

Our Cool Head, Warm Heart™ Philosophy *Podcast Transcript*

Prevention and Protection a United Educators Risk Management Podcast

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Guests:

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ALYSSA: Hello, and welcome to “Prevention and Protection,” the United Educators Risk Management Podcast. I’m Alyssa Keehan, director of risk research at UE. In today’s podcast, we’ll be chatting about a very important concept, UE’s risk management philosophy of Cool Head, Warm Heart™. Joining us today is one of the originators of the Cool Head, Warm Heart concept, Joe McCullough.

Joe is a senior claims advisor at UE who specializes in handling catastrophic claims and really he’s just an all-around guru when it comes to managing liability claims. So I’m really glad that he’s going to share some of his knowledge with us. Joe, welcome.

JOE: Thank you, Alyssa. I’m very glad to be here.

ALYSSA: Just quickly, before we get started, I wanted to let our listeners know that, in addition to this topic, you can find other podcasts and risk management publications on our website, EduRiskSolutions.org.

Okay, Joe. This concept of Cool Head, Warm Heart, it’s an important one for managing risks and claims at UE. So what is it? Can you explain it to our audience?

JOE: Well, Alyssa, it’s a name that we use to describe our claims handling philosophy, which is to make the claims process for an injured person as easy as we can. It involves UE working with the institution, with the injured person or their family, and so among us we can address the issues that are of concern to the person or the person’s family. We want them to feel like we care, because we do. If the concerns are financial, that’s more in UE’s bailiwick, but academic concerns are addressed on campus. That’s the “warm heart” part.

The “cool head” part involves us doing our diligence, doing an investigation, preserving documents and the like in order to be able to protect the institution should the injured person decide to try and hold it responsible for an injury. But the warm heart is what I think makes us different.

ALYSSA: So how did you first get introduced to the Cool Head, Warm Heart concept?

JOE: When claims first started trickling in to UE in the early days, it didn't take us long to figure out that educational institutions were a lot different than most other commercial entities, primarily because they had a relationship with their most seriously injured claimants. Students were the most frequent, but it also could be parents or grandparents, or alumni, and having a user-friendly process just seemed like the right way to do things.

ALYSSA: So if I'm hearing you correctly, it sounds like there is a misperception that exists. That shutting down and not talking to a person who has been injured at or in connection with a school, whether that's an injured student, employee, or visitor, is a smart thing to do from a legal perspective. But what you're saying is it's really the opposite that's likely true. Reaching out and showing concern is both the right thing to do on a personal level, as well as from a liability perspective.

JOE: That's right, Alyssa. "No comment" is hardly ever a satisfactory response, and in my experience the circling of the wagons mentality only leads people to think we are hiding something. I'm not suggesting that we open up our entire investigation. But having a contact person at the institute for the injured person, providing documents that they'd be able to get anyway, a more transparent process can often prevent a claim from being made. I just had a matter last week in which the student's parents asked for an accident report, and we gave it to them.

ALYSSA: Does it matter if something is in litigation or a claim has been made against the institution, versus if it's just an injury that's been reported but no claim is being pursued?

JOE: Well, let me take those in reverse, if that's OK. If it's an injury that's reported but no claim has been made, then we'll discuss with the institution whether it's appropriate for UE or the school to reach out to the injured party. That's a decision we make on a case-by-case basis. For a claim, if the injured party isn't represented, UE would typically reach out to that person. If they are represented, or if the case is in litigation, then we're working with the lawyers.

While it doesn't preclude the use of Cool Head, Warm Heart, that concept is generally more effective if we're able to use it early in the process. If a case is in suit, for example, it's pretty far down the road usually and may not be as effective.

ALYSSA: Joe, I'm wondering, can you give me an example of a claim you've handled, where the institution's empathy, or warm heart as you call it, positively impacted how the claim was resolved?

JOE: I can. We had a very serious automobile claim where a school's club hockey team played a game two and a half hours away from the school. With club hockey, they often play the games fairly late at night because that's when the ice is available. On the way home, the three vans carrying our hockey team, two of them arrived and no one knew what happened to the third van. What had happened was that the manager driving that van fell asleep, ran off the road, and ran into the back of a tractor-trailer that was parked on the side of the road.

One student was killed. Three others were injured. A terrible, terrible case. We met at the school and we learned that two of the students that were injured had no health insurance, and the automobile insurer had a \$5,000 med pay that it was willing to offer these students. But they were in the hospital for weeks, so that really wasn't sufficient. Because it was such a serious matter, UE actually took over the handling of the claim, and the primary auto carrier gave us their \$1 million of insurance. We set up a mechanism where the hospitals and doctors could actually bill United Educators directly, and then we would pay their claims.

We took care of all of the needs of the two students who were uninsured, and even a student that had health insurance we took care of co-pays, deductibles, things that weren't covered. In the end, the two students without health insurance refused to actually make a claim against the college and the one that did have health insurance settled his claim for a very small amount.

ALYSSA: Does the Cool Head, Warm Heart concept primarily apply to catastrophic-type injuries, or does it have a broader application?

JOE: Well, initially, it was for catastrophic claims and it is designed for those kinds of matters, but it can be used in far less serious matters. The reason it was initially designed that way is because United Educators only wrote excess policies, and in those early years we only got involved in catastrophic claims. Luckily now, catastrophic claims make up a very small percentage of our claims. Even if UE doesn't consider it as a catastrophic injury, to the person that's injured it may be a big deal and create some immediate needs. Doing the right thing in all of our cases is what we try to do.

However, there is a caveat. Most of our members require students to have health insurance, and our policies aren't designed to replace that. So in certain situations, paying a deductible or fronting money for a prescription for an uninsured person might make sense for us. It's something we look at on a case by case basis. An example I can think of is a family that wanted their child to have acupuncture, and their insurance wouldn't cover that. We paid for that directly.

ALYSSA: Before we conclude, do you have any tips or takeaways for how schools can begin using the Cool Head, Warm Heart to manage risks and claims on their own campuses?

JOE: Listen. Don't assume you know what the concerns are. I've been doing this a long time, and I can make a guess at what someone's concern might be. But rather than just throw out a laundry list of what can be offered, you listen and find out what the injured person's concerns are, and then you tailor your response to that. Also, the Cool Head, Warm Heart philosophy combined with our crisis management benefit for insureds that have both of our primary policies, institutions should be well-equipped to respond to the type of things that might keep administrators up at night.

ALYSSA: All right. Well, we are about out of time. But I just wanted to let our listeners know that if you'd like to get more information about Cool Head, Warm Heart, we have a few resources on our website, EduRiskSolutions.org. We have a white paper that Joe authored on Cool Head, Warm Heart, as well as a **Crisis Communication Planning Guide** and a **Checklist for Student Death**. So I encourage you to go to our website and check it out if you have a chance. We hope you found this podcast interesting and helpful to all the work you do managing risks on your campuses, and I want to thank Joe again for joining us and talking with us.

JOE: Thanks, Alyssa. It's been a pleasure.

ALYSSA: From United Educators Insurance, this is the Prevention and Protection Podcast.



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