

Assurant Equity Extended Claims Best Practices



ASSURANT®

Recommended Claims Process: In Network Claims

Typically, there is little adjudication for claims. The TPA typically assumes that any claim they call in is what the dealer wants covered under the contract. An authorization threshold can be set up for in-network claims.

1. The selling dealer reports the claim to the TPA
2. TPA documents the claim record in its system with the claim information
3. TPA provides dealer with an authorization number
4. TPA creates a claim report at the end of the month and provides it to the selling dealer, listing all claims. The TPA also sends this claims report to Assurant using agreed file layout.

Recommended Claims Process: Out of Network Claims

Driving distance (in terms of driven miles) is over 40 miles from selling dealer. The selling dealer provides authorization thresholds, such as \$750 or \$1000.

1. The selling dealer reports the claim to the TPA.
2. TPA documents the claim record in its system with the claim information.
3. TPA adjudicates the claim for outside dealers.
4. Based on the selling dealer's authorization thresholds, if a threshold is exceeded, the TPA sends the claim to the selling dealer for review and authorization. The TPA should set a required timeframe for the selling dealer to approve the authorization in order to provide a good customer experience.
5. The TPA creates an out of network claim report and provides it to the selling dealer.
6. The TPA collects claims (process to be defined by TPA).

Payment of out-of-network claims must be approved by the selling dealer within 24 hours of being notified.

Assurant is not responsible for third-party (out of network) claims.

Claims Process: Establishing Standard Claims Fund

Establishing a standard claims fund is part of the TPA's program setup.

The standard claims fund should be established based on the average claim rate for the TPA's current programs.

We do not recommend any unique criteria for reimbursement of parts, labor time and labor rate. The criteria should align with traditional products. This is based on the nationally recognized labor rates, which are based on Mitchell or all data time standards, and parts reimbursements at MSRP part pricing. However, in some cases, some dealers may request discounted rates (MSRP - 10%) for example to control losses. This is a decision for the individual dealer to make.