

What To Do If You Have an E&O Claim

DO report the claim immediately to the IIAT Insurance Agency. Include all dates, names, and other facts that you feel would help the adjuster in evaluating the alleged claim.

If you have been served with a lawsuit or demand letter, forward it immediately to the IIAT Insurance Agency with details outlined in the first "do." Don't wait to evaluate the claim yourself.

Now that you have forwarded the suit papers or demand letter to the IIAT Insurance Agency, follow these steps in the days ahead:

DO assign one person in your agency as a claims coordinator. This person should be responsible for taking reports of alleged errors and omissions claims and working with the responsible parties in the agency to help you gather the facts about the alleged claim.

DO hold a meeting in the agency of all agency personnel involved in the alleged claim and discuss all the pertinent details. Ask them to gather their information from their files for this meeting. The claims coordinator should prepare a summary of all the pertinent facts in chronological order. Not only will this summary help the E&O claims adjuster in piecing together the events leading up to the alleged incident, but it may also act as a trigger to others to remember key facts about the incident.

DO review your internal procedures. *Is there a way that you could have prevented this claim by changing your procedures? Is further training needed of agency personnel? Are the proper controls in place?* If you're not sure of the answers to these questions, call the IIAT Insurance Agency. Also, plan on attending the next IIAT sponsored Loss Control Training. Go to iiat.aben.tv and click on **Errors and Omissions** to view a schedule of dates for video courses.

DON'T admit liability to anyone. This includes your insured, representatives of your insured carriers, attorney — anyone! Your liability in the event of an alleged claim is between you and your E&O carrier.

DON'T discuss the details of the case with anyone other than your staff and your E&O insurer, unless instructed by your E&O carrier to do so. In many cases, you may feel that you are helping your insured or your insured's carrier by giving them additional information about what happened on an insured's claim. However, your help may turn into your hinderance. The facts you gave the insured or the carrier involved may build the E&O case of these parties against you!

DON'T send anything from your file to anyone except your E&O carrier or lawyer, not even to the insurance company.

DON'T attend a deposition without the guidance of legal counsel. If you have any questions regarding legal counsel prior to alerting the carrier as to a possible claim, call the IIAT Insurance Agency for help.

DON'T assume the problem will go away. Report the loss to your E&O carrier by notifying the IIAT Insurance Agency, Inc.

WHEN TO REPORT A CLAIM:

- When you are served an actual lawsuit, summons, notice to take depositions or to produce documents, or other legal action; **OR**
- When you are served with or asked to respond to an Insurance Department Complaint or any other federal, state, or local legal proceeding; **OR**
- When you are served with a subpoena; **OR**
- When you are threatened with litigation or legal action and/or received a demand for money or services, either verbally or in writing; **OR**
- When you become aware of any proceeding, event or development that has resulted in or could in the future result in the institution of a claim against you.