

How to Negotiate Insurance Claims CM100

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What Does an Insurer Want?

- Sufficient information to undertake an independent claim analysis
- Broad scope of release
 - Policy buyback
 - Risk release
 - Claim release
- Present value discount
- Non-admission agreement
- Indemnification

How To Break A Deadlock

- Expanding the pie
- Contingent offers – “I’ll move to X if you’ll move to Y”
- Hypothetical discussions
- Changing who negotiates with who
 - Principal-to-principal contact
- High-low agreement
- Percentage with cap agreement
- Structured settlements
- Time
- Arbitration or mediation

Common Mistakes Made in Negotiations

- Backtracking off prior offers
- Not understanding insurers' motivations
- Lack of adequate support for claim numbers
- Wrong negotiating team – size, personality
- Not using the full negotiating team
- Incomplete analysis of risk-reward
- Failure to transition to a “horse-trade”
- Trying to negotiate without full authority
- Failing to agree on nonmonetary terms