

Statement

Insurance Association of Connecticut

Insurance and Real Estate Committee

January 31, 2013

HB 5072 An Act Concerning Automotive Glass Work
HB 5073 An Act Concerning Motor Vehicle Glass Repair Service

The Insurance Association of Connecticut (IAC) would like to make the following comments on HB 5072, An Act Concerning Automotive Glass Work, and HB 5073, An Act Concerning Vehicle Glass Repair Service.

Existing Connecticut law provides that an insured cannot be required to use a specific repair shop for glass replacement or repair services (C.G.S. 38a-354). Insurers fully inform insureds that they have the right to have their damaged auto glass repaired or replaced by the glass shop of their choice when they make a claim. In addition, state statutes require boldface notice of that right on all insurance identification cards mandatorily provided to insureds (C.G.S. 38a-364).

Statistically, the most likely claim interaction between an insurer and its insured is a glass claim, which is a relatively high volume, low dollar event. Some insurers have set up special glass claims procedures in order to improve efficiencies and minimize consumer hassles. Insureds may be provided toll free call-in numbers to connect them with third party administrators hired to process the glass claims.

Third party administrators fully inform insureds of their right to choose the glass shop where the damaged auto glass will be repaired or replaced. The third party administrator may also explain the consumer benefits (such as a lifetime guarantee) of the use of a network shop as a repair option. Independent glass shops from across the state participate in the network.

Consumers are clearly exercising their right to choose. The Insurance Department is not receiving complaints from consumers regarding glass claims. In fact, there have been so few glass repair/replacement complaints over the years that the Insurance Department has not even set up a computer data code to track them.

Consumer satisfaction surveys conducted by insurers in Connecticut and across the country have shown that consumers appreciate the efficiencies and quality of work that result from such glass repair arrangements. Insurance industry research has also shown that an insured's satisfaction with his or her glass repair experience is an important factor in an insurer's ability to keep their insureds happy, so they don't shop their insurance business elsewhere.

The IAC respectfully submits that there is no need for HB 5072 or HB 5073, as Connecticut insureds are well served by the efficiencies, quality of work and freedom of choice provided them through current automobile glass insurance claims processing systems. IAC requests that no action be taken on HB 5072 and HB 5073.