

Reducing Electronic Claims Costs

Course Purpose / Objectives:

This is a course that will show the cost benefits of electronic restoration. By the end of this course, students will learn how to:

1. Lower claims costs by restoring electronics.
2. Identify what electronics can be restored.
3. Follow proper protocol for restoration cleaning of electronics.

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Introduction / sign-in sheets

- 30 minutes
- I. Electronics are a large portion of contents claims
 - II. Lower overall claims costs
 - A. Reduced time spent on validation & documentation, and disposal of loss items
 - B. Reduced costs associated with loss of use or business interruption
 - C. Maintain your relationship with insured by restoring items they value.
 - D. On average electronic restoration can be completed for 38% of replacement value.
 - E. Cost to restore vs. replace
 - III. Three keys to reducing costs on contents claims
 - A. Know what can be cleaned
 - B. Follow proper restoration cleaning protocol
 - 1. Thorough pre-test and inspection
 - a. High sense of urgency - minimize further problems
 - b. Pre-test
 - c. Written estimate
 - d. Determine best environment for cleaning
 - e. Properly remove
 - 2. Proven cleaning techniques / certification
 - a. Industry specific chemicals
 - b. Dry ice blasting
 - c. Hydroxyl vs Ozone cleaning
 - 3. Test / validate
 - 4. Reinstall
 - C. Commitment to customer satisfaction
 - 1. High Standards
 - 2. Prompt, professional, courteous, trained personnel
 - 3. Sensitive to the needs of the insured
 - 4. Warranty
 - IV. Case Study #1 – Smoke Damage.
 - 1. A fire occurred in a residential home, resulting in moderate to heavy soot residue throughout the house.
 - 2. The insured assumed that all of the electronics would need to be replaced.

3. In actuality, 90% of the items were restorable, resulting in a savings of \$9,325 to the insurance company by restoring vs. replacing the items.
- V. Case Study #2 – Water Damage.
1. There was a water supply line break in a residential home, causing water exposure on all floors.
 2. An on-site inspection and evaluation of all appliances and electronics was completed.
 3. The result was a savings of \$4,200 to the insurance company by restoring vs. replacing the items.
- 20 Minutes VI. Power Surges & Lightning Strikes
- A. Lightning strike report
 - B. Surge – energy company
 - C. Check neighboring homes and businesses
 - D. Assessment interview
 - E. GFI Status
 - F. Breaker tripped
 - G. Series of damage
 - H. Hi-Pot electrical test
- VII. Case Study #3 – Lightning / Surge.
- A. A residential home had a lightening surge.
 - B. The insured claimed almost \$14,000 in damages.
 - C. An inspection and validation of the damages showed that only a few items were actually damaged. Resulting in a savings of \$11,500 to the insurance company.
- VIII. Commercial / Industrial
- A. What can be restored
 - B. Minimize business interruption
 - C. Identify and stop further corrosion
 - D. Value of ISO certification
 - E. Third-party calibration and / or re-certification

Conclusion / sign-out sheets

Bibliography - Reducing Electronic Claims Costs

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