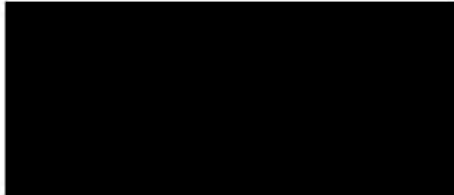




- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

14111 Danielson St., Poway, CA 92064 ■ P.O. Box 509119 San Diego, CA 92150-9119

October 4, 2018



Our Claim #: 
 Our Insured: 
 Date of Loss: 
 Company: GEICO General Insurance Company

Dear Mr. Martinez:

The California Department of Insurance has asked us to respond to your letter dated September 20, 2018. We must respectfully disagree with your assertions and your interpretation of CCC MOTOR Guide. With that said, reviewing the estimate and the CCC guidelines, we have found that the condenser and both the inner and outer radiators were paid at the mechanical rate. Per CCC, the labor for the condenser found on line 98 of Supplement 2 was paid at 3.5 hours mechanical labor. Per CCC, this time includes the labor time for the condenser, outer radiator, and inner radiator.

98	AIR CONDITIONER & HEATER			
99	R&I Condenser	64506642589	m	3.5 M
CCC ONE 				

LABOR: Time is for inner radiator, outer radiator and condenser. Time includes R&I upper cover and fan as an assembly.

A quick check in your database will confirm this operation for the condenser includes the disputed items in your letter. While reviewing the file and the CCC footnotes for included operations, it is clear not only did we pay the requested rate, in fact, we overpaid the claim by 7 hours body rate and 0.6 mechanical rate. On line 85 and 86 of Supplement 2, you will see that we paid 3.5 hours body rate on each line to R&I inner and outer radiator. We also paid you for the included operation to bleed the cooling system on line 95 of Supplement 2 at 0.6 mechanical rate.

Please visit us at geico.com

Radiator

SPECIAL NOTATION:

If R&R of a coolant hose, connected to both the radiator and water pump, is combined with removal of the radiator and water pump, then no additional time should be estimated for R&R or R&I of that coolant hose.

Included:

- Drain, check and refill fluids
- Electric fan assembly R&I
- Purge air from system

Does Not Include:

- Belts
- Cost of coolant
- Electric fan assembly O/H or R&R
- Mechanical fan
- Putty

We maintain that this is a body rate operation that does not require specialized tools or skills, and the outer radiator and inner radiator do not transform one form of motion or energy into another. Per MOTOR, component classifications are defined as follows:

(M) Mechanical: Components that transform one form of motion or energy into another. Mechanical components would likely be serviced at a mechanical service facility rather than a body repair facility if that component failed during normal operation. Mechanical components will likely require a specialized technician skill level and/or specialized tools.

Furthermore, after review of MOTOR Crash Estimating Data, according to the Guide To Estimating:

The purpose of classifying components is to describe physical properties of the component, and classifications may inform the estimator that specialized technician skill levels and/or tools may be required. Indicators are not intended to determine labor rates charged, or to be inclusive of all components. Any additional component classification(s) should be determined after an on-the-spot evaluation of required repair procedures.

The supplements written by GEICO do not deviate from what was owed for these operations, and based on our review, we overpaid on specific operations you have alleged that we did not pay. No additional payments will be issued for these operations. Based on the labor rate paid for both mechanical and body, [REDACTED] was overpaid by \$484.00. Please submit a check for reimbursement of the double billed labor operations so that you are in compliance with the Bureau of Automotive Repair regulations.

Please feel free to contact our local Auto Damage Manager, Christopher Baesen, if you have any questions. He can be reached at [REDACTED]

Sincerely,



J. Lee Meeler, Jr.
Assistant Vice President, Claims