eXposure Manager (X^m)
Comparative Negligence Engine

Introduction

To set proper context, Comparative Negligence is an evaluation of evidentiary facts gathered through investigation in assessing the relative negligence contributed by one or more drivers causing the accident. While the actions taken by individual drivers could have enhanced or mitigated accident severity, it is through mathematical or heuristic models that the relative negligence is quantified. Regardless of the degree of negligence indicated by models, it is ultimately through negotiation that the relative negligence for exposure evaluation is settled between parties.

In X^m, the Claim Representative (CR), considered expert, gathers and provides an interpretation for all the facts surrounding the accident. The information gathered may be physical evidence including damaged vehicles as well as statements from witnesses and all parties involved in the accident. Not only do these facts become the basis of mathematical evaluation of relative negligence, they also become the basis of negotiation as part of the exposure evaluation by the CR.

X^m Approach

Investigation Templates with check boxes are created to facilitate easier data gathering by CR's about accidents and the factors surrounding each accident. The templates classify these factors as favorable in mitigating accident severity, and unfavorable in enhancing the accident severity. Each of these templates' factors is also scored for their relative importance in negligence evaluation. For example, while "Had Right of Way" is a highly influential favorable factor, "Cited/Arrested for Moving Violation" is a highly influential unfavorable factor.

For each Claim Event, the CR checked factor boxes are scored using a proprietary method for their favorable and unfavorable impacts as well as for their relative importance. Both Insured and Claimant scores are further modified for the importance of information sources such as Statements, Investigative Reports and Physical Evidence. The more sources corroborate the facts, the higher the impact on the score.

Score Normalization

Insured and Claimant scores are normalized, so that that the negligent percentages add up to 100%. Although the normalized scores are continuous, negligent bands, of 'High,' 'Medium,' and 'Low," is used as a way to emphasize the need to pursue Comparative Negligence.

Again, regardless of model indication, the CR negotiated result is what goes into exposure evaluation. Besides focusing on the accuracy of models, it is more important to focus on CR training in the use of facts in their negotiation to obtain favorable results.