

[Bach Talk Summer 2012](#)

Computers don't build houses... contractors do. Computers don't provide medical treatment... doctors and nurses do. So while insurers are infatuated with using claim valuation software tools to increase profits by minimizing payouts... regulators and judges need to limit the use of these tools. Insurance company adjusters are using Xactimate to dictate unrealistic home repair pricing and Colossus for undervaluing people's injuries. Consumer attorneys are challenging these manipulative approaches to claim adjusting and United Policyholders is helping via our Advocacy and Action program. The battles are costly and tiring. The Consumer Federation of America recently published an important report on this topic titled; "Low Ball: An Insider's Look at How Some Insurers Can Manipulate Computerized Systems to Broadly Underpay Injury Claims" by Mark Romano, Director of Insurance Claims Projects and J. Robert Hunter, Director of Insurance.

On the good news front, the relationships we built with Boulder County wildfire recovery manager Garry Sanfacon and the United Way are helping us prepare for the work that lies ahead in the other parts of Colorado where recent wildfires have caused massive destruction of homes and forests. Thanks to a strong amicus brief written by Ivo Labar, (Kerr & Wagstaffe, S.F., CA) UP recently helped the California Insurance Commissioner Dave Jones overcome a legal challenge by the Association of California Insurance Companies. ACIC sued the CDI over new regulations that are aimed at making sure insurance sales reps do a better job estimating home replacement costs when setting policy limits. UP helped draft the regulations and were proud that our amicus brief helped keep them in place.

At the National Association of Insurance Commissioners, UP continues to work with regulators from the states of Texas, Missouri, California and New York on a wide variety of issues including;

- Unfair exclusions and caps on coverage for water and mold damage
- Creating better tools to help consumers shop wisely for quality coverage
- Unfair set-offs that are being applied to disability and medical claim payments

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- Licensing all adjusters - including company, independent and public
- Price gouging on force-placed home insurance
- Strengthening regulation of “junk” medical insurance and unsuitable annuity products