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AMERICAN CLAIMS MANAGEMENT CELEBRATES 30TH ANNIVERSARY WITH “SERVICE OFFICE OF THE YEAR” AWARD

San Diego, CA, 6/28/2018 –American Claims Management, Inc. (ACM) has ample reason to celebrate already this year, and not just because the U.S. been spared any major catastrophes thus far. Founded in 1988, they're celebrating their 30th year; plus, they've been named “Service Office of the Year” – for the second time in a row.

“Although we had another great year in 2017, we were surprised to win two years in a row,” said Scott Marshall, ACM's CEO. “As a service company, we're judged on how well we respond to significant losses for our clients. I am happy to report we exceeded their expectations despite a number of significant events in 2017.”

We sat down with ACM's principals – Scott Marshall plus Deirdre Gonzales, president of ACM's Workers' Compensation group and Dhara Patel, president of ACM's Property & Casualty division, to discuss their service philosophy, 30 years in the making – the secret sauce to ACM's success.

What caused you to shine in 2017, to be named “Service Office of the Year”?

“2017 was a very trying year in terms of storms,” Patel explained. “We had three back-to-back hurricanes and thousands of claims. Our teams worked 24/7. It was a huge team effort in terms of response. Everyone, I mean everyone, was on the phone helping hurricane victims. In three weeks we received as many claims as we typically get in six months. On average, we were able to close claims within 35-45 days due to our teams' super-human efforts.

“Our Tampa office was shut down briefly because the eye of Hurricane Irma passed right by them. This was particularly bad timing because Hurricane Harvey had struck two weeks before, meaning the adjusters were already very busy. But the ones who had power were able to work from home, online, all weekend, taking care of storm victims,” she related.

Hurricane Harvey had presented unique challenges, as adjusters were unable to access many of the flooded areas for inspections. As a Houston resident, Field Adjuster Trevor Linhart was one of the first ones dispatched to inspect homes in the aftermath. But Trevor's own family was evacuated, so he was simultaneously taking care of customers and his own family. “We were lucky and able to stay at a friend's place,” says Trevor.

“Some of my assignments said they had damage from tornadoes, and the folks were real anxious for me to come out. I got there while it was still drizzling rain, making them very happy, and their neighbors were a little jealous!” Trevor also met a customer who couldn't get to his home due to road closures. “He was worried it would be a long time before another appointment could be made, so we walked there together, wading through a little water. Luckily the water had stopped in his

yard, and he just had some wind damage. I was able to write him an estimate and get the claim moving right along."

How were you able to achieve these successes?

"Our teams," Gonzalez answered. "We have an incredible group of people who've been in their industry roles for years. Most of them have been with us for long periods of time as well. And naturally, long-term relationships inspire trust – trust that your co-workers are going to do their jobs and support you in yours."

"TPAs (third-party administrators) like ACM typically have a large turnover," she added, "but our employees don't leave. They've been through multiple catastrophes together, and they function at the top of their game."

Patel agreed. "With last year's hurricanes, we kept hearing all these crazy stories of people leaving their companies to go work in the field as adjusters, because they were getting paid big dollars. But our turnover was nothing compared to our competitors'; we barely had any at all. Our teams stuck together and stuck it out. They were amazing."

"Our culture helps create our 'stickiness'," Marshall explained. "By stickiness, I mean the fact that our employees stay long-term. It's our culture to provide the best tools for success, such as first-class technology, low caseloads and frequent training/mentoring. They get to choose the philanthropic causes we support financially and organize the events to raise money for donations. We celebrate our successes in serving our clients well with picnics and parties. Even things like casual dress, flexible work schedules – all of these contribute to a culture where our teammates can thrive."

What differentiates ACM from its competitors?

Marshall named five pillars that push ACM ahead of its competition: technology, flexibility, transparency, expertise and empathy.

Technology. "We offer innovative technology solutions that we can customize for each client," he explained. "ACM has invested heavily in its technology that allows us to provide these tailored solutions. We don't just offer a set menu of solutions; we listen to what our clients need, and then work our technology and our systems – our solutions – around their needs."

Flexibility. Gonzalez explained, "I tell prospective clients we're a speedboat vs. an aircraft carrier. We're fast-moving, maneuvering, mobile, innovative, almost able to turn on a dime."

Transparency. "When it comes to fees and charges, we're very transparent," said Gonzalez. "We offer a number of options, showing here's how we provide value to you and explaining here's how we get paid for that. We're looking for a long-term, win-win relationship with our clients, not

a short-term, one-and-done project," contrasting ACM's model with other TPAs charge hidden fees, nickel-and-diming their clients on invoices.

One example Gonzalez shared is that many companies need very specific reporting. Most TPAs will charge for these special reports because they can be intricate and time-consuming to set up and run. "We say, here are the reports we offer, but we hear what you're asking for. If we make these slight adjustments to our current reports, will that solve your need? And we won't have to charge you extra!" Their mindset, she explained, is to find a way to give the client what they need yet still make it beneficial for ACM. "We like to go the extra mile and over-deliver," she said.

Expertise. The depth and breadth of expertise that their teams bring to the table is key to ACM's success, Marshall said. He also alluded to earlier comments about employee longevity, adding, "Our teams operate more like a family than co-workers. One concern that our prospective clients typically ask is, What's your turnover? And we can show how many of our teammates have been here 10, 20 or more years."

"It's a big differentiator," Gonzalez agreed. "Being able to show our team's longevity is very important to our clients: carriers and other companies." Here's a recent case in point: ACM's Investigation Solutions, Inc. (ISI) is led by Tim Cloney, retired California Highway Patrol officer with 30 years of claims investigation experience. His team was called upon to investigate a workers' compensation claim involving a driver who was terminated because of a felony and expired green card status. After termination, he alleged multiple injuries over a five-year period. ISI surveillance showed the claimant working at a construction site, driving a Bobcat, with full range of motion and no signs of injury. Felony charges have been filed; full restitution is being requested. Estimated cost savings: \$150,000.

Empathy. "Our personal touch is another key differentiator," said Patel. "Although we're big in size, all our adjusters are expertly trained to approach each case from customer service perspective. We teach them to always remember: You're talking to someone who's just lost their home. Their personal property. Their livelihood. Utmost in our minds is to portray a caring mentality, putting ourselves in their shoes.

"Even in the midst of a catastrophe, when adjusters are buried in claims – we still remind each other, yes, it's long hours and a tremendous amount of work, but you're talking with someone who's way worse off than you. We strive to treat policyholders as friends, as humans. Yes, we look at numbers, our profitability, but we focus on the people," Patel said.

Gonzalez shared an example from Marquee Managed Care Solutions, a division of ACM, regarding a worker whose injury left him not only a quadriplegic, but also with a catastrophic brain injury. The patient had a strong desire to be able to live at home and not in a managed care facility. The Marquee case manager handled multiple hospital admissions at numerous hospitals in the ensuing years, each with complex treatment needs. The case manager coordinated the patient's records at each hospital along with discharge needs, ensuring that all supplies were in-home prior to each hospital discharge. She also coordinated care with multiple specialists that were requested for each body system complication, working with vendors and providers to deliver all special supplies for each treatment to the patient's home. "It was very important to the injured worker to remain at home with skilled assistance, and we were able to fulfill his wishes," Gonzalez recounted.

From your employees' point of view, what do you think sets you apart from your competitors?

"As a matter of fact, I was just telling an interviewee yesterday about our unique culture. We have such a different vibe because we treat everyone as equals. No one cares about org charts or titles. It's truly a unique culture, a special place to work," said Patel. "Many of those who've left us have come back after experiencing other company cultures. They realize how unique we are."

Congratulations on your 30 years! Can you share a brief timeline ACM?

"I've been here the longest – 17 years – so I can answer that one," said Patel. "ACM was created 30 years ago, first as a claims department, originally within Arrowhead. Now we're known as a preferred TPA for Arrowhead, but we also have clients abroad, primarily in the UK. In 2010, ACM added Marquee Managed Care and Investigation Solutions, Inc. to focus on workers' compensation claims, primarily. ISI now has a large concentration of auto claims clients as well." "Our future is bright," added Marshall. "We're on a trajectory to have a great 2018 – even without all the hurricanes."

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