

1930



2005

May 2006

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Seattle Claims Adjusters Association

Celebrating 75 years of service to the claims community — 1930-2005

“A professional organization dedicated to the ongoing education of the claims community. Providing an arena for member interaction and the sharing of resources.”

Lizzy’s Logic

— by Lizzy Adkins, President



Lizzy Adkins
SCAA President 2005-06

Wow...how time flies. Four years ago, I met Past President **Donna Silver** at Grange Insurance. Switching employers after more than 10 years with another company was quite nerve racking. Imagine my surprise and delight when I met Donna as my first supervisor at Grange. She was supportive, constructive and most of all kind-hearted. Until...

the Treasurer for SCAA could no longer fulfill her commitment and they needed to fill the position prior to the new term. Donna, knowing full well that I had just completed an 8 year stint (okay it was 5, but felt like 8) with TCAA as Treasurer, assumed her alter ego—Donnatella—and threatened me with bodily harm if I didn’t agree to accept the position as Treasurer with SCAA.

Okay, I was exaggerating...Donna looked at me with those sad puppy eyes and I couldn’t help but say “Yes” and boy, am I glad I did! Not only did it make my transition into a new company easier, I have met many wonderful people and formed friendships that will outlast my career in insurance. I have enjoyed being a part of this wonderful association and will continue to partake in all of it’s festivities for many more years to come.

(Continued on page 3)

Next Meeting of the SCAA

May 19, 2006

The Swedish Club, 1920 Dexter Ave North, Seattle, WA

Program

**Past Presidents Honored Today
Installation of New Officers
Recipe Book Sale for REWA**

Menu

To be announced

Cost

\$13 Members \$20 Non-Members

Time

11:30 a.m.

If you have special dietary needs, please give a 48-hour notice by calling the Swedish Club at (206) 282-5903.

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ON THE DOCKET

Date	Speaker/Topic
May 19	SCAA Meeting & Installation of Officers Past President Luncheon REWA Recipe Books on Sale
June 16	SCAA Annual Golf Tournament See page 13 for registration flyer
Sept 15	First SCAA Meeting of the New Season

Meeting Information

Please keep in mind that we'd like to start and end promptly during our monthly meetings. Here is the timeline for each meeting:

11:30 a.m. Registration
 11:45 a.m. Buffet
 12:00 p.m. Meeting Called to Order
 1:00 p.m. End of Meeting

Please arrive on time and have your cash or check (payable to SCAA) ready. We appreciate your cooperation and assistance.




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Condolences

Our condolences go out to David McKinney of Bel-
for and his wife Kelly, who lost their beloved son
Chase Thomas to SIDS on April 13. Born on Janu-
ary 27, 2006, Chase was a younger brother to 2½
year old sister, Caitlin. Chase is missed terribly but
the family knows that they have a small guardian
angel in heaven. In lieu of flowers, donations may
be made to the Chase Thomas McKinney Memorial
Fund at any Bank of America branch to benefit Dr.
Savage Healing Heart Guild and SIDS of Washing-
ton.

WANTED: Claim Representative - Auto Physical Damage

If you are a motivated professional who is looking to balance work
with life, we would like to see your resume. We currently have an
opportunity for the right person as in-house liability claims adjuster
for our TeleClaim Center in Bellevue.

We offer:

- o 37.5 hour work week and a reasonable workload
- o Beautiful campus with corporate casual environment
- o Fun and professional work group
- o Paid insurance continuing education
- o Job growth & advancement opportunities
- o Generous salary, bonus potential & outstanding benefits
- o 20 days of Paid Time Off each year

To be considered for this opportunity, you'll need

- o Auto physical damage or casualty claims adjusting experi-
ence.
- o 4-year degree or additional equivalent work experience.
- o Disputed liability claims adjusting experience
- o Communication, analysis, negotiation, time management skills
- o Excellent record of customer service satisfaction

To learn more about our exciting opportunities and apply
online (preferred method), visit our website at
www.unigard.com. EOE.

Lizzy's Logic... *(Continued from front page)*

I am excited for **Julie Benedict** to assume the role
of President, and for **Gail Tuomi** to become Vice-
President. I thank the both of them for their com-
mitments and friendship.

I am sad to say, however, that our Secretary, **Shon
O'Fallon** will be unable to fulfill the remainder of
his term(s) with SCAA. Family obligations and
commitments elsewhere will take him away from
us. Shon is a true friend who bailed me out when I
needed a Treasurer. I will miss his presence on the
board, but look forward to seeing him at our
monthly meetings and other functions. Thanks
Shon!

In light of Shon's departure, our newly elected
Treasurer, **James Gomez**, will resume the position
of Secretary and **Dean West** will assume the posi-
tion of Treasurer. Please join us on May 19 for the
installation of these new officers and the passing of
the presidency to Julie Benedict.

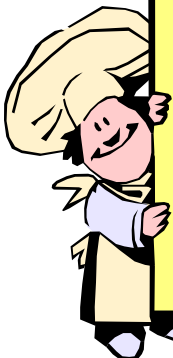
On a different note, the REWA Recipe Book will
be on sale at the May 19 meeting. Proceeds from
the sale of this collection of outstanding recipes will
go to REWA; so be sure to support our efforts and
plan to purchase at least one copy — or maybe sev-
eral copies and give them as gifts — for \$15 each.
It's for a worthwhile cause! If you would like to
preorder your copy(s), send me an email and I'll put
you on the list. ❖

Babe Ruth: "It took me seventeen years to get 3,000 hits in baseball. I did it
in one afternoon on the golf course."

Recipes for REWA

If you like to cook — you need a copy
of this outstanding collection of
recipes put together by SCAA
members to support REWA. In fact,
you need more than one copy
because these will make great gifts!
You can order your copy(s) today by
emailing Lizzy Adkins at
lizzy.adkins@grange.com
or come to the May 19 meeting when
the first copies will be available for
sale. \$15 each.

All proceeds go to support REWA



Classified

Evergreen Adjustment Service, Inc. is an independent insurance
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field experience for the Seattle area.

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tos, as billed by adjuster. No marketing required.

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or fax to: 206-297-2033

For questions, call 206-297-2030 and ask for Michelle Dockrey,
but please note that no appointments will be made without first
receiving a resume.



Case Study
**Partially At-Fault Insureds:
 "Full Compensation" Rule
 Applies to PIP Offsets**

— by Jeffery Eberhard

It is well-settled that under the doctrine of "full compensation" for insureds announced in Thiringer v. American Motors Ins. Co., that an insurer may not receive PIP reimbursement until its insured has been "fully compensated" for his or her injuries. As a matter of first impression, the Division II court of appeals recently held in Sherry v. Financial Indemnity Co., Civ. No. 32946-8-II, in the Division II Court of Appeals for the State of Washington (April 4, 2006), that the same rule applies to an insured who is partially at fault for his accident.

Kevin Sherry was a pedestrian who was struck by an uninsured driver. He received PIP payments of \$10,000 for medical expenses and \$4,600 for lost wages from his insurer (FIC). He also filed a UIM claim against FIC, which was resolved through arbitration. The arbitrator found Sherry's damages included \$53,000 in medical costs and \$90,000 in general damages, but also found that Sherry was 70% at fault for the accident. After reducing the damages in proportion to Sherry's fault the arbitrator awarded \$42,938 (30% of Sherry's total damages).

FIC requested an offset for the \$14,600 in PIP benefits already paid. The arbitrator declined the rule on the matter, so the parties agreed to submit the issue to the superior court, which accepted jurisdiction and determined that FIC was entitled to an offset for its full PIP payment, less attorney fees. The court deducted \$8,256 from the arbitration award and entered judgment for Sherry for \$34,682.

On appeal, Sherry argued that FIC's offset should be reduced to 30% of its PIP payments - reasoning that since he recovered only 30% of his total damages that FIC was only entitled to a 30% reimbursement of its PIP payments. The Division II Court of Appeals went further, holding that FIC was not entitled to any offset until Sherry received full compensation for his damages.

The court first noted that the insurance contract contained a valid provision entitling the insurer to

reimbursement for PIP payments. However, Washington has a well-settled public policy requiring full compensation for insureds. See, Thiringer v. American Motors Ins. Co., 91 Wn.2d 215 (1978). The court noted that case law had previously required that an "innocent insured" must be fully compensated for his or her loss before the insurer could recover its PIP payments, but had not addressed whether the same "full compensation" standard applies to partially at-fault insureds.

Sherry presented this very question. The court framed the issue as follows: "We must therefore determine whether FIC's UIM payment, representing the full amount that Sherry could legally recover from the partially at-fault uninsured motorist made Sherry whole for purposes of Thiringer." In reaching its decision, the court looked to the nature of PIP payments. The court found that Sherry contracted with FIC to provide PIP coverage that would pay for medical costs and lost wages regardless of fault - thus, FIC would be obligated to pay full PIP benefits even if Sherry were completely at

Claims Pointer: In cases where an insured is partially at-fault for an accident and receives PIP benefits, the PIP insurer is not entitled to reimbursement for PIP payments until the insured has been fully compensated for his or her "total damages." Total damages include all damages to which the insured is entitled before damages are reduced for the insured's own fault.

fault for his injuries. The court therefore rejected the argument that the right of an insurer to PIP reimbursement should take into account the insured's fault. "Having written a policy that promised to pay for Sherry's damages regardless of fault, FIC cannot now use Sherry's fault as a rationale for seeking reimbursement of its no-fault PIP payments."

The court also rejected FIC's argument that allowing PIP payments as well as UIM payment would result in a double recovery for insureds. For example, Sherry's total medical damages were \$53,127. He received \$15,938 for medical expenses under his UIM coverage and another \$10,000 under his PIP coverage. Sherry's total recovery for medical expenses was less than \$26,000 - well short of the

(See Case Study... continued on page 5)

Case Study... *(Continued from page 4)*

\$53,127 in total medical expenses. Thus, the court found Sherry's PIP benefits did not duplicate the UIM payments and he was not paid twice for the same injury.

The court concluded: "The rule we announce in interpreting the coverage for 'at-fault' insureds is that the insurer cannot offset PIP payments until the insured has been fully compensated for the total damages." Because Sherry's 30% recovery under UIM coverage combined with the PIP payments did not exceed Sherry's "total damages," the court held FIC was not entitled to a PIP offset. "Total Damages" means the full value of plaintiff's injuries, not the amount the damages are reduced to due to comparative fault. Finally, because FIC was not entitled to an offset, it was not required to pay a pro rata share of Sherry's attorney fees and litigation expenses. The court reversed and remanded for entry of judgment for Sherry's full (\$42,938) arbitration award.

❖

— *If you want to be notified of new cases, please send an email to caseupdate@smithfreed.com.*

This article is intended to inform our clients and others about legal matters of current interest. It is not intended as legal advice. Readers should not act upon the information contained in this article without seeking professional counsel.

43 Years in the Claim Business — by Thomas Carter, Sublimity Insurance

Someone recently asked me what it was like to spend so many years working claims. Well, I guess it's just like being in a motorcycle gang...except your mother is still proud of you. *(It's ok to move your lips while reading this.)*

Adjusting claims is: like a telethon but without the disease.

Adjusting claims is: like skiing which comprises outdoor fun with knocking down trees with your face.

Adjusting claims is: madness put to good use.

Adjusting claims is: the closest men will ever come to child-bearing.

Adjusting claims is: a respected occupation is lunacy.

Adjusting claims is: so tough an occupation, it's like swimming in oatmeal.

Adjusting claims is: a cure for boredom. There is no cure for boredom.

Adjusting claims is: most of the time is fun. The rest of the time it's not fun at all.

Adjusting claims is: like playing pool with a rope.

Adjusting claims is: considerable more fun than procrastinating.

Adjusting claims is: like going door-to-door selling "no soliciting" signs.

Adjuster: a person employed by an insurance company, whose business it is to separate the wheat from the chaff and to see the chaff is excluded.

At _____ Insurance Company, their claim people are so indecisive that their favorite color is plaid.

At _____ Insurance Company, their department is a zoo in a jungle.

At _____ Insurance Company, dealing with a claim rep is like being nibbled to death by ducks.

At _____ Insurance Company, their claim department uses sarcasm as a service technique.

At _____ Insurance Company, being an adjuster is like being in the Boy Scouts, except that Boy Scouts have adult supervision.

At _____ Insurance Company, asking an adjuster to return a phone call is like asking Dracula to forsake blood.

At _____ Insurance Company, they ask their adjusters to have the charisma of an undertaker.

At _____ Insurance Company, their adjusters don't have business cards, they're working under assumed names.

At _____ Insurance Company, their adjusters learn a lot about the claim business just as an avalanche victim has learned a lot about snow.

At _____ Insurance Company, their adjusters have such low self-esteem because they think no one important is out to get them.

At _____ Insurance Company, their adjusters spend a great deal of time shoveling smoke.

At _____ Insurance Company, their adjusters are often asked, "pardon me do you have any grey matter poupon?"

At _____ Insurance Company, the estimated amount of glucose used by their adjusters each day, expressed in M&Ms: 250

Things I wanted to do but never had the time:

See the inside of a body shop.

Learn to say "no" in Hindu.

Get an Insurance Department complaint on a tow claim.

(See Claims... continued on page 6)

3rd Annual Sorry for the Stall 3-For-All Golf Tournament

Druids Glen Golf Club in Covington, WA

July 14 / 2pm Shotgun

All proceeds benefit the
Burned Children Recover Foundation

For more info contact David Kean at 800-545-4001

Claims... *(Continued from page 5)*

Take a public adjuster to lunch.

Start calling BI claimants "victims".

Send your denials on picture postcards -from Hawaii.

Conduct an over/under office pool on the next BI trial.

It's been a great run...

been lucky...

been fortunate working with and for very good people...

both inside and outside.

I have no plans, and no plans to plan. Just play. A lot.

And still bounce around like Dolly Parton jumping rope on speed. ❖

WMCI Prime Evaluations Renames Company "Abeton"

PORTLAND, OR (March 22, 2006) – WMCI Prime Evaluations today reported the renewal of its brand identity, commencing with a name change to Abeton. With the introduction of the name Abeton, the company is positioned to continue expansion of Independent Medical Evaluation and Peer Review services with greater brand presence.

Abeton will gradually transition to the new name over the course of 2006 to enable a smooth operational changeover for clients and physician consultants.

Danny L. Johnson, Chairman of Abeton, explains, "At the root of the new name is the word 'abet' which means 'to help or assist'. After all, the employees of Abeton provide assistance to all parties involved in the establishment of objective, first-rate Independent Medical Evaluations and Peer Reviews. The new tag line 'beyond question' reflects

Abeton's goal to provide injured parties, clients and physician consultants with exceptional service, support, and quality that are, well, beyond question."

Abeton facilitates high quality Independent Medical Evaluations and Peer Reviews for the insurance industry, including workers' compensation, disability, and personal auto liability. Established in 1984, Abeton is headquartered in Portland, Oregon. ❖

— For more information about Abeton contact Kayla Robinson at 800-294-5028 ext 6146.



Who is CASE Forensics and where in the world did they come from?

Many of you may be asking yourselves that question. It is simply a **CASE of semantics (pun intended)**. CASE Forensics is the new name for Schaefer Engineering Corporation. We are the largest forensic consulting and engineering firm in the Northwest, providing multidiscipline forensic engineering and scientific services for the insurance and legal communities. CASE Forensics provides "one stop shopping" for the adjuster needing expert analysis. Only the name has changed; the ownership, people, service and quality have not.

CASE is an acronym for Consultants, Architects, Scientists and Engineers. Over the last decade we've grown into much more than *just* an engineering firm. CASE Forensics is the comprehensive solution to your investigation, legal expert, testing and consulting needs. The name was changed to provide a better idea of the capabilities and services that make us the ultimate tool in your adjuster's tool kit.

CASE Forensics will continue to provide thorough, unbiased, scientific expert consultation, testing and analysis. We are located at the same address, have the same telephone number and the same qualified staff of experts and support personnel that you've come to trust and count on to support your investigations.

CASE Forensics (formerly Schaefer Engineering)
425-775-5550 or 800-711-0704 toll free
www.caseforensicscorp.com

Winston Churchill: "Golf is like chasing a quinine pill around a cow pasture."

"Golf is not a game, it's bondage. It was obviously devised by a man torn with guilt, eager to atone for his sins."

REWA Recipe Books now on sale! To order contact Lizzy Adkins at lizzy.adkins@grange.com. Books will also be available for purchase at the May 19 meeting. \$15. All proceeds go to benefit REWA!