# 2010 Cost Containment Joint Seminar

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## June 8 & 9, 2010

At

**Westford Regency**

*Westford, Massachusetts*

## AGENDA

### Tuesday, June 8, 2010

<table>
<thead>
<tr>
<th>Times</th>
<th>Session</th>
<th>Topic Description</th>
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<tr>
<td>7:30 am - 8:45 am</td>
<td>Registration – Regency Foyer in front of the Thoreau Room</td>
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| 8:45 am – 9:00 am | General Session – Westford South ballroom on 2nd floor                   | *Welcome & Opening Remarks – Lou Larose, President, NEIAIU, Amica Insurance Company*  
<p>|                |                                                                         | <em>Color Guard/ National Anthem</em>                                                   |
|                |                                                                         | <em>Guest Dignitaries</em>                                                              |
|                |                                                                         | <em>Introductions</em>                                                                  |
| 9:00 am – 10:00 am | Claims Roundtable with Company Executives - Current and Future Challenges Facing Claim Operations | A panel of senior level executives will discuss the current and future challenges facing the claims operation including balancing cost containment and customer service, the impact of competition on claims handling, and the use of technology. |
|                | Gregory M. Favreau, BI Claims Manager, Electric Insurance Company - Moderator |                                                                                  |
|                | S. Scott McAlindin, Sr. VP of Claims, Commerce Insurance Company         |                                                                                  |
|                | Anne-Marie Kendall, AVP Claims, Quincy Mutual Insurance Company          |                                                                                  |
|                | Debra Pospel, AVP, APD Claims, National Grange Insurance Company         |                                                                                  |
|                | Leslie A. DeCaporale, Director, Metropolitan Property and Casualty Insurance Company |                                                                                  |</p>
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<tr>
<th>10:00 am ---10:30am</th>
<th>Vendor Breakout- Ballroom 1st floor</th>
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<tr>
<td><strong>Break Outs</strong></td>
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<tr>
<td>1-Managing the Growing &amp; Evolving Threat of Thermal Intradiscal Procedures,</td>
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<tr>
<td>Adam Brand, Esq., Brand and Associates</td>
<td>The most recent and alarming emerging trend in medical provider fraud involve the use of suspect and costly procedures incorporating Thermal Intradiscal Procedure (TIPS) techniques, including Percutaneous Disc Decompression (PDD). These procedures often involve extensive medical buildup for low impact claim. The purpose of this presentation is to discuss recent developments relative to intelligence gathering and strategies for combating these increasingly challenging suspect claims.</td>
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<td>2-Injury Causation Fraud: Utilizing Biomechanical Engineers In The Analysis, Defense, Admissibility &amp; Testimony Of Suspect Injuries</td>
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<td>Michael Markushewski, VP Engineering, ARCCA</td>
<td>Some of the most difficult claims involve soft tissue injuries that, based on science, could not have been caused by the subject low severity impact. Employing biomechanical engineering scientific techniques can be an excellent tool to settle or successfully defend such cases. This seminar explains biomechanical engineering, how it can be used to determine if an injury was or was not caused by a particular event and, if necessary, how to ensure that the biomechanical engineer’s testimony will be admitted.</td>
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<td>3-The Roles of a Forensic Accountant in Arson Fraud Investigations,</td>
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<td>Jeff Cosgrove, Bureau of Alcohol, Tobacco and Firearms</td>
<td>Although you cannot prosecute solely on motive; in a case where the evidence is largely circumstantial in nature, it is very difficult for the government to prevail without being able to effectively articulate the defendant’s motive for the jury. As a financial investigator/forensic accountant, Mr. Cosgrove is tasked with providing investigative support in any ATF case where there is believed to be financial component. Although, during his tenure with ATF, Mr. Cosgrove has been involved in firearms trafficking and cigarette smuggling cases, he will deal mostly with his role in arson-for-profit investigations. Cosgrove will explain that although the insured property has been destroyed, the standard financial records generated during the normal course of the business operations remain intact. Cosgrove will discuss what financial information needs to be elicited from the business owner during the interview phase. He will then discuss what records he reviews, the procedures the government must go through in order to obtain this information and the type of analysis he provides.</td>
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<td>4-Implementing the Intelligence Cycle for Homeland Security,</td>
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<td>Lisa Palmieri, Department of Homeland Security</td>
<td>Lisa Palmieri will provide an overview of the Department of Homeland Security (DHS) Office of Intelligence and Analysis and its mission to facilitate information and intelligence sharing through the nation’s fusion centers. DHS is mandated to provide threat information to those working in the greater homeland security environment, including public and private sector partners. Ms. Palmieri</td>
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5-Soft Tissue Injury Cases,
Lisa Williams, Amica Mutual Insurance Company

will explain how this is being executed nationwide based on the intelligence cycle, as well as how it is operating locally and in the New England region

5-Soft Tissue Injury Cases,
We will review common issues in complex soft tissue injury cases, including long term medical and chiropractic treatment, chronic pain, and other subjective complaints. We will discuss less common medical conditions which present difficulties in soft tissue injury cases such as fibromyalgia, carpal tunnel, RSD; etc.

12:00 – 1:00 pm
Lunch in the Tent

1:00 pm - 2:30 pm

Break Outs

1-Premium Fraud & Underwriting Investigations,
Erin Schaaf, Arbella Mutual Insurance Company

Ms. Schaaf will discuss real life premium/application fraud scenarios and explain how partnership between Underwriting and SIU can lead to collecting the correct premium and paying legitimate losses.

2-The Art of Effective Interrogation Utilizing Interpreters,
Audrey Parr, Esq., Parr & Parenteau & Sophia Hartog, Certified Interpreter Service

Claims and SIU investigations routinely involve dealing with non-English speaking claimants, insureds, and witnesses. A purported language barrier (whether legitimate or not) can often make obtaining critical information much more difficult and frustrating. This presentation will focus on issues that routinely arise, including: whether you really need to use an interpreter, how to choose an effective translator, and the potential adverse impact of poor translation as well as poorly constructed questions on your investigation. We will discuss and demonstrate how to conduct effective telephonic and in-person interrogations when utilizing an interpreter. Common problems and practical solutions will be explored to insure that you will not only be able to effectively question non-English speaking claimants, but that your company will be able to use the elicited statements in future Court proceedings to support its claims and coverage decisions.

3-Accident Reconstruction,
Sgt. Steve Marsh, Massachusetts State Police

Presentation will include information regarding the current state of the fire investigation industry, the myths and legends of fire investigations, appropriate methodologies for origin and cause analysis, and the scientific significance of circumstantial evidence. In short, the presentation is designed to help insurance personnel understand and better assess the credibility of origin and cause determinations provided by fire experts.

2:30 pm – 2:45 pm  Vendor Breakout- Ballroom 1st floor

2:45 pm – 4:15 pm

Break Outs

1-Everything A Massachusetts Insurance Co. should know about New PIP, SIU, and Bad Faith Cases (But Was Afraid to Ask!)
David O. Brink, Esq., Smith and Brink

Atty Brink’s presentation will include summaries of recent cases from Massachusetts and surrounding jurisdictions regarding Personal Injury Protection, Special Investigations Units, and
Bad Faith (G.L.c. 93A). There have been significant developments in each of these areas of the law that are impacting how insurers adjust and investigate claims. Significant litigation trends with respect to MA law will be highlighted as well as strategies for responding to these changes.

2-Accident Reconstruction,
Kevin McHugh &
Kevin Cook, Rajent

3-Electronic Data Recorders (EDR) – Technical & Legal Issues in Retrieving the Data,
Scott Palmer, Injury Sciences &
Adam Robitaille, Esq., MetLife Auto & Home

4-Getting the Most of Investigations,
Neal Lyons, L&W Investigations

5-Approaches to the Litigation when the Claim is Fraudulent,
Fran Robinson, Esq., Davis, Robinson & Molloy

DON’T PANIC AND DON’T PAY
Trend toward exclusion of prior claims evidence
Necessity to borrow litigation strategies from other genre
Scenarios and Strategies
The insured cannot be located
   The Protective Order – Who needs ‘em
   The Assessment of Damages Hearing; You can defend - The ethical talk to the client
   The Declaratory Judgment - Successful “papering of the file prior to litigation”
When to Bring One
When Not to Bring One
The insured can be located but confesses liability
General approaches to Fraudulent Litigation and Chapter 93A
The District Court “fraud” finding
   Can even eliminate the superior court appeal
The Superior Court “fraud” pleading
   The “just give them the emergency room” argument; no appeal; no money
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| 8:00 am - 9:30 am | Break Outs

1. **Organization & Presentation of Your Arbitration Case**, Joseph Kane, Arbitration Forums
2. **Role of Independent Medical Exams in the Soft Tissue Claim Process**, BME Gateway Medical Services
4. **Practical Tips Workshop for the Claims Professional No. 1: Ghosts of the Past and How to Keep Them From Haunting Us in the Future**, Peter S. Farrell, Esq., Smith and Brink

**Break Outs**

1. **Organization & Presentation of Your Arbitration Case**
   - Organization is the Key to Success – Preparing the Most effective case and the manner in which it is heard in Arbitration.
   - Focus will be:
     - Understanding the contentions sheet.
     - The suggested format in writing your contentions.
     - The relationship between – Contentions & Evidence.
     - The structure of your evidence and power of linking your evidence.
     - Elements of Proof.
     - What it is like to be an arbitrator in today’s environment.

2. **Role of Independent Medical Exams in the Soft Tissue Claim Process**
   - How to decipher police reports containing numerical data entries and their definitions
     - Handouts (templates) provided
     - Documents needed for a thorough reconstruction
     - Handouts provided
     - Photogrammetry and how to extract measurements from photos
     - The appropriate way to photograph damaged vehicle and evidence
     - The information you receive from operators and witnesses and why it may be misleading
     - How the mind plays tricks
     - Vehicle ‘Black Boxes’ and the data it holds
     - Case studies involving motorcycles, pedestrians, trucks and visual fields

3. **Motor Vehicle Accident Reconstruction & Cause Analysis**
   - How to decipher police reports containing numerical data entries and their definitions
     - Handouts (templates) provided
     - Documents needed for a thorough reconstruction
     - Handouts provided
     - Photogrammetry and how to extract measurements from photos
     - The appropriate way to photograph damaged vehicle and evidence
     - The information you receive from operators and witnesses and why it may be misleading
     - How the mind plays tricks
     - Vehicle ‘Black Boxes’ and the data it holds
     - Case studies involving motorcycles, pedestrians, trucks and visual fields

4. **Practical Tips Workshop for the Claims Professional No. 1: Ghosts of the Past and How to Keep Them From Haunting Us in the Future**
   - In this workshop format, during the first part of the presentation, the presenter will interact with claims professionals to promote an understanding or “debunking” of past experiences to serve as a springboard towards future success in claims defense and successful litigation strategies over a broad range of topics.
   - The speaker will discuss best practices and recommendations for documenting the claims handling process through the effective and appropriate use of the adjuster’s notes or log, strategies for documenting facts, as opposed to opinions and some of the traps for the unwary that all of our common past experience has taught us. Making effective use of the appraisal and appraisal photographs are essential to any automobile insurance claim including laying the foundation for the persuasive use of all the information gathered during the appraisal process and the best means and methods by which to present the evidence in pre-trial discovery and at trial.
   - Essential to any investigation is the role of the fact finder. The speaker will discuss effective strategies for fact finding, recorded interviews and transforming those methods into tools that can be admitted into evidence at the trial and a simple, user friendly analysis that every claims professional should consider when conducting telephone or in-person interviews and what to do
when the interview is over. Efficient, advanced planning for the use of an Accident Reconstruction expert will also be discussed including some ideas for preservation, protection, avoidance of evidence destruction and the limitations of the opinions rendered by Accident Reconstruction experts.

Regarding injury claims, the presenter will discuss some past experiences with examples in recent case law and other sources, strategies for effective cost containment, when to consider scheduling the claimant for an Independent Medical Examination (“IME”) and the best way to form a solid denial when the claimant does not cooperate. Alternatively, does it make sense to request a record or peer review? We will discuss the logistical hurdles associated with having medical records reviewed, translated into effective, and more importantly, persuasive expert trial testimony. The presenter will also discuss recent challenges to Fascione payment and how to plead and prove the defense of payment at trial in a cost effective, persuasive and efficient manner.

The second half of the presentation will focus on written input and discussion from attending claims professionals on how to silence those ghosts that most of us want to forget. This presentation will facilitate an open dialogue so that we may be ready for the old tricks while continuing to combat against the new.

| 9:30 am – 9:45 am | Vendor Breakout- Ballroom 1st floor |

**Break Outs**

1- **It’s Only a Car Fire- Who Cares??**
   Sebastian Bongiorno, CFI
   EFI Global

2- **Mock Arbitration**
   Arbitrations Forums

3- **Investigating Fraud Using the Internet and Social Networking Sites**
   James Hammonds, Geico

4- **Latest Trends in Medical Fraud**
   Colleen Cassidy, NICB

| 9:45 am – 11:00 am |

**Break Outs**

1- **It’s Only a Car Fire- Who Cares??**
   In 2008 there was 1.5 billion dollars in damages as a result of motor vehicle fires; over a half of billion dollars to exposure property. See what a thorough vehicle investigation can do for you. What a systematic examination of the vehicle can reveal. Observe the methodical examination of a vehicle fire. Whether your client is the plaintiff, defendant or a subroguee see how to get your moneys worth from a vehicle fire investigation.

2- **Mock Arbitration**
   This presentation will entail actually sitting in and participating in a Mock arbitration hearing and experiencing what takes place at these hearings

3- **Investigating Fraud Using the Internet and Social Networking Sites**
   With the internet becoming a more cost effective arena for insurance companies to do business in, fraud suspects are finding new ways to ply their trade using the digital media. This course will focus on some of the fraud scams being conducted using the internet and what fraud indicators can be looked for while conducting investigations. Also examined will be social networking sites and how they can produce meaningful evidence for cases.

4- **Latest Trends in Medical Fraud**
   NICB has Medical Fraud Task Forces in New York City, Los Angelos, Washington DC, Houston and South Florida. NICB tracks trends in fraud and its perpetrators across the country. This presentation will cover the latest trends in medical fraud including diagnostics procedures, durable medical equipment, surgical procedures and questionable billing, and multi state suspect
### 5-Capturing and Incorporating the Use of EDR Data into the Claims Investigative Process

Mike Merolli, Commerce Insurance Co.

Event Data Recorders (EDR), commonly referred to as Automobile "Black Boxes", have been incorporated in passenger motor vehicles in increasing numbers over the last decade. The EDR captures data associated with a crash which can help auto manufacturers and crash investigators determine how well vehicle safety systems perform during a crash. This crash data can also aid investigative efforts to determine how and why a crash occurred. The National Highway Transportation Safety Administration (NHTSA) has mandated that beginning in model year 2012, auto manufacturers must make captured EDR data commercially accessible to 3rd parties. This mandate has created a situation which could be both advantageous and problematic for insurers. Having access to real-time, accurate crash data could help reduce claim cycle time, allow faster liability decisions, and confirm suspected fraud. The failure to capture and preserve available data could also result in bad faith claims. Mike Merolli's presentation will explain what data is available, how the data is gathered, and outline the procedures to capture and use the data in the claims process.

### Break Outs

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<tr>
<td>11:00 am – 12:00 noon</td>
<td>1-Ethics, Jack Parenteau, Esq., Parr &amp; Parenteau</td>
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<td>2-Speed Change Analysis Report: Defending PIP Claims in Low Speed Impacts, Michael Markushewski &amp; Wayne Denham, ARCCA</td>
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<td>3-The Role of the Engineer &amp; Services Provided, Aaron J.M. Gill &amp; Thomas W. Dombrowski, Engineering Design &amp; Testing Corp.</td>
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<td>4-Using eBay as an Investigative Tool, Gail Novack, MetLife Auto &amp; Home</td>
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<td>1-Ethics, Right, Wrong, Indifferent? What is ethical? What is unethical? Come prepared to discuss what leads a person to make bad decisions, and how to check whether your decisions and behavior are ethical. Specific examples of day to day decisions will be provided encouraging discussion and audience participation. Are you walking an ethical tightrope? Come and learn the five reasons why people are most apt to make unethical decisions. Does your company or business have a Code of Ethics? Make the ethical decision – Register for this session, NOW!</td>
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<td>2-Speed Change Analysis Report: Defending PIP Claims in Low Speed Impacts, A new tool to assist insurers in their defense of low value, low speed impacts where a full biomechanical engineering analysis of injuries may not (yet) be warranted. Using vehicle characteristics, photographs, property damage appraisals and, if available, EDR data (black box), ARCCA engineers will calculate the estimated Delta-V (change in velocity) and subsequent range of g-forces exerted on the occupants and compare the results to the activities of daily living. If and when injury claims progress, this report can be used as the first phase of an accident reconstruction and biomechanical analysis of the claimed injuries.</td>
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<td>3-The Role of the Engineer &amp; Services Provided, Aaron J.M. Gill, P.E., and Thomas W. Dombrowski, P.E. will discuss the role of the engineer in regard to the loss and claims process. Involving an engineer early in the process can often reduce long term headaches and costs by quickly identifying the root cause of a loss. Messers. Gill and Dombrowski will explain capabilities and uses for engineers using real life examples from former files they have consulted on. Examples will include structural and mechanical losses and origin and cause fire investigations</td>
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<td>4-Using eBay as an Investigative Tool, This presentation will cover: What kind of claims benefit from an eBay search. How to utilize eBay to assist with your investigations. 1) How to set up an account. 2) Navigating your way through the site. 3) Reviewing feedback (how this assist in the investigation. 4) Reviewing prior purchases (condition of items, pictures) 5) Reviewing sales (pictures, purchaser). 6) How to contact sellers and buyers.</td>
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<td>12:00 noon – 1:15 pm</td>
<td>Lunch in the Tent</td>
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<td>1:15 pm – 1:30 pm</td>
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<td>1:30 pm – 3:00 pm</td>
<td><strong>Break Out</strong></td>
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<td>2-VIN Switch, Clone, Counterfeit or Salvage Vehicles: Does Your Company Insure One of These Vehicles?</td>
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<td>3:00 pm</td>
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7) Contacting eBay.