



# ABARI *Collision* News

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## The Insurance Companies that must **NEGOTIATE** the Labor Rates

To simplify just what insurance companies are obligated by [INSURANCE REGULATION 230-RICR-20-05-10](#) to negotiate the Auto Body Labor Rate, you first have to know what insurance companies filed an Auto Body Labor Rate Survey for 2018. There are 21 of them, and they are all listed below. If you are dealing with an Insurance company that is not on this list you should be asking for that insurance company to negotiate the Auto Body Labor Rate.

- 1] **PROGRESSIVE GROUP**
- 2] **ALLSTATE INSURANCE GROUP**
- 3] **BERKSHIRE HATHAWAY INSURANCE GROUP (Geico & National Indemnity)**
- 4] **AMICA MUTUAL GROUP**
- 5] **LIBERTY MUTUAL GROUP**
- 6] **NATIONWIDE CORPORATION GROUP**
- 7] **UNITED SERVICES AUTOMOBILE ASSN. GROUP**
- 8] **METROPOLITAN GROUP**
- 9] **MAPFRE INSURANCE GROUP**
- 10] **TRAVELERS GROUP**
- 11] **MAIN STREET AMERICA GROUP**
- 12] **SELECTIVE INSURANCE GROUP**
- 13] **OHIO MUTUAL GROUP**
- 14] **PROVIDENCE MUTUAL FIRE INS. CO.**
- 15] **AM TRUST GMACI MAIDEN GROUP**
- 16] **EMC INSURANCE COMPANIES**
- 17] **QUINCY MUTUAL GROUP**
- 18] **STATE FARM INS. COMPANIES / HIROAD ASSURANCE COMPANY**
- 19] **ARBELLA INSURANCE GROUP**
- 20] **NLC INSURANCE COMPANIES**
- 21] **PRIVILEGE UNDERWRITERS RECIPROCAL EXCHANGE (PURE)**

The ones **HIGHLIGHTED IN BLUE** were required by Regulation to file a Survey, but the ones **HIGHLIGHTED IN RED** (the under1% set of insurers) had a choice: either file a Survey or negotiate!

If any insurance company cannot prove that an Auto Body Labor Rate Survey has been filed with the DBR on their behalf for 2018 they are then obligated by Regulation to negotiate the rate with each licensed Full Collision Repair Auto Body Facility. An exception to this would be the Rhode Island Inter-local Risk Management Trust. The Trust is a risk-sharing pool for Rhode Island local government brought about by special legislation. They are exempt.

“Self-Insureds” are NOT exempt. The “Self-Insureds” cast a fairly wide net that includes but may not be limited to valet car parking companies, car rental companies, or others that may have small fleets of vehicles. These business entities or the adjusting firms that represent them may incorrectly state or assume that they do not have to abide by the same rules or regulations that govern insurance companies. This is incorrect! [Rhode Island General Law §31-33-9](#) **clearly**

**states in section (d)** that *“Entities applying to, or previously authorized to, permissibly self-insure are subject to the jurisdiction of the department of business regulation.”*

There are roughly 70 different insurance company groups or individual insurance companies from the “less than one percent (1%)” that actually write Motor Vehicle Liability Insurance policies in Rhode Island, and have NOT filed an Auto Body Labor Rate Survey. These insurance companies account for about 7% of the total market share. It is worthwhile to be on the lookout for them.

It is up to the individual qualifying shops to identify the insurance companies that are obligated by Regulation to negotiate the auto body labor rates, and then initiate the negotiating process with either the appraiser or a representative of that insurance company.