



Orlando, FL
December 3rd, 2003

***Your Fraud Awareness
Committee Presents a
Panel Discussion on:***

Insurer Referrals
“Is it Good or is it
Steering?”

Committee Co-Chairs

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Committee Members

- Ed Dahm – American Collision Network
- Karen Fierst – KerenOr Consultants
- David Mc Creight – Collision Resources
- Jeanne Silver – CARSTAR Mundelein
- Chad Sulkala – Acme Auto Body
- Chuck Sulkala – Acme Auto Body
- Wayne Marsden – I.A.D.A
- Martin Aita – Hertz Corporation
- Stacy Bartnik – Carter & Carter

Editorial Comments

- At the Boston CIC, we presented a role play scenario depicting steering as our topic for the Orlando CIC.
- While meant to only stir interest within our industry, the scenario presented was actual, documented and unfortunately, not a dramatization.
- We were not trying to paint everyone with the same brush; but instead, simply bring out the fact that this behavior occurs and *is* an issue within our industry.

Editorial Comments

- Whether it is company policy or misinterpretation of guidelines by field managers....it *is* real and does exist in the marketplace and *is* an issue within the collision repair industry.

Committee Charter

- One of our charters is “Steering”
- Is there a definition?
- Can some forms be related to fraud?
- Does it pose an ethical dilemma?
- Can extreme forms constitute an Unfair Claims practice?

Common Steering Phrases used by some insurers

- "They're NOT on our list"
- *"They're hard to work with"*
- "They Charge too much"
- "You'll have to pay the difference"
- "They take too long"
- "We'll guarantee the repairs"
- "Our guarantee is good anywhere in the country"
- *"We can't guarantee their work"*

Steering Phrases used by some insurers (cont'd)

- "Claims take longer to settle if you use them"
- "We're on your side. Can you work with us here?"
- "Will you need something to drive while yours is being repaired?"
- "We'll waive your deductible if"
- *And if all else fails, there's always: "Let's see here . . . When does your policy come up for renewal?"*

- All phrases courtesy of *Body Shop Business Magazine*
<http://www.bodyshopbusiness.com>

Does Your State Have a Steering Law?

Alabama	.....	No
Alaska	.....	Yes
Arizona	.....	Yes
Arkansas	.....	Yes
California	.....	Yes
Colorado	.....	Yes
Connecticut	.....	Yes
Delaware	.....	Yes
Florida	.....	No
Georgia	.....	Yes
Hawaii	.....	Yes
Idaho	.....	No
Illinois	.....	Yes
Indiana	.....	No
Iowa	.....	No
Kansas	.....	No
Kentucky	.....	Yes
Louisiana	.....	Yes
Maine	.....	Yes
Maryland	.....	Yes
Massachusetts	.....	Yes
Michigan	.....	In Committee
Minnesota	.....	Yes
Mississippi	.....	Yes
Missouri	.....	No
Montana	.....	Yes
Nebraska	.....	Yes
Nevada	.....	Yes
New Hampshire	.....	Yes
New Jersey	.....	Yes
New Mexico	.....	No
New York	.....	Yes
North Carolina	.....	Yes
North Dakota	.....	No
<i>(Steering's mentioned under N.D. Century Code.)</i>		
Ohio	.....	No
<i>(It's included in the Ohio Administrative Code.)</i>		
Oklahoma	.....	Yes
Oregon	.....	Yes
Pennsylvania	.....	Yes
Rhode Island	.....	Yes
South Carolina	.....	No
South Dakota	.....	Yes
Tennessee	.....	No
Texas	.....	Yes
Utah	.....	Yes
Vermont	.....	Yes
Virginia	.....	Yes
Washington	.....	Yes
West Virginia	.....	Yes
Wisconsin	.....	Yes
Wyoming	.....	No

bsb online To read your state's anti-steering law or code, log on to www.bodyshopbusiness.com

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Due to the recent flurry of legislation, some additional states may now have laws on the books.

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Our Panel of Experts

- Michael Lloyd – California Casualty
- John Eager – NAII
- Jeanne Silver – CARSTAR Mundelein
- Gene Hamilton – Sports & Imports



Camp Mak A Dream - Collision Industry Medical Center

Bottom Line

- No Easy Answers
- Not a new issue
- Depends totally on insurer rationale on why they are referring in first place
- Many facets, many faces, depending on what side of the referral issue you are currently on.

***Personal Remarks from
Bob Smith***

Thanks for ten great years!

Our Industry has come a long way!