

Chicago Attorney Sees Potential for Insurance Company Software Manipulation

/EINPresswire.com/ A former insurance company employee says the industry can use software to manipulate settlement offers.

Mark Romano, a former project manager for Allstate, says the insurance company's software program, Colossus, can be manipulated to produce low offers to policy holders after auto accidents. In 2010, Allstate reached a \$10 million settlement in a lawsuit by state insurance regulators over its use of the software, but Romano says the investigation was incomplete.

After accepting an early retirement package from Allstate in 2009, Romano began working pro bono for the Consumer Federation of America. Romano has co-authored a report on how insurance companies can use computerized systems to broadly underpay bodily injury claims. According to Romano, when an insurance company purchases software, it conducts an initial “tuning” of the system with input from claims adjusters. Hundreds of codes for types of injuries are assigned ranges of dollar values for settlements. The software can then be modified by removing outlying settlements – such as high-value cases in which a claimant experienced a major injury – from the database. Such manipulation can skew results toward the low end of the settlement range, which can be up to 20 percent less than the value the claim would otherwise be assigned.

“This information about the potential for software manipulation, though troubling, is not surprising,” said Paul Greenberg, a [Chicago auto accident attorney](#).

According to Allstate, the company's use of claims software allows it to make payments more efficiently and objectively and does not result in systemic underpayment of claims for bodily injury.

To learn more or to contact a [car accident lawyer](#) or [personal injury attorney](#), visit <http://www.briskmanandbriskman.com/>.

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