

Claims Management

In a market where “no tower is safe” and high exposure casualty claims are commonplace—potentially threatening the very existence of a business—it is critical for a client to consider an insurance carrier’s ability to provide the right claims support and resources. Even more so in long tail lines of coverage like excess casualty, where claims can emerge years, even decades, down the road, it is imperative that companies have an insurer they can count on at claim time. Consider these facts...

Dedicated Claims Staff

Our in-house claims operation includes nearly 200 professionals focused solely on high severity specialty claims.

Our claims professionals average 11 years of industry experience.

Over 50% of the claims staff are attorneys and have advanced degrees or professional designations.

Specialized claims units cater to industries facing complex and unique risks, such as construction, construction defect, energy, financial institutions and real estate.

Severity is on the Rise

- The top 25 claims paid by Excess Casualty in 2010 exceeded \$575M.
- Excess Casualty’s closed claims exceeding \$10M in value have increased nearly twelve fold since 1995.
- Severity is outpacing inflation. A \$100M program in 2002 now needs to be a \$120M program to have the same value in 2011 dollars.
- In 2010, the size of the “top ten verdicts” increased for the third consecutive year, with the average rising to \$157M, up from \$145M in 2009, \$112M in 2008 and \$51M in 2007.¹
- The mean award for all personal injury verdicts in 2008 was \$1,045,854, a more than 30% increase over the 2003 average of \$798,604, just five years earlier.²
- The median punitive damage award in 2008 was \$275,000, up from \$100,000 in 1999.
- Punitive damages were awarded in 4% of all cases from 2002-2008; up from 3% in 2001.
- 14% of punitive damage awards in 2008 were over \$1M.³
- Towers Watson projects growth in U.S. tort costs to increase by 9% in 2010, and to rise from a 1% to 5% range in 2011.⁴
- Tort reform remains difficult, and in some areas of the country, the scales of justice are radically out of balance, with a number of U.S. counties and even entire states dubbed “judicial hellholes” by the American Tort Reform Foundation.⁵

With one of the largest claims staffs in the industry, decades managing a wide array of casualty cases, and a robust litigation management infrastructure, we are uniquely positioned to protect our insureds’ interests. Let us put our experience to work for you.

¹“Lawyers USA’s Top Verdicts of 2010”

²“Current Award Trends in Personal Injury,” Jury Verdict Research

³“The Insurance Fact Book 2011,” Insurance Information Institute

⁴“2010 Update on U.S. Tort Cost Trends,” Towers Watson

⁵“Judicial Hellholes 2009/2010,” American Tort Reform Foundation

Capabilities

- **Unrivaled Capacity.** In 2010, Excess Casualty managed an inventory of over 15,000 excess casualty claims with a total payout of \$1.73 billion.
- **Expert Guidance.** Our professionals don't just deal with claims; they are available to provide guidance on venues, plaintiffs' attorneys and litigation strategies to help achieve favorable resolutions for even the most complex claims.
- **Worldwide Resources.** We have access to expert resources around the globe—from investigators and forensic specialists to attorneys—allowing us to act quickly and engage experts where and when our insureds need them.
- **Continuity of Claims Handling.** We manage excess claims where Chartis insurers also underwrite the primary liability coverage, ensuring synergy between claims professionals, seamless and consistent claims service and greater proficiency in the management of losses.
- **Innovative Litigation Management.** Includes *mock trials*, where a group that mirrors the jury is hired for our attorneys to test defense strategies; and *shadow jury* tactics, where individuals are hired to sit through the actual trial and our attorneys can gather their thoughts after each day to gauge their progress and test different defense strategies along the way.
- **Ongoing Collaboration.** Our claims professionals are co-located with underwriters, promoting collaboration—and a process that is transparent to our insureds.
- **Major Loss Event Process.** Makes key coverage and resource information readily available so that in the event of a significant loss, potentially-affected insureds can be identified, and investigation can begin immediately. With the right tools in place, we are able to respond to and interact rapidly with clients at the point of loss.

Complimentary Value-Added Tools

- **Claims Archive.** An online database of over 2,500 large scale claims, searchable by liability, industry or facility type to help facilitate assessment and benchmarking of liability insurance limits based on actual claims scenarios. Visit www.chartisinsurance.com/claimsarchive to search the archive.
- **CrisisResponse®.** A built-in enhancement to Excess Casualty's commercial umbrella liability insurance policy provides policyholders first-dollar coverage and the professional expertise needed to respond effectively and helping to minimize ultimate damages in the event of a casualty crisis. Call the 24-hour, toll-free hotline to trigger coverage: 1-877-244-3100.
- **RiskTool System.** A comprehensive loss prevention and risk management solution that allows users to identify, analyze and manage their operational exposures. RiskTool provides an easy to use platform for managing risk, meeting state and federal regulations, and it is scalable so that the application is relevant to companies of all sizes. Visit www.risktool.com to activate your account.

Contact

Excess Casualty
175 Water Street, 20th Floor
New York, NY 10038
excess.casualty@chartisinsurance.com

www.chartisinsurance.com

Chartis is a world leading property-casualty and general insurance organization serving more than 45 million clients in over 160 countries and jurisdictions. With a 90-year history, one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

Chartis is the marketing name for the worldwide property-casualty and general insurance operations of Chartis Inc. For additional information, please visit our website at www.chartisinsurance.com.

All products are written by insurance company subsidiaries or affiliates of Chartis Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain coverage may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.

