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Consumer protection
is our mission

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Legislative Fact Sheet

HB12-1289 Auto Insurance Complaints Adverse Action Rep. Nikkel and Sen. Jahn

DORA & DIVISION OF INSURANCE SUPPORT HB12-1289

DORA's Division of Insurance believes consumers should have the ability to file complaints against certain adverse actions of auto insurers. HB12-1289 continues to offer auto insurance policy holders similar rights.

- **The legislation changes the current system to a complaint process** that will make the procedure more accommodating and efficient for policyholders and insurers.
- **Eliminating the current process will not deprive consumers protection under the laws**, but will allow them easier access to the Division's complaint handling process.
- **The current auto protest process is a quasi-judicial process that is difficult for the average Colorado consumer to navigate.** The Division currently receives roughly 1200 – 1400 protests annually and conducts about 10 hearings a month. Only 8-10% of the protests go to hearing annually.
- **Reviewing the concerns under the complaint process will provide the Division, consumers and insurers greater flexibility in resolving issues.** Under the current auto protest process, the Division is able to review only whether the company has conducted a reasonable investigation prior to taking an adverse action on a policy. With HB12-1289, the Division is able to obtain additional information.