

## **Recovery Services**

Minimizing the Cost of Claims by Recovering Funds from Responsible Third Parties



Self-Insured Claims Services Property and Casualty Professional Liability Complex Liability Transportation Absence Management  
Services Case Management Utilization Review Peer Review Medical Bill Review Preferred Provider Organizations Specialty  
Requests Specialty Services Structured Settlements Property Claims Consulting Loss Control Call Center Fraud Investiga  
Transportation Health and Disability Absence Management Unemployment Compensation Insurance Outsourcing Services Claim  
Review Preferred Provider Organizations Specialty Networks Information Services Claim Inquiry Standard Reports Dynamic  
Consulting Loss Control Call Center Fraud Investigations Recoveries Management Self-Insured Claims Services Property and C  
Outsourcing Services Claims Management Outcome Management Managed Care Services Case Management Utilization Rev  
Standard Reports Dynamic/On Demand Reports Dimensions/Cubes Custom Requests Specialty Services Structured Settlem  
Services Property and Casualty Professional Liability Complex Liability Transportation Absence Management Unemployem  
Management Utilization Review Peer Review Medical Bill Review Preferred Provider Organizations Specialty Networks Informa  
Services Structured Settlements Property Claims Consulting Loss Control Call Center Fraud Investigations Recoveries Mana  
Management Unemployment Compensation Insurance Outsourcing Services Claims Management Outcome Management Man  
Specialty Networks Information Services Claim Inquiry Standard Reports Dynamic/On Demand Reports Dimensions/Cube  
Investigations Recoveries Management Self-Insured Claims Services Property and Casualty Professional Liability Comp  
Management Outcome Management Managed Care Services Case Management Utilization Review Peer Review Medical Bill R  
Demand Reports Dimensions/Cubes Custom Requests Specialty Services Structured Settlements Property Claims Consultin  
Professional Liability Complex Liability Transportation Absence Management Unemployment Compensation Insurance Outso  
Review Medical Bill Review Preferred Provider Organizations Specialty Networks Information Services Claim Inquiry Stand  
Property Claims Consulting Loss Control Call Center Fraud Investigations Recoveries Management Self-Insured Claims Se  
Compensation Insurance Outsourcing Services Claims Management Outcome Management Managed Care Services Case Man  
Services Claim Inquiry Standard Reports Dynamic/On Demand Reports Dimensions/Cubes Custom Requests Specialty Serv  
Self-Insured Claims Services Property and Casualty Professional Liability Complex Liability Transportation Absence Managem  
Services Case Management Utilization Review Peer Review Medical Bill Review Preferred Provider Organizations Specialty  
Requests Specialty Services Structured Settlements Property Claims Consulting Loss Control Call Center Fraud Investiga  
Transportation Absence Management Unemployment Compensation Insurance Outsourcing Services Claims Management Ou  
Provider Organizations Specialty Networks Information Services Claim Inquiry Standard Reports Dynamic/On Demand Repor  
Call Center Fraud Investigations Recoveries Management Self-Insured Claims Services Property and Casualty Professional Li  
Claims Management Outcome Management Managed Care Services Case Management Utilization Review Peer Review Med  
Dynamic/On Demand Reports Dimensions/Cubes Custom Requests Specialty Services Structured Settlements Property

## **Minimizing the Cost of Claims by Recovering Funds from Responsible Third Parties**

When is the insurance claims process complete? In the view of some companies, the claims management process — for a workers' compensation or automobile collision claim, for example — ends once an investigation has been concluded, a settlement has been reached, and money has been paid out to the claimant on behalf of the employer or insurance policy holder.

Cambridge Integrated Services takes a dramatically different view. We know that each year millions of dollars in claim costs that could and should have been reimbursed by a responsible third party are left on the table unclaimed. We also know that many insurance companies and employers fail to recover a single dime of the money legally due to them from a third party either because they are unaware of the opportunity

for recovery or, more likely, they feel that recovering the costs is too burdensome or costly for staff to pursue aggressively.

Cambridge takes great pride in the ability of our claim professionals to recover claims costs from third parties. We have become increasingly aware, however, that in many instances such recoveries require highly specialized skills and experience to identify every claim with potential for recovery, to investigate that potential, and to aggressively pursue all money due to our clients from responsible or liable third parties.

That's why we've created Cambridge Recovery Services, a highly specialized team of claims experts dedicated to reducing loss dollar payout and expenses for our clients' automobile, property, and workers' compensation claims — everything from fender benders to the most complex property claims worth millions. In this time of rising costs and eroding profit margins, our goal is to ensure that our clients have the best recovery results possible and, at the same time, to minimize expenses related to recovery.

**In simple terms, the Cambridge Recovery Services team focuses on getting money back for our clients after the settlement has been paid and another party has all or part of the fault or liability for a claim. In insurance parlance, this is called subrogation, and it may also include recovering money from salvage and second injury funds.**

**Take for example, a property claim or a claim arising from an automobile accident. Even though our client may have insurance that covers the damage or injuries sustained, if the other party is at fault or liable, Cambridge will seek recovery from that party or its insurance company. Or, in a workers' compensation claim, although settling the claim is a no-fault payment, Cambridge may seek recovery if another contractor, for example, is responsible for the accident or if the injury is due to any other party's negligence.**

**Once our recovery team has identified the potential for recovery, we work closely with the claims department to investigate all aspects of the recovery and, if the claim warrants, pursue the responsible third party on our client's behalf. Our services can be applied to claims relating to:**

- Auto**
- Aviation**
- Bond**
- Inland Marine**
- Liability**
- Marine**
- Property**
- Workers' Compensation (including Second Injury Fund recovery)**

## How Cambridge Recovery Services Works

Although claims management and recovery are inextricably linked, the focus of each is quite distinct. While claims management focuses on the timely and fair resolution of a claim made against our client, recovery focuses specifically on restoring money to our clients that is rightfully theirs. We do this through a highly structured and regimented process.

### EARLY REFERRAL

The earlier our recovery specialists can begin their work on a claim, the more likely we are to find opportunities for recovering money for our clients. To make sure that claims are referred to our recovery staff as quickly as possible, we train our claim professionals in the intricacies of identifying claims with recovery potential and how to use our automatic referral criteria.

### INDEPENDENT CLAIMS REVIEW

In our effort to pursue every recovery opportunity, we don't rely on claims staff alone to refer claims to our recovery specialists. We also independently review the management reports of newly reported and closed claims to help ensure that we identify every claim with recovery potential.

## **THOROUGH INVESTIGATIONS**

**To ensure the highest possible recovery amounts, our specialists team with claims managers and field professionals to develop and execute a plan to complete all elements of the claim investigation, to preserve all relevant evidence, and to file all required recovery notices. We conduct comprehensive reviews of individual files to support the investigation.**

## **ADHERENCE TO BEST PRACTICES**

**Cambridge has developed prescribed recovery protocols specific to each type of claim we pursue for recovery. These processes and procedures are based on best practices we have established through our own expertise and experience in handling a wide variety of claims. By adhering to best practices, our specialists stay focused on maximizing recoveries for our clients in the shortest time possible.**

## **RECOVERY RESOURCE PARTNERSHIPS**

**To complete the process of actually recovering money due to our clients, we partner with carefully selected national and regional law firms and other specialized recovery service providers. For example, we have carefully identified and selected a network of regional and national legal professionals who specialize in various aspects of subrogation, including specific product defects. We also partner with a vendor that specializes in Second Injury Fund recoveries and produces superb results.**

**We also engage engineering experts who specialize in such areas as accident reconstruction, traffic engineering, fire and explosions, and engine failures to name a few. As members of the National Association of Subrogation Professionals, we can tap into the best provider pool in our industry, and we continuously assess the performance of our recovery specialist partners to ensure quality and favorable outcomes for our clients.**

## Cambridge Delivers Results

**Cambridge Recovery Services gets results. A few examples of individual case outcomes help to illustrate how recovery works in practice and underscores the value of our services. In one instance, our specialists were asked to review files of a personal injury automobile claim that had been managed and closed by another third party administrator. Upon reviewing the claim files, our professional discovered that the original TPA had not pursued subrogation for the collision losses nor the sale of the salvage because the recovery potential had not been recognized. As a result, our client was able to recover additional money through sale of the salvage and pursuit of subrogation for the collision losses.**

**In another case, a worker was seriously injured in a fall from a ladder and was subsequently confined to a wheelchair. The worker had not pursued a third party claim or sought legal representation. Our recovery team obtained the ladder for inspection. By retracing the steps of the cursory accident investigation and seeking expert outside analysis, our specialists were able to determine that the fall had resulted from defects in the ladder's construction and were able to pursue subrogation from the ladder manufacturer on our client's behalf.**

**These are just two examples of how expert recovery professionals can apply their knowledge, experience, and diligence to ensure that responsible parties pay their share and to pursue every opportunity for subrogation. The cumulative results of these efforts have been significant. In the twelve months beginning January 1, 2001, Cambridge recovered more than \$45 million dollars on behalf of 340 clients. For our automobile claims clients, we have produced an outstanding recovery result of 31.4 percent of paid loss in physical damage subrogation. Compare this to the industry benchmarks of 12.4 percent (median) to 21.3 percent (top performers) as reported in the Ernst and Young Gold Rush Study of more than 1,000 insurers.**

## The Cambridge Edge

**How does Cambridge Recovery Services continue to deliver such impressive results? We attribute them to our professional expertise in recoveries, our proven processes, and our outcomes-driven approach.**

- **We're fully integrated with Cambridge field operations; which enables the specialized recovery team to work in unison with our claim professionals and our clients' staff.**
- **We work hard to ensure that every recovery opportunity is identified quickly and is referred to our recovery specialists at the earliest possible moment.**
- **We design our internal performance measurements to maximize recovery – we get paid only when our clients recover funds.**

**Above all, we believe that Cambridge achieves such impressive recovery results because our goals are perfectly aligned with our clients' interests: reducing loss costs and returning every dollar possible to our clients.**

To learn more about how **Cambridge Recovery Services** can help your company minimize the cost of claims by recovering funds due from responsible third parties, contact your **Cambridge** representative.

**Cambridge Integrated Services Group, Inc.**

**4B Cedar Brook Drive**

**Cranbury, NJ 08512**

**800.662.1170**

**[www.cambridgeintegrated.com](http://www.cambridgeintegrated.com)**





(800) 662-1170  
[www.cambridgeintegrated.com](http://www.cambridgeintegrated.com)

