

CLM

OCTOBER 2022

ISSUE-SPOTTING
HURRICANE IAN

MAKING THE CASE
FOR EARLY MEDIATION

PRACTICAL TIPS FOR HANDLING
CYBER-RELATED CLAIMS

FURTHERING THE HIGHEST STANDARDS OF CLAIMS AND LITIGATION MANAGEMENT

308.6 BILLION REASONS TO CARE

RECALCULATING THE ECONOMIC COSTS OF INSURANCE FRAUD
FOR THE FIRST TIME IN 27 YEARS REVEALS STARTLING CONCLUSIONS

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Question:

Since it's October, what is the scariest trend you are seeing in claims and litigation?



"The scariest trend I'm seeing right now is the plaintiff's focus on similar, but unrelated, past incidents for punitive damages. Large companies often have tens of thousands of employees (who are not interconnected), but plaintiffs allege that the 'company' failed to take action when these past events occurred, so a large verdict is the only way to make the company take action now. Companies need to be very thoughtful as to how information about past adverse events is collected and analyzed to protect themselves against this strategy."

Lee Weatherly,
Partner, Copeland, Stair,
Valz & Lovell, LLP. CLM
Member since 2014.



"By far, one of the scariest trends we face in casualty is the use of liens and letters of protection, resulting in the presentation of medical specials that can far exceed the actual cost of the treatment. There has been legislation proposed in recent years with the goal of addressing this issue; these discussions are a hopeful sign that this practice of inflating medical costs may eventually be curbed."

Christopher Lambert,
Senior Claims Examiner,
Amica Mutual Insurance
Company. CLM Fellow
since 2019.



"One of the scariest trends in litigation is the increasing number of cases with clear liability, low past medical damages, and huge (and often speculative) claims for future medical damages. The case outcome can often be dependent on the jury or venue and has the potential for a nuclear verdict. Admitting liability early and focusing on medical causation is often key to defusing juror sympathy for the plaintiff."

Valerie Garcia,
Attorney, Hall & Evans,
LLC. CLM Member since
2012.



"The rise in nuclear verdicts is the scariest trend right now. Our traditionally litigious culture has grown to be more punitive than ever before. As a result, the natural claims-handling process becomes obstructed, inhibiting early resolution. Costly trials and outrageous verdicts then perpetuate distrust and foster social inflation."

Flavia Pemberton,
Vice President,
Environmental Claims,
Ascot Underwriting
Limited. CLM Fellow since
2010.

59%

Percentage of lawyers using
web-based software solutions.
Source: ABA Legal Technology
Survey Report

95%

Percent of customer
interactions powered by
chatbots by 2025.
Source: Duck Creek
Technologies