

CopperPoint Subrogation

Third-Party Funds Recovery



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At Work for You



The CopperPoint Insurance Companies group is committed to helping keep customers' costs as low as possible. That is why we have a commitment to subrogate – recover funds from a third party – whenever possible.

Subrogation is the legal process of seeking to recover funds from a third party that caused the loss. This recovery is limited to the amount the workers compensation carrier or self-insured employer pays on a claim.

Each year, CopperPoint generates millions of dollars in savings. If the cost of medical and compensation benefits can be recovered within the policy's fifth most recent rating-effective date, those losses may be removed from the policyholder's experience rating, which is a factor used in determining premiums.

Common situations identified with third-party liability and subrogation include:

- **Motor vehicle accidents** – A crash involving one or more vehicles can be the result of bad road conditions, negligent driving or defective tires.
- **Defective equipment** – Power saws, electric drills, chairs, ladders, etc., can malfunction because of design or manufacturing flaws, faulty repairs or lack of safety warnings/information.
- **Dog bites** – Pet owners can be held responsible for not properly restraining their animals.

Other factors signaling potential third-party negligence include airplane crashes, medical malpractice, explosions, gas leaks, toxic spills and construction site negligence.

■ **How it works**

CopperPoint has trained subrogation specialists who recognize indications of third-party fault. They determine whether to pursue subrogation.

An injured worker has one year from the date of injury to decide whether to pursue a third-party claim. Should the individual pursue the matter, CopperPoint's subrogation specialists will provide copies of important documents, including the medical records and bills needed to proceed.

If the injured worker does not pursue subrogation, CopperPoint may decide to proceed on behalf of the employer/policyholder. We also may hire outside legal counsel to help determine feasibility and liability issues. Each case is decided on its own merits and not all cases are pursued.

Once a case is decided and damages (if any) are awarded, some or all the money recovered is applied to the costs CopperPoint paid on the claim. Recovery also can provide future credits to offset further obligations on the claim.

For example, should an injured worker receive a \$5,000 settlement after paying attorney's fees and costs, CopperPoint has a "credit" of \$5,000 on the workers compensation claim. If further expenses are incurred, the injured worker is responsible for the first \$5,000 of those expenses before CopperPoint resumes payment on the claim.

Pursuing subrogation, where appropriate, is only one of the many ways CopperPoint shows its commitment to cost control.

How you can help

It's important for policyholders to cooperate with CopperPoint's Subrogation investigators who may need to examine the accident scene or review related documents. Employers also should assist the injured worker's attorney, who may want to inspect the accident scene, equipment or may need to acquire wage information.

When an accident occurs resulting in injuries, employers should gather as much information as possible. This means leaving the accident scene exactly as it was when the incident occurred – if possible. If you can, take photos. If it isn't possible, save any evidence you can, such as a blown-out tire or a broken ladder.

The more evidence that is gathered from the scene of the accident, the greater the chance is for a successful subrogation recovery.

If you suspect a third party is responsible for the accident causing an injury to an employee, make sure your concern is noted when you complete the Employer's Report of Industrial Injury form. Just mark line 35 on the form and be sure to alert CopperPoint to the potential of third-party responsibility.

For more information on subrogation, contact Jean Gage, Legal Service Manager at 520.292.4053.

■ **Our Legal Division is here to help**

Subrogation is only one service the CopperPoint Legal teams provide. The highly skilled attorneys on our staff are workers compensation experts, and they provide legal advice and representation to policyholders with respect to any contested claims.

Highlights of this division include:

- Special Investigation Unit that investigates fraud allegations
- Customer satisfaction averages from “very good” to “excellent” on customer surveys
- Win more than 70% of cases litigated to conclusion
- Attorneys conduct regular policyholder visits
- Settle claims to support reserve strategies and contain costs
- Attractive marketing opportunities, as attorneys use various forums/venues to apprise customers of the benefits they receive when choosing an insurance carrier with an in-house legal staff.

These venues/forums include:

- Safety Works Expo
- Association partner meetings
- The Legal Briefs quarterly web posting
- Articles on CopperPoint’s blog: PinPointNews.net
- Policyholder visits
- Provider presentations

Direct questions to CopperPoint’s Policy Contact Center at 602.631.2300 or 800.231.1363
3030 N 3rd Street | Phoenix AZ 85012-3068 | copperpoint.com



A.M. Best assigned CopperPoint Mutual and its subsidiaries an A- Excellent XII with a “stable outlook”

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