

Claims Education

INTERNATIONAL INSURANCE INSTITUTE *e*magazine

TRAINING || TALK

In this issue we feature a story highlighting how focusing on quality over quantity led to success for Inspection Connection. After all, a wise man once said, “The bitterness of poor quality remains long after the sweetness of low price is forgotten.”

In our spotlight article, we are proud to introduce you to Belkys Stallings, Learning and Development Manager at Security First Insurance. Her enthusiasm for and interest in training is inspiring.

Our Feature Course section provides information on one of our top requested workshops and an appropriate one for this time of year as we try to stick to our New Year’s resolutions of being organized and using our time wisely. See page 8 for more information on Real-Life Time Management for Claims.

We are looking forward to the Claims Education Conference taking place May 12-15, 2020 in New Orleans. Be sure to register by March 31st and save \$100. It’s always a good time and we hope many of you can join us.

We wish all of our customers and friends a very Happy New Year and we look forward to connecting with you in 2020!

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 topics that you would like to see discussed in the magazine. ■



Carl Van
President and CEO
International
Insurance Institute

FEATURE || STORY

QUALITY VS. QUANTITY

When Lee Herman, CEO and President of Inspection Connection, first got the idea for his new company he was working in the claims industry at a nationally known carrier. He continued to notice a missing piece in the widely accepted approach to creating estimates; oftentimes, the job of inspecting a total loss would be farmed out to independent adjusters who are most often paid by how many estimates they produce, not by the accuracy or quality of the final estimate. When quantity is the goal and not quality, naturally mistakes will be made leading to higher repair costs, longer repair cycle time and ultimately unhappy customers which means lower CSI.

These three facts leave insurance leadership in a bind. How can we keep repair costs in line, shorten cycle time and increase CSI when the industry trends are against all three? With over 75 years of collective claim leadership, Lee Herman, along with Directors Matt Hawk and Ray Rodil, believe they have found the answer and created a full-service claim handling solution in Inspection Connection that will solve all three of those problems for claim managers.

Prior to founding Inspection Connection, Lee spent nearly two decades at Nationwide Insurance holding a multitude of positions. Lee’s background and AVP level experience with top tier carriers in subrogation, salvage, special investigations, specialty claims and fire and theft operations provided him the insight needed in order to put together the right team.

During his time at Nationwide, Lee was given the chal-



*Lee Herman, CEO and President,
Inspection Connection*



*Matt Hawk, Managing Director,
Inspection Connection*



*Ray Rodil, Managing Director,
Inspection Connection*

lenging task of creating a centralized system to consolidate the handling of all fire, theft, specialty and total loss claims companywide. His team's initial role was the consolidation of total loss efforts which included vehicle movement, settlement, customer satisfaction, quality assurance and salvage disposition; responsibilities that were being handled by associates spread out across the country. Understandably, cycle times were high, complaints were an area of opportunity and pending salvage was an issue. Lee explained how they found success at Nationwide, "Once centralized units were in place, we realized our goals of indemnity governance, reducing pending salvage and LAE, while driving improvements in customer satisfaction."

His vision for Inspection Connection was to replicate various components of the highly successful Nationwide process so that all insurance companies could benefit from the streamlined process. "Inspection Connection's approach is to focus on aggregating total loss inspection activities for multiple carriers at Copart locations to generate economies of scale. Secondly, we hire staff associates – all W2 – and pay based on quality, not quantity, of work in an effort to drive carrier needs," says Lee.

Matt Hawk's 15 years of experience with a national carrier is highlighted by the oversight of over 100 leaders and associates who specialized in commercial and recreational

(specialty) claims. This team handled everything from snowmobiles to combines from liability, estimate creation and evaluation, subrogation and salvage disposition. This specialized experience means that when a commercial claim comes in, repairs are not overlooked and unnecessary repairs are not included either. Matt explains, "Adjusters with large carriers are oftentimes trained to adjust a particular thing – maybe auto, home or even commercial, but don't have experience with school buses or farm machinery or other specialty items. Many times the repair shop supplies the estimate which then gets approved with unnecessary repairs slipped in. This is where the experience and specialty knowledge of the Inspection Connection claims team really comes in and saves money and time."

Rounding out the group is Ray Rodil, Managing Director, who joined Inspection Connection in 2018 and brings over 25 years of insurance industry experience including business segment growth, strategy development, technology solution implementation and new product development. Prior to joining Inspection Connection, Ray worked for Grange Insurance with APD claims management and leadership responsibilities. He offers extensive knowledge of improving claims systems with proven success growing and supporting profitable territories and new business models. Ray led teams in material damage, claims technology and product devel-

opment. He was instrumental in creating and implementing new technology for two top-tier carriers increasing productivity and file quality.

Since the inception of the first car, vehicle options have been straightforward and visible to the naked eye. A layperson was able to determine the options on a vehicle with limited knowledge of vehicles. Fast-forward 100 plus years, and the current twenty-first-century vehicles are loaded with options. Many people don't know what they are called or may not even know they exist. No longer are the days that only high-end luxury vehicles are equipped with modern enhancements. The general population is now driving vehicles with ACC – adaptive cruise control, semi-autonomous features, automatic lift gate with foot activation, ambient interior lighting, smartphone integration, automatic emergency braking, Wi-Fi, autonomous parking systems, lane keep assist – the list goes on. It takes an experienced and trained appraiser to properly option and evaluate a vehicle and stay abreast of the quickly changing vehicle technologies. All of these advanced modern changes to the vehicle cannot be captured in only a few photos. The need for a well-trained experienced appraiser and a comprehensive QA process is vital to address these challenges.

Most organizations strive to provide quality, but Inspection Connection takes it one step further. Their custom designed Workflow-Pro software tracks all metrics and creates individual contributor and manager level dashboards so everyone knows how they are performing in real time. Their real steel and closed file QA process focuses on estimate compliance within industry and client guidelines, and that vehicle disposition is accurately determined based on estimated repair cost, ACV, and other potential costs such as rental, supplement and calculated salvage recovery. Cycle time goals are met and calls are returned promptly. Their appraisers are available to chat with a vehicle owner or customer in real-time, which creates a communication channel that is streamlined and informative. Their QA process requires the signature of the appraiser for a collaborative approach, and results are utilized for training and coaching sessions. Their spans of control are limited assuring constant and ongoing feedback while promoting quality.

“Customers are looking for experts with their claim. Your staff may benefit from a truly ‘one stop shop’ for their claim handling solution. JD Powers tells us, ‘when a settlement takes 3 days or less, CSI is at 897. When a settlement takes over 7 days, CSI drops 116 points to 781.’ Getting assignments to the best place for quick handling is why Inspection Connection takes care of all aspects of material damage; this eliminates unnecessary delays if your current solution only handles a portion of your loss,” says Matt. All of the Inspection Connection appraisers have years of experience within the automotive and insurance industries and have developed their craft to produce an outstanding product for their customers.

In addition to highly experienced appraisers, Inspection Connection is fully integrated with Copart for ease of use for carriers who already utilize Copart when handling total losses. These claims typically represent 19% of carriers claim volume, yet 41% of their indemnity spend. They also generate the most adverse phone calls. Working directly with Copart ensures faster cycle time and more accurate evaluations.

A partnership with Latitude Subrogation Services furthers the options Inspection Connection clients can utilize and offer their customers via the Latitude impressive suite of subrogation services.

“Lee is able to think outside of the box,” Matt explains, “he is passionate about offering a quality, comprehensive product to claims managers that will make their lives much easier.” This creative thinking is evident in their approach to launching the company and getting the word out. They didn't want to go the typical route of print ads or commercials, so they worked with a company to create a whiteboard video that literally illustrates their services and provides an entertaining overview – check it out here: <https://www.youtube.com/watch?v=XiUW9UoxV94>. ■

For indemnity accuracy, cycle time reduction and an expertise unmatched in the industry, please visit www.InspectionConnectionclaims.com and start a no obligation conversation on how partnering with Inspection Connection can increase your team's effectiveness.