

Claims Education

INTERNATIONAL INSURANCE INSTITUTE *e*magazine

TRAINING || TALK

Like you, we here at International Insurance Institute, Inc. are figuring out our “new normal” during the COVID-19 pandemic. We hope that all of you are staying safe and healthy and are finding ways to thrive in this new way of life.

In this issue we feature a story about Latitude Subrogation Services’ Vehicle Investigation Recovery Program, or “VIRP.” Paul Webb, Chief Claims Officer of Latitude Subrogation Services discusses this program and how it is a win-win for his clients.

We have also included two articles about customer service in this issue and hope that they provide some insight into the importance of attitude vs. ability and being able to recognize a gift when you get one.

Due to the pandemic, International Insurance Institute, Inc. has canceled all in-person training through June of 2020. Insurance remains an essential business and training continues to be important and needed, perhaps now more than ever. Therefore, we are offering all of our training in a webinar format.

We are guessing that you are probably cooking many more meals at home, so our featured book this month is the *Claims Education Cookbook*.

International Insurance Institute welcomes your contributions to CEM and we encourage you to contact Lisa Ferrier at lisa@insuranceinstitute.com for any input. Please feel free to direct any questions, feedback, articles, claims success stories, and/ or even topics that you would like to see discussed in the magazine. ■



Carl Van
President and
CEO International Insurance Institute

FEATURE || STORY

LATITUDE SUBROGATION BLAZING THE TRAIL WITH NEW VEHICLE INSPECTION RECOVERY PROGRAM (VIRP)

Vehicle fires are an uncommon occurrence, but when they do take place, what is the best way to handle it? Many adjusters don’t have a process in place and don’t know how to approach the situation without spending a lot of unnecessary money and time. Should you hire an expert? Who do you hire and how much will it cost? Will this “expert” be able to get to the bottom of the vehicle fire and if so, will you be able to recover the money you spent hiring the expert?

These are all valid questions and the reason that Paul Webb of Latitude Subrogation Services and Tim Herndon of Herndon & Associates decided to create a process around vehicle fire claims. This process, the Vehicle Inspection Recovery Program, or VIRP, makes it easy. In particular, smaller to mid-size insurance companies that don’t have the same budgets as larger companies will benefit from VIRP. It takes the guesswork, not to mention wasted time and money, out of the process.



Paul Webb, Latitude Subrogation Services



Tim Herndon, Herndon & Associates

The system is straightforward and simple. Once an adjuster receives a claim involving a vehicle fire, they contact Latitude Subrogation Services to get the ball rolling. A qualified Fire Investigator from Herndon & Associates will then contact the insured and have a conversation about the circumstances of the fire. Herndon & Associates has been in this business for over 40 years. Tim has been investigating vehicle fires exclusively for over 20 years and to put it bluntly, he has seen it all.

Herndon & Associates is based out of Michigan and work with all of the auto giants such as GM, Ford, and Chrysler. They are not only cognizant of current government recalls that may be a factor in a vehicle fire, but they are also fully aware of any automobile fire trends – issues that haven't been mandated by the government but yet are a problem for the vehicle due to their recurrence. They are also adept at recognizing non-meritorious vehicle fires, or simply put

– arson. Tim has testified as a court qualified expert numerous times and is well-versed in how the system works.

The knowledge and experience that Tim and Herndon & Associates bring to the table means that they are able to close 80-90% of the files after the interview with the insured as having no subrogation opportunity. However, even if there is no subrogation potential, every file will get a report with a detailed explanation. Now, if there is an audit on the file sometime down the road, there is no second guessing or raised eyebrows; everything is there, detailed in the report. The best part about this benefit is that there is absolutely no cost to Latitude's customers to do this. Paul explains, "Latitude Subrogation takes on the expense if there is no subrogation potential. There is no cost to our customers unless there is a subrogation opportunity. It really is a win-win situation for our customers and for us."



Although 80-90% of files are closed after that initial interview, there are still 10-20% of claims that do have the potential for subrogation. In those cases, a full investigation would be performed by Herndon & Associates. Herndon & Associates work across the U.S. and they are able to conduct an investigation in most states. Tim has relationships with salvage yards who will shrink wrap a vehicle and put it on hold until he arrives. He will also coordinate investigations with other Herndon & Associate clients so that he can potentially reduce the overall cost of the investigation by grouping fire vehicles together in order to perform multiple investigations at once. Tim has performed so many investigations on vehicle fires there is usually no need, and therefore no added expense, in hiring an electrical engineer or additional outside experts. If it has wheels and an engine i.e. auto, farm equipment, buses, motorhomes, you name it, Tim can look at it and probably has.

Once the investigation is complete, Herndon & Associates will guide the insurance company from there on the next steps they will need to take. “We are really happy to be working with Tim. Not only is he extremely experienced and knowledgeable, he is just an honest, hard-working person who is

trustworthy. He works with insurance companies across the country and has countless satisfied customers.” Paul remarks.

It’s a very simple path in order to take advantage of this program. Latitude Subrogation and Tim Herndon arrange to come out to any interested company and give a presentation about the Vehicle Investigation Recovery Program and answer any questions adjusters might have. Tim will also be one of the featured speakers at the Claims Education Conference taking place next May in New Orleans. His session will illustrate the best-in-class process for vehicular fire investigations.

The main purpose of VIRP is to give insurance companies a simple, straight-forward process in order to deal with vehicle fires. Although not very common, vehicle fire claims can be complicated, expensive and confusing. Latitude Subrogation and Herndon & Associates aren’t going to pretend that they can make the process pleasant, but they can certainly make it smooth and cost-effective. ■

For more information on the Vehicle Investigation Recovery Program, please contact Paul Webb at Latitude Subrogation at pwebb@latitudesubro.com or 248.365.0070.