



# A day in the life of a claims adjuster

KACo Insurance Department

# KACo All Lines Fund

1. Wide range of coverages
2. Controlled by written policies for specific line of coverage
3. Litigation is handled in court with jury trials.



# KACo All Lines Fund

An inmate is brought into your corrections facility for complicity to commit robbery. The inmate is:

- classified as maximum security inmate, but is placed in cell with a minimum security inmate (drug possession arrest) due to limited space.
- The minimum security inmate uses a racial slur toward the maximum inmate leading to a verbal exchange, pushing and shoving. The minimum security inmate sucker punches the maximum security inmate, starting a brawl. The maximum security inmate beats the minimum security inmate to the point of unconsciousness.
- The minimum security inmate suffers severe brain injuries, approximately \$1.5 million in medical treatment with ongoing neurological rehabilitation.
- The settlement demand is \$9.5 million, and your facility violated its own internal classification policy.

## What do you do?

# Are you a gambler?



The result?

**You settled  
for \$1.75 million.**

# Workers' Compensation Fund

- Governed by statute, not by policy.
- Liability is irrelevant.
- Much of the payment involved is dictated by law rather than details of the specific loss.
- Required multipliers for awards based on education status, return to work abilities, etc.
- No jury trial, only administrative law judge.



# Workers' Compensation Fund

An employee is injured in a vehicle accident.

The employee has alleged concussion, dizziness and memory loss, but the video inside the vehicle shows no contact to the head at all. The alleged injuries expand into the neck, shoulders and hips, as well.

The employee misses or is late for appointments, the symptoms seem to fluctuate, but the doctor will not release back to work. The employee now is claiming nightmares, flashbacks and psychiatric issues.

Six months after the accident, the employee continues treatment with physical therapy and a primary care physician but still can't drive and is claiming multiple falls from dizziness (now arm injuries from the falls, as well).

The employee's doctor says decision making issues and balance issues are related to the concussion from the accident.

After watching a video of the accident, an independent medical examination doctor says that there was no injury suffered, and that the case is fictitious.

# Workers' Compensation Fund

The employee files workers' compensation litigation, so it's basically your doctor versus the employee's doctor with an interpreter present.

At the attorney scheduled deposition, the employee claims he does not speak English well enough to participate without the interpreter, despite the fact employee speaks five languages fluently.

Surveillance shows the employee power washing a vehicle, sidewalk and driveway as well as driving to grocery and carrying and loading bags into a vehicle - all outside of restrictions from doctor and against what employee claimed was possible.

## How was this claim resolved?

# Workers' Compensation Fund

At the hearing, the administrative law judge refuses to consider video and medical evidence from your doctor, awarding a 19 percent impairment rating.

Now, two years after the accident, in which there was no evidence of any head trauma on video, nearly \$50,000 has been paid in medical and indemnity benefits with an award from the judge for benefits to continue for 425 weeks for a total of \$125,000 plus the medical treatment through that time period.

In total, \$175,000 is already allocated with an undetermined amount of medical treatment still to come. The chances of winning an appeal are minimal based on history.

The risks of letting an administrative law judge decide:

- One person is making a unilateral decision, essentially choosing which doctor to believe.
- You are limited in appeal methods with low success rates, historically.

**In this case, the employee refused to consider settlement.  
Your hands are tied.**

# Contact us

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Thank you, and stay safe out there.