



DATE: July 25, 2005

TO: AASP-MN Collision Shops

FROM: Judell Anderson, CAE
Executive Director

RE: New Steering Legislation – Let's make sure it works!

As you know, AASP-MN was successful in passing legislation that strengthens the consumer's right to select the repair shop of their choice. The new law will become effective on August 1st.

The bill establishes a word track which insurers must use in their claims-handling process. The statutory language makes it clear to the insured that they have the right to go to the repair shop of their choice. Furthermore, under the new law, insurers must stop any effort to influence an insured's decision regarding where to have their vehicle repaired as soon as the insured indicates that they have selected a repair shop.

Now it's up to us – meaning you! – to monitor how/if this law is being adhered to by insurers. Our expectation is that insurers will abide by the spirit of the law, inform their insureds/claimants of their rights and curtail efforts to steer work to specific shops, *unless* a referral is requested by the vehicle owner. However, if this proves not to be the case, we'll need specific information about particular insurance company practices to pass on to regulatory authorities for enforcement action. That's the purpose of the enclosed questionnaire.

Please make this questionnaire available to your customers on an ongoing basis, preferably at the time they come to the shop for an estimate. Immediately forward to the association those questionnaires that indicate the insurer did not conform to the requirements of the law. AASP-MN will then have the information we need to seek enforcement action and/or further legislative remedies to address this issue.

AASP-MN is very proud of this legislative accomplishment on behalf of its members and believes that it will benefit all collision shops in the state of Minnesota. Your help in making that happen is very much appreciated!

CUSTOMER QUESTIONNAIRE ON CLAIMS PROCESS

State law has been amended to strengthen the consumer's right to choose a repair shop. Insurance companies are required to notify insureds and claimants of their right to choose a shop.

- 1) During the claims-handling process, were you specifically informed of your right to choose a repair shop?
(Here's what you should have heard: "You have the legal right to choose a repair shop to fix your vehicle. Your policy will cover the reasonable costs of repairing your vehicle to its pre-accident condition no matter where you have repairs made. Have you selected a repair shop or would you like a referral?")

Yes _____

No _____

- 2) Was your right to choose a repair shop respected during the claims-handling process?
(If you indicated you had selected a repair shop and you were subsequently either discouraged from going to that shop or encouraged to go to another shop, you should answer "no" to this question.)

Yes _____

No _____

If no, please elaborate regarding how your claim was handled.

Insurance company _____
Name of insurance representative you reported claim to _____
Approximate date _____
Policy # and/or claim# _____

Please return completed form to:

Alliance of Automotive Service Providers, Minnesota
2520 Broadway St. NE, Suite 202
Minneapolis, MN 55413
Phone: 612-623-1110 Fax: 612-623-1122
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