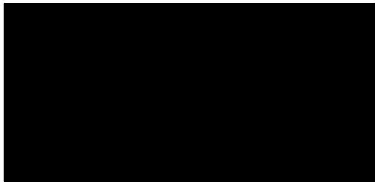


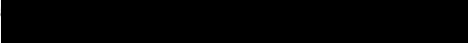
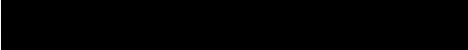
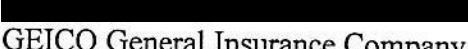


- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

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

November 1, 2018



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

Dear Mr. Martinez:

The California Department of Insurance has asked that we respond to your email dated October 16, 2018. We already addressed your concerns in correspondence sent to you previously. However, upon reviewing the estimate and the CCC guidelines, we have found that the condenser and both the inner and outer radiators were paid at the rate for mechanical labor. 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	<b>AIR CONDITIONER &amp; HEATER</b>			
99	R&I Condenser	64506842989	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 that 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 .6

mechanical rate. In a recent inquiry to CCC, they confirmed that the bleeding or purging air is included in the remove and install or the remove and replace of a radiator.

**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
- Pulley

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 Guide, 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.

At this time, please clarify which lines of the supplement you are disputing.

Sincerely,



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