsource their claims administration.

This includes:

- › Notice of injury triage
- › Subrogation management
- › Lag management programs
- › Litigation oversight and management
- › Return-to-work/stay-at-work programs
- › Identification of potential large loss claims
- › Management of PPO networks to improve penetration
- › Alerts
 - Large or captioned losses
 - On class code shifts
 - Lag
 - Part B and litigated losses
- › Adjuster oversight and independent audit
 - Action plans
 - File reviews
 - Reserve adequacy
 - Handling instruction compliance

Client training

Taking control of all segments of your risk program is a primary advantage of participation in an alternative risk program. Knowledge is empowering for insureds wishing to take a more proactive approach toward managing the direction of their claims. Captives, risk retention groups and self-insureds will benefit from custom, in-depth claims training sessions. Education sessions are tailored to address specific client needs and may be conducted in a workshop setting.

Topics covered include:

- › Claims 101
- › Efficient claims reporting systems
- › Managing first care contacts
- › Lag management
- › Stay-at-work/return-to-work programs
- › Managing a worksite PPO/MCO program
- › Communicating light duty
- › Investigation skills

Program renewal support

Maintaining an analytical and methodical approach to program renewal is essential for reducing cost and maximizing long-term consistency for a risk management program. Proactive analysis of risk exposures, claims trends and handling proficiencies will provide clarity to the renewal process and help define ongoing directional strategy.

- › Policy compliance
- › Claims renewal report
- › Risk, loss and reserve analysis
- › Quarterly underwriting summary and claims reports
- › Review of large claims, litigation management, class code shifts, Part B, etc.
- › Pre-renewal meeting 90 days prior to anniversary date

Third-party administrator selection and program implementation

Proper selection of the claims administrator best suited to a client's specific risk profile is necessary for building the most effective risk management program. A client and TPA must form a cohesive partnership to appropriately align performance expectations and achieve results-oriented objectives. Artex's in-depth qualification process will ensure the most appropriate match between client and service providers. Our data management services will enable efficient program transfer and/or implementation.

- › Design request for proposal (RFP) quote analysis
- › Data integration, migration and integrity
- › Vendor interviews and qualification
- › Program migration management

If you find yourself in at least one of the following situations, you should consider our Analytics program:

- Participant in a group captive, single-parent captive or alternative risk program
- Insureds wanting to quantify ultimate claims reserves
- Brokers and agents that do not have in-house claims specialists
- Insureds lacking internal or needing supplemental risk management staff
- Run-off or expired business affecting collateral
- Insureds with self-insured retention, deductibles or loss-sensitive programs
- Insureds seeking to evaluate or change claims administration providers





Artex Analytics offerings

Claims advocacy

- › Reserve and settlement analysis
- › Plan-of-action development
- › Litigation management
- › Coverage position response assistance
- › Fraud plan-of-action development
- › Complex claim intervention and consulting
- › Claims review preparation and participation
- › Mediation preparation
- › Closure projects
- › Vendor management
 - Third-party administrators
 - Nurse case management
 - Special investigation units
 - Attorney
 - Medical case management

Risk management

- › Claims audits
- › PPO implementation and utilization
- › Accident investigation training
- › CAT claim plan of action and cost containment
- › Return-to-work/stay-at-work programs
- › Troubleshooting
- › Risk management best practices development
- › Third-party administrators RFP
- › Risk management information systems RFP
- › Vendor selection
- › Benchmarking and stewardship reports

Artex Analytics advantages

Multiline expertise

Artex applies multiline expertise to analyze the global impact of a claim across our client's entire business. We develop risk strategies that focus on enterprisewide risk reduction.

Expertise-generated claims savings

Our expert staff examines every reported claim to identify cost-reduction opportunities. Our aggressive intervention results in faster and more effective claims resolutions.

Early and intense claims scrutiny helps preserve evidence, identify subrogation opportunities and pinpoint fraud.

Expedited and efficient claims closure

We continuously interact with adjusters, defense counsel and clients to ensure more effective action plans. We scrutinize the use, efficiency and expense of outside vendors to maximize their effectiveness.

Our intensive review and management of run-off claims can expedite collateral release for loss-sensitive programs.

Reserving and settlement accuracy evaluation

We advocate on behalf of our clients to ensure a fair financial evaluation during settlements.

Our intervention provides the client with a higher level of confidence in reserving and settlement evaluations.

Proven results

Following are three examples of where our team has added value to our client's existing program, and aided them in cost reductions and improved efficiencies.

Based on partnership with a heterogeneous captive

The charts below reflect the results of our partnership with a heterogeneous captive. Important to note is the reduction of total incurred values on claims after Artex's involvement. The figures show a reduction from \$12,152 to \$8,167, which reflects a decrease of 33%.

Developed Pre-Analytics

YEAR	CLAIM COUNT	TOTAL INCURRED	AVERAGE INCURRED
1	400	\$3,096,519	\$7,741
2	437	\$6,819,268	\$15,605
3	348	\$4,773,514	\$13,717
4	392	\$4,525,203	\$11,544
Total	1577	\$19,214,504	\$12,152

Developed Post-Analytics

YEAR	CLAIM COUNT	TOTAL INCURRED	AVERAGE INCURRED
5	500	\$3,160,636	\$6,321.27
6	586	\$6,776,395	\$11,563.81
7	647	\$5,919,116	\$9,148.56
8	751	\$5,071,631	\$6,753.17
9	748	\$5,272,966	\$7,049.42
Total	3232	\$26,200,744	\$8,167.25



Captive closure project

Artex Analytics was contracted to perform a closure project for employers within a warehouse and logistics captive. The Pre-Artex column represents the time prior to our involvement, and the Led by Artex column represents the time during Artex Analytics' intervention.

As indicated, of the original 250 claims, 157 were closed with a reduction in overall reserves by 52%.

AL	PRE-ARTEX	LED BY ARTEX	DIFFERENCE
Claim Count	80	21	-74%
Total Incurred	3,654,165.00	\$1,897,864.00	-48%
GL			
Claim Count	11	7	-36%
Total Incurred	\$2,842,150.00	\$773,000.00	-73%
WC			
Claim Count	159	65	-59%
Total Incurred	\$18,145,947.95	\$9,122,645.00	-50%
Grand Total	\$24,642,262.95	\$11,793,509.00	-52%

Closing ratio performance

The charts below reflect the results regarding closures five months prior to a specific Artex advocate being involved (months 1-5) and five months after the advocate was involved (months 6-10). Notable are the increases in closing percentages—28% for workers' compensation and 12% for auto liability claims.

Note: The percentages over 100% are due to more closed claims versus opened claims during the five-month period.

Opened	MONTHS 1-5	MONTHS 6-10
AL	417	436
GL	18	17
WC	345	314
Closed		
AL	377	445
GL	17	15
WC	335	393
Closing Ratio		
AL	90%	102%
GL	94%	88%
WC	97%	125%

52%
REDUCTION



INCREASES IN CLOSED CLAIMS



Artex provides risk transfer consultation and alternative risk management solutions for our clients. When providing analysis, recommendations or advice regarding risk implications and risk transfer strategy, we offer it as general recommendations for risk mitigation and to limit financial exposures. Any statement or information provided is for informational purposes and is neither intended to be, nor should it be interpreted as, insurance broker, tax, financial, legal or client-specific risk management or mitigation advice. We recommend consultation with tax, legal and financial advisors for business-specific advice for your company.

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