



Case Study

AUTOMOTIVE RENTAL COMPANY

SITUATION

Avizent has served as the third party administrator for a national automotive company for nearly a decade. Their workers' compensation situation is complex—with more than 7,000 locations across the country—so their account requires special handling, vast state-specific knowledge and teamwork across our national network of offices and different areas of expertise.

With such an established, mature relationship, we must work together to maintain savings levels while also identifying new ways to increase return on the client's investment. Our team's goal has been to ensure the objectives of the client's claims management program are consistently being met, and then go beyond to maximize opportunities for claims savings. Because their industry provides high potential for subrogation recoveries, we have placed special emphasis on continuous improvement in this area.

ACTION

To ensure high-quality account maintenance, a dedicated Avizent account team, led by a central Account Executive, consults closely with the client on all aspects of their program. We have worked together to create detailed special account instructions that fit their unique business model and customer service-centered philosophy.

Annual stewardship reports are compiled and shared with the client, which provide metrics and report on program status. These reports allow us to track progress and compare performance against established goals and objectives. The stewardship process helps us identify trends and take actions that will benefit the client's program.

Our aggressive subrogation efforts have followed an established plan, from early recognition of subrogation potential and investigation of liability to lien notices and collection of funds. Special subrogation training was developed to educate all adjusters within our team on the process. Designated subrogation specialists work hand-in-hand with adjusters in reviewing every case from the beginning, with a focus on proactive contact and negotiation. Using our proprietary claims management software, VISUAL Claims Studio™, steps of the process are automatically scheduled in an adjuster's diary and "things-to-do" notes to ensure timely follow-through.

We pursue no-cost options for recovering funds, which help us avoid litigation costs and pass along more funds to the client. For non-paying insurers, we file complaints with the appropriate state's insurance department; for non-paying attorneys, we contact that state's bar association. In addition, we have implemented a process of negotiating liens in-house, rather than through an attorney, saving on legal fees.

RESULTS

The client is very pleased with the business partnership it maintains with Avizent. Despite our mature relationship, we are still finding innovative ways to increase savings. Through stewardship reporting, the client knows we are doing all we can to exceed expectations in service.

Focusing on aggressive pursuit of subrogation has paid off. In the 2007-08 contract year, we reached new subrogation milestones that far exceed industry standards. Recoveries increased to over \$1 million. Industry average for workers' compensation recoveries is 2.59%. The industry ideal is 3%. Ultimately, Avizent operated at an unprecedented 12.83% in recoveries during the past year.