

Integrating litigation management process and reducing litigation costs



Insurance companies hire law firms as outside counsel when claims are litigated. Claims adjusters assign the case to a law firm which studies the case and determines charges and budget. Following budgetary approval, the law firm proceeds to handle the case. Invoices are submitted on a regular basis, and reviewed and paid by the insurer.

The Need

There was a need for an integrated platform for the sourcing and delivery of legal services for litigated claims. However, existing software products in the market were found to only manage the e-billing part of the process. These tools did not address the broader litigation management area.

Marlabs Solution

Marlabs was selected as the partner to build a comprehensive and workflow enabled litigation management solution.

Claims data is captured by the system. The claims representative selects the law firm and allocates the claim to the law firm.

Once a claim is assigned, the law firm receives an automatic email notification through the workflow system. Next comes preparation of the litigation plan which includes the budgeted amount as well as justification for the budget. Using the system, plan information is itemized as per budget heads.

By storing litigation data over a period of time, the solution provides an information repository for predictive trend analysis and reporting. Given a claim and its attributes, the solution generates a recommended list of suitable law firms - with past performance data on how they handled such claims. Based on metrics such as budget, payments made, and time-to-close, the system also computes a "case management barometer" for each law firm.

For a new law firm, past data may not be readily available. Performance ratings are assumed to be at least better than average. During activation of the firm in the system, claims representatives can modify/add ratings.

Invoices are reviewed and payments are made. When the case is closed, resolution details are filled in by the claims representative and the law firm. Integration with the insurance company's case management system enables a seamless end-to-end process.

Client:
Provider of claims management solutions

Technology Platform:

- .NET 3.5
- SQL Server 2005
- IIS 7.0.11

Benefits

- Streamlines litigation management operations
- Enables faster payments and improved service levels
- Measures and raises law firm performance
- Enhances process of selection of law firms
- Brings down litigation cost - 20 % to 25%