

**DEPARTMENT OF INSURANCE**

CONSUMER SERVICES AND MARKET CONDUCT BRANCH  
CLAIMS SERVICES BUREAU  
300 SOUTH SPRING STREET  
LOS ANGELES, CA 90013  
www.insurance.ca.gov



November 20, 2017

BARBARA KRASEWSKI  
NORTH RANCH BODYCRAFT  
3075 LOS FELIZ DRIVE  
THOUSAND OAKS, CA 91362

Our File Number: [REDACTED]  
Insured: [REDACTED]  
Regarding: GEICO GENERAL INSURANCE COMPANY

Dear Ms. Krasewski:

With regard to the allegations surrounding GEICO's labor rate survey, please note that the California Department of Insurance (Department) is aware of the issues pertaining to GEICO's 2013 Auto Body Repair Labor Rate Survey (survey). Based upon complaints from you and other members of the public, the Department investigated the allegation that GEICO's 2013 survey was dated and may not reflect current labor rates for auto body repairs. At the conclusion of the Department's investigation, we filed an enforcement action against GEICO to address the aged survey. As a result of that enforcement action GEICO was ordered to pay a penalty of \$200,000. In addition to the penalty, GEICO was directed to conduct a new Auto Body Repair Labor Rate Survey that reflects current prevailing labor rates in the market. GEICO is in the process of conducting this survey. In the meantime, the Department directed GEICO to mitigate the effect of its aged survey by adjusting the labor rates, from its 2013 labor rate survey, by a factor equal to the change in the California Consumer Price Index for All Urban Consumers.

Until the new Auto Body Repair Labor Rate Survey is completed, if you are aware of any information that suggest GEICO's survey is flawed (other than due to its age), please provide us with such information so we may investigate and address those concerns.

We appreciate you bringing these issues to our attention, which contributed to the action against GEICO and the corrective action now taking place.

Sincerely,  
Jairo Flores  
Phone: 213-346-6528  
Email: Jairo.Flores@insurance.ca.gov