

An Interview with Forge Insurance Executive Leadership

Patrick Bracewell Chief Executive Officer
Mike McColley Vice President – Insurance Operations
Andrew Lee Claims Manager

The Importance of Claim Management to our Producers & Policyholders

Patrick, as the CEO you set the vision and standards for claims management. What is your vision and your expectations?

High-quality claims handling is a strategic priority at Forge. Our goal is to handle claims promptly, fairly, and transparently. Quality claims handling isn't just a process to us; it's a reflection of our dedication to our policyholders. Proper claims management doesn't just benefit our policyholders either – it's good business: it improves our customer retention rates and our brand reputation. By prioritizing high standards, we are not only protecting our customers but also safeguarding Forge's long-term business success.

Mike, you have executive responsibility and are a claim executive, can you comment on the reasons and benefits for managing commercial auto claims in-house versus using third party administrators?

Utilizing in house claims staff really comes down to control over expense as well as outcomes. In-house management enables customization of processes and services according to the company's unique requirements. This can lead to a more tailored approach to claims handling, potentially improving efficiency and customer satisfaction.

Mike, can you share your views on the importance of experienced, well trained-claim professionals and how it benefits policyholders?

Experienced claims professionals have a deep understanding of insurance policies, coverage options, and claim procedures. They can accurately assess the extent of damage or loss covered by the policy, ensuring that policyholders receive fair and prompt compensation. Prompt resolution of claims is a primary focus of the claims adjuster while ensuring appropriate settlements and protecting against fraud.

Andy, you get good reviews from policyholders on how you manage claims. Can you share what your process is from receiving a first notice of loss to claim closure and how you communicate with policyholders?

Beginning with first notice our aim is to promptly respond, investigate, and handle the claim to conclusion while keeping the insured as well as all relevant parties informed throughout the entire process. At the core of what we do, we are problem solvers, and our goal is to solve whatever the problem is as fairly and equitably as we can.

Mike, can you comment on how you expect your claim team to communicate with producers about claims of their policyholders?

Communications with producers should start at the first notice of loss with acknowledgement and conversation regarding any particulars. Depending on the complexity or severity of the claim it may be necessary to engage the producer to assist in management of the claim including expectations to the



policyholder. Communication should be consistent and timely keeping producers informed throughout the claims process.

Mike and Andy, agents are often interested in your claim reserving philosophy. Can you share your operating standard and why these standards are important?

Timely and accurate reserving is the single most important building block for ensuring the long-term financial health of an insurance company. Reserves will be opened, reviewed, adjusted or closed based on the facts of the loss taking into consideration coverage, liability and damages. Setting reserves early in the claim process and working to ensure they are as close to the ultimate loss cost by day 90 is our primary objective.

Andy, a vast majority of your claims are property damage claims. What do you see as key factors and trends regarding the value of claim settlements?

The largest factor currently affecting property damage claims across the entire industry is cycle time. Modern vehicles repairs continue to become more complex and time consuming. In addition, part and labor shortages in the repair industry are affecting everyone as well. From our position, the faster we can process a property damage claim and put an estimate in the customer's hand, the better the end outcome will be. This is why we offer all customers multiple avenues to obtain an estimate, including virtual appraisals when appropriate.

Mike, share your thoughts on the current and future legal and societal impact on auto liability claims?

Auto liability claims are subject to a wide range of legal, societal, and technological forces that shape their current dynamics and future trajectories. Navigating these challenges requires collaboration among stakeholders, innovative solutions, and a commitment to promoting safety, fairness, and accountability in the auto insurance ecosystem. Social inflation, nuclear verdicts and regulatory changes are going to continue to impact auto liability in the coming years.

Patrick, can you share some final thought on claim management at Forge?

At Forge, we are committed to protecting the business reputations of our small business policyholders. We endeavor to provide fair and responsible claims management outcomes and results for all. We pride ourselves on delivering best in class services. Policyholders and agents have direct access to our insurance operations and claims leadership like Mike, Andy, as well as their team of claims professionals. This, in my view, is where Forge can differentiate itself from competitors.

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