

FAST TRACK

THE IMPORTANCE OF SPEED IN TIME ELEMENT CLAIMS

In sectors such as Oil and Gas, Construction, Mining and Power Generation, physical damage can often lead to substantial business interruption expense, both to mitigate the loss and to compensate for loss of revenue or profit. Integra Technical Services have developed a 'Fast Track Service' that continues to deliver proven results in providing earlier and fairer claims outcomes for the Insurer and the Insured.

Even the smallest physical damage loss can cause substantial business interruption expense in some sectors. Speed of response and taking action to mitigate the loss can reduce the duration of the interruption and provide a better outcome for the Insured by getting back to business sooner.

According to Leo Dixon, Chief Operating Officer of Integra Technical Services, "physical damage and business interruption claims contain a risk of medium or longer term financial exposure to both the Insured and their Insurers. Factors influencing the volatility in financial exposure can include the extent of loss mitigation potential, rectification options, duration of the rectification period, terms of engagement with contractors and suppliers, availability of key components, margin spread and exchange rate fluctuations."

Integra Technical Services have used their experience of managing time element claims across sectors such as Construction and Engineering, Mining, Upstream and Offshore Energy, Power and Petro-chemicals to develop their distinctive 'Fast Track Service'.

Leo explains "we wanted to bring more certainty and ultimately speed to the process. We could see that this would bring benefit to all parties".

Early implementation of loss management plans on multi-million dollar claims around the world have demonstrated that, on average, Integra Technical Services have been able to reduce the claims settlement period to nine or ten months which is substantially lower than the norm.

The loss management plans go a long way to building a high level of trust between the stakeholders and if the stakeholders have the requisite levels of authority, then decisions can be made quickly at each critical stage in the process.

To find out more about the Integra Technical Services 'Fast Track Service' and to obtain references from stakeholders involved in claims that have been resolved using this approach please email leo.dixon@integratechnical.com or ewan.cresswell@integratechnical.com

The 'Fast Track Service' differentiation includes:

- Process, construction and mechanical engineering Loss Adjusters building an early rapport with the Insured's operations team. This facilitates accurate damage scoping and robust dialogue regarding loss mitigation and analysis of the reinstatement options during the initial stages of the process;
- Fast determination of the loss causation, enabling leading Insurers to pronounce on policy liability in a more expedient manner.
- Agreeing a 'loss management plan' that the key stakeholders Insurers, Brokers and Insureds understand and can commit to;
- Walking all stakeholders and consultants through the potential 'pressure points' in the process to identify possible solutions and ultimately gauge their appetites for fast tracking the claim.

Recent 'Fast Track Service' success:

- Around USD250 million of interim payments processed and paid in 10 months in relation to a power facility physical damage and delay in start up exposure.
- Agreement to a net settlement of circa EUR40 million two days following a refinery re-start.
- A petrochemical risk business interruption claim in the order of USD625 million gross concluded in nine months
- Mining loss in excess of USD200 million settled in 11 months