



WORKERS' COMPENSATION

Claims Procedures Frequently Asked Questions



Protective
Insurance Company



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About Us

Our staff has training and experience specialized for the motor carrier industry.

Our parent company, Baldwin & Lyons, Inc., was founded more than 80 years ago. We are a dedicated and experienced company with a strong transportation background. Protective Insurance Company, rated A+ (Superior) by A.M. Best, is licensed in all 50 states and all Canadian provinces. Our staff provides unparalleled loss prevention, claims management and customer service.

Protective provides its claims staff with ongoing training that focuses both on regional issues and claims-specific situations, such as injury-specific trainings and reviews of industry terminology.

Our staff has training and experience specialized for the motor carrier industry. We work with a CDL training program to offer employees a truck driving familiarization course which gives them a snapshot of what is involved in the handling of a truck. This helps our staff better understand the injuries that can arise in the motor carrier business.

Compliance is a very important part of our claims-handling practice and we have found that the best way to ensure state-specific compliance is with a regional breakdown of staff. Our goal is to give our staff the necessary training and resources to efficiently and effectively resolve your claims.

Best Practices

3-Point Contact

- Employee = 24 hours
- Employer = 24 hours
- Provider = 24 hours
- Send letter if unsuccessful contact within 24 hours

Customer Communication

- Proactive status reports
- Phone messages within 1 business day
- Emails within 1 business day
- Ongoing per applicable protocol

Claimant Communication

- Weekly contact during first 8 weeks lost time
- Bi-weekly contact during weeks 9-16 lost time
- Monthly contact until release to work

Investigation

- Compensability determination documented <14 days of case creation

- Lost time confirmed
- ISO report entered and assessed
- Recorded statements on all lost time claims

Action Plan Posting

- Initial plan within 14 days of assignment or by first payment, whichever is first
- Update every 30 days

File Documentation

- Initial plan within 14 days of assignment or by first payment, whichever is first
- Update every 30 days

Subrogation/Loss Controls

- Subro potential evaluated and documented
- Referred to subrogation department as appropriate

Reserving

- Reserve for known exposure
- Reserve rationale documented and explained
- Reserve changes posted within 48 hours of identifying exposure change
- Notice of reserve changes >\$50,000 to management

Medical/Disability

- All medical reports documented upon receipt
- IME obtained as appropriate
- Work chart and light duty to be addressed and documented with provider and employer
- Nurse case management available on-site
- Nurse case managers triage all indemnity claims

Litigation

- Referral to defense counsel within time appropriate to claim
- Appropriate instruction given to counsel

- Attorney letters and recommendations documented
- Litigation controlled and directed by adjuster

Settlements

- Referral to defense counsel within time appropriate to claim
- Appropriate instruction given to counsel
- Attorney letters and recommendations documented
- Litigation controlled and directed by adjuster

Regulatory Compliance

- FROI filed with state
- Claim accepted or denied <14 days of assignment
- Punctual disability and medical payments
- Awards/settlements paid <14 days of receipt
- All filings documented and explained thoroughly

Why should I choose Protective?

- We provide superior customer service and claims handling.
- We are a direct loss reporting unit integrated with a centralized claims staff.
- Our claims staff has an average 10 years of experience in the industry and is fully licensed as required by each state. Low turnover in the department provides stability and consistency from claim to claim.
- We provide countrywide claims service out of a single office using four dedicated geographical regions.
- The workers' compensation department has dedicated nurse case managers who triage all indemnity claims and are available for ongoing medical management.
- The workers' compensation department has dedicated in-house attorneys, including an in-house attorney trainer to monitor and ensure regulatory compliance in each state and assist our adjusters with legal research.

DEDICATED STAFF

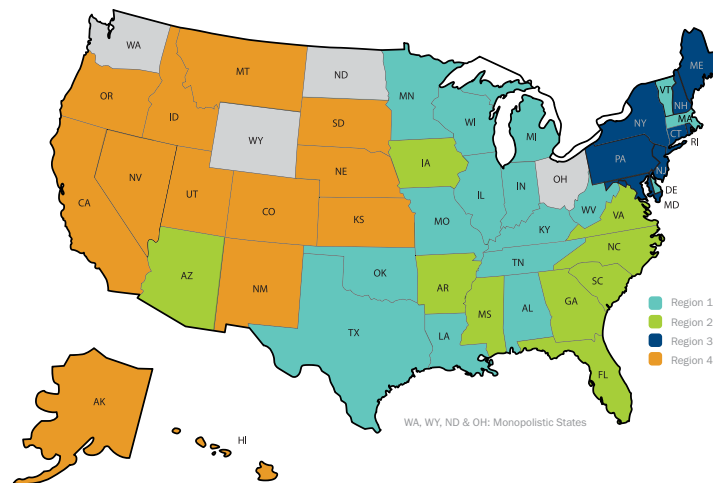


Protective's claims staff has an average of **10 years of experience**

+ *and is supported by in-house nurse case managers and in-house attorneys.*

How are claims handled at Protective?

We handle workers' compensation claims for all non-monopolistic states out of a single office using four dedicated geographical regions.



- Each region is assigned an experienced unit supervisor, at least one indemnity adjuster who specializes in preliminary investigations, several experienced long-term indemnity adjusters, a medical-only adjuster and a dedicated claims support representative.
- The regional split allows our adjusters to become experts in their territories and develop strong relationships with the defense attorneys in their regions. It also allows insureds to know exactly who to contact for a claim in a specific state.
- We have a developed network of defense attorneys, nurse case managers and surveillance services in all 50 states that is comprised of experts who are familiar with the workers' compensation system and our dedication to excellence in claims handling.

What should I expect when one of my workers has a claim?

Each claim is put through an internal triage process to make sure the most appropriate adjuster is assigned to that claim. We take into consideration the type of injury, jurisdiction and any red flag indicators such as potential fraud and pre-existing conditions. Once assigned, three-point contact with the claimant, employer and medical provider is made within 24 hours. From there, you and the claimant can expect:



- Customer communication on a regular basis to provide proactive status reports, modified duty opportunities, litigation plans, surveillance consideration and claim resolution.



- Claimant contact on a weekly basis for the first eight weeks of disability, biweekly during weeks nine through 16 and monthly contact until a successful return to work is achieved or the claim is settled.



- Supervisors review claims on day seven to confirm that three-point contact has been made and on day 15 to verify compliance with state filing and disability payment requirements. To ensure the claim is moving toward resolution, it is reviewed every 30 to 45 days thereafter by the adjuster and the unit supervisor.



- A nurse case manager triages all indemnity claims on day 14 to ensure medical management is progressing and every 30 days thereafter depending on the severity of the injuries.



- Compensability will typically be determined within 14 days.

What are the audit, training and education procedures?

- **Performance-based management audit program:** Our comprehensive performance-based management audit program ensures that our claim protocols and best practices are being implemented and followed on all claims.
 - Adjusters are evaluated on days one, seven, 15 and 30, and every 30 to 45 days thereafter until the claim closes.
 - Adjusters and unit supervisors are also evaluated and scored on a monthly and quarterly basis to ensure compliance with our best practices.
- **Training and education procedures:** Adjusters and unit supervisors attend monthly training programs sponsored by internal and external resources, including regional law firms and vendors specializing in workers' compensation issues. Protective has adopted a geographical focus that requires all adjusters and supervisors to attend at least 25 hours of training per year to keep up with the changing landscape in their jurisdictions.

What sort of caseloads do your adjusters handle?

At Protective, we value quality over quantity. We believe every claim deserves the full attention and focus of the adjuster. We assign manageable caseloads so our adjusters can continually provide quality customer service. Our indemnity adjusters carry caseloads of 125 claims and our medical-only adjusters carry caseloads of up to 250 claims.

Aside from my adjuster, what other resources will be dedicated to my claim?

- Dedicated nurse case managers who triage all indemnity claims and are available for ongoing medical management

- Full-time in-house attorneys, including an attorney trainer
- Full-time in-house special analysts and litigation managers who are also attorneys
- Full-time in-house paralegals
- A fully-staffed legal department
- A loss prevention department dedicated to reducing and preventing claim expenses
- A subrogation department committed to recovering losses caused by third parties
- A dedicated special investigation unit committed to preventing fraudulent claims
- A nationwide network of carefully vetted and selected vendors used to reduce costs
 - Includes bill review, pharmacy, physical therapy, attorneys and in-state representatives if required by law
- Roundtable meetings where compensability issues, medical and legal management, impairment ratings and settlement proposals are discussed

How can a return-to-work program benefit me and how can Protective help?

Protective has teamed with a national vendor to allow our insureds who do not have an in-house return-to-work program to still reap the benefits of one. Benefits of a return-to-work program include:

- Increased likelihood of employees returning to work
- Injured employees returning to work up to 50 percent sooner

- Reducing claims costs by up to 70 percent
- Faster recovery periods
- Reduced award costs
- Reduced contentious litigation
- Avoiding hiring and training a replacement worker
- Reduced fraud
- Increased employee morale

More than 90 percent of employers using return-to-work programs say they are effective.

I have exposure in California. What can Protective do to help reduce my claim expenses in that state?

Protective has partnered with CorVel's CorCare® Network to offer our policyholders access to a world class Medical Provider Network (MPN). Our MPN provides access to an extensive network of highly skilled physicians who are dedicated to facilitating speedy recovery. Utilizing the MPN has proven to reduce overall workers' compensation claim payouts by providing greater control over medical fees and obtaining more favorable medical treatment outcomes.

OUR CUSTOMER SERVICE PLEDGE TO YOU

You can be confident you will receive superior claims service from Protective thanks to our designated adjusters who provide direct contact to management. We will also conduct periodic customer reviews of claim outcomes and will consider the customer when selecting vendors and counsel. Our customer service guideline program allows us to work with insureds to tailor best practices to fit their specifications.

A Baldwin & Lyons Company

COVERAGE THAT REVOLVES AROUND



Protective Insurance Company
111 Congressional Blvd., Suite 500
Carmel, IN 46032
(800) 317-9402
protectiveinsurance.com