



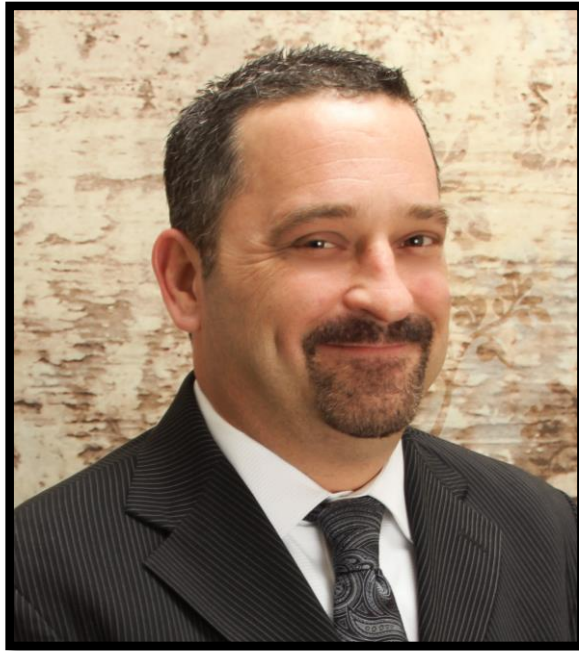
Thank you for joining us!

The presentation will begin shortly.



Strategies for Retiring Old Dog Workers' Compensation Claims

Presenters

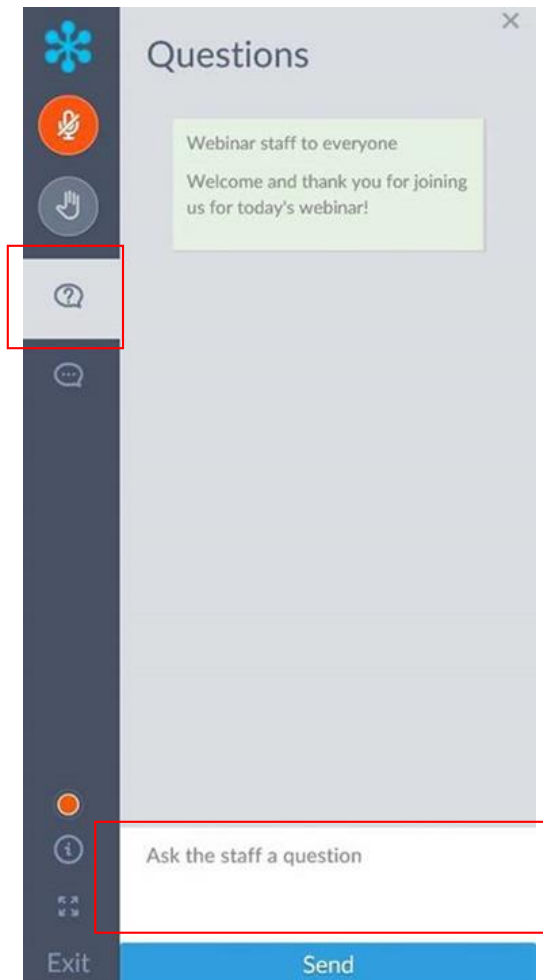


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Your Participation

Please submit questions and comments via the Questions panel.

Note: Today's presentation is being recorded and will be provided within 48 hours.

Topics



- Impact of Co-Morbid Conditions
- Early Identification
- Reasons to Settle (Now)
- Determining Valuation
- Tailoring Settlements
- Examples
- Lessons/Takeaways

Impact of Co-morbid Conditions



- Hypertension
- Diabetes
- Cancer
- Smoking/Tobacco Use
- Psychosocial Issues

Early Identification



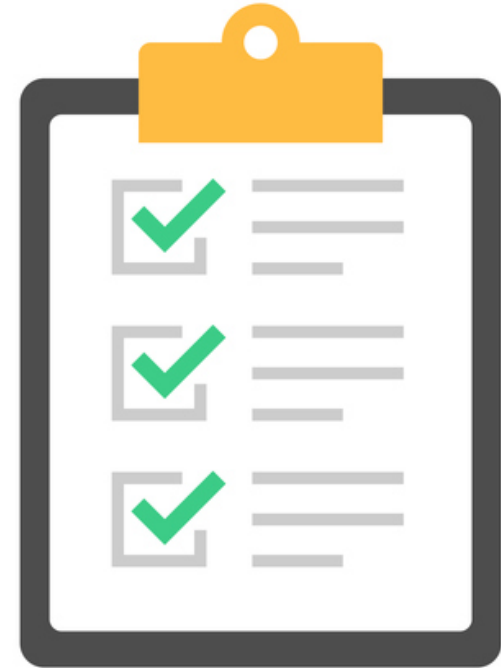
- Use and listen to your experts
- Understand jurisdictional pitfalls/risks



Reasons to Settle (Now)



- Exposure grows over time
- Aging process and co-morbidities
- These claims don't end....



Determining Valuation



- Evaluate the full potential future exposure
- Understand/Recognize high-dollar items
 - Attendant care
 - Accessible vans/vehicles
 - “Other” Transportation (mileage, cabs, transport companies, etc.)
 - New home/home modifications



Determining Valuation



- Significant Future Surgeries
 - Joint replacements
 - Spinal cord stimulators
 - Intra-thecal pumps
 - Hardware removals
- Watch for Red Flags



Tailoring the Settlement



- Always ask “Why?”
 - Why does/doesn’t the claimant want to settle?
- Adapt settlement on a “needs” basis
- What are the particular issues/drivers in a case?
 - Fear over how medical will be managed
 - King-size bed sheets
- Consider unique factors in a case
 - Kids headed to college
 - Financial distress

Case Example: A Cautionary Tale



- “Mr. Echo”
- 1990 Florida TBI claim
- Receiving home nursing care
- Settlement demand = 100% of future value to age 100
- 1998 – Annual cost: \$210,000

Case Example: Boudin & Cracklins



- Claimant PTD (100% disabled)
- Medical exposure at \$14,000/year plus SCS replacements
- Future exposure in excess of \$900,000
- Compromised Settlement at \$268,000 “new”
- Savings in excess of \$680,000 based upon projected exposure

Case Example: Once Upon A Time In New Bern



- Initial injury in 2004 as a minor back strain
- Loss Development 2004 to 2018
 - Evolved into multiple surgeries, heavy opioid use
 - Unwilling to detox/rehab
- Settlement of \$869,083 in Sept. 2018
 - Non-Submit MSA with Professional Admin.
 - MSA annuitized, remainder paid in cash

Case Example: Just An Old Dog



- Injury was 22 years old; Indemnity resolved 15 years ago
- Substantial but stable ongoing medical at \$10,000/year
 - SCS and PNS stimulators (replacements at 5-7 years each)
- On SSDI and Medicare
- Settled for \$250,000 (future value in excess of \$500,000)
 - All Medicare and Non-Medicare covered issues
 - MSA was annuitized and the remainder in cash for NMSA items

Lessons/Takeaways



- Recognize Exposure Early
 - Do not “fear” large medical exposure cases.
These are the ones that continue to escalate!
- Escalating medical costs
- Medicare Eligibility and impact on settlement
- Listen to claimant/claimant’s counsel, address “needs” as part of settlement
 - Is it cash? Future income stream? College?

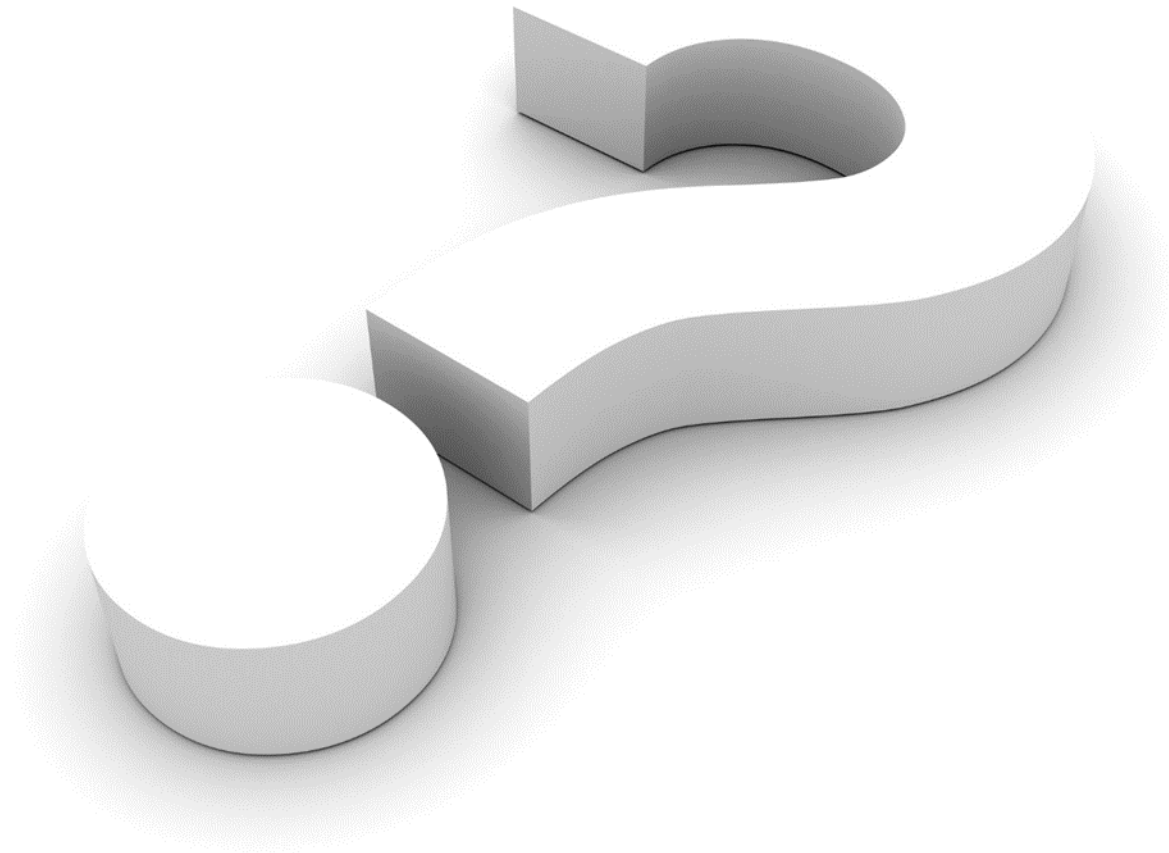
Lessons/Takeaways



- Direct approach to negotiations
 - Make the initial, reasonable offer (no “low” ball offers)
 - Consider approach and tactics based upon the players
 - Consult with those involved in the case and area/region to understand the dynamics.
- Consider the future & what is not in file.
- Try to settle medical with indemnity.



Questions?



Thank You!



If you have questions or would like to speak further, please feel free to reach out to either of us at any time!

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