

# MICHIGANAUTOLAW

*Gursten, Koltonow, Gursten & Raitt, PC*

AUTO ACCIDENT ATTORNEYS

## The 2015 Attorneys' Guide to the Best Auto Insurance Companies

*(And the ones our attorneys recommend you should avoid)*



By  
Steven M. Gursten

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Meet  
**MICHIGANAUTOLAW**

*Gursten, Koltonow, Gursten & Raitt, PC*

AUTO ACCIDENT ATTORNEYS

***Helping People With Dignity, Respect And Care***

*“Michigan’s largest law firm completely  
specializing in serious automobile accidents.”*

- Michigan Lawyers Weekly



**Michigan Auto Law attorneys** (Front row, left to right): Kevin H. Seiferheld; Thomas W. James; Steven M. Gursten; Lawrence E. Gursten; Leonard M. Koltonow; Jeffrey A. Bussell; Alison F. Duffy; Jeffrey H. Feldman. (Second row, left to right): Todd C. Berg; Michael R. Shaffer; Jordan M. Jones; Robert M. Raitt; Joshua R. Terebelo; Ian M. Freed; Amy L. Gubesch; Brandon M. Hewitt. (Not pictured: Carol Birnkrant)



# Finding the ‘Best’ Auto Insurance Company to Protect You and Your Family

Insurance companies don’t always do what they are supposed to do.

Especially in a state like Michigan.

When rules that are meant to protect the public are not enforced, or even do not exist, insurance company abuse becomes more likely.

Michigan is a good example of this. Michigan is one of only five states that has no punitive damages laws. It has an extremely weak bad faith law. And Michigan has a Consumer Protection Act that insurance attorneys cannot use to protect people against insurance companies that ignore and avoid paying on legitimate claims. Imagine that for a moment — a Consumer Protection Act that can’t be used to protect consumers from insurance companies!

Without these protections, people in Michigan are treated far worse by insurance companies than people are treated in most other states.

I should know. For the past several years, I’ve served as President of the Motor Vehicle Trial Lawyers Association. I’ve traveled and spoken at seminars with other insurance attorneys all over the United States. I also previously served as the President of the American Association for Justice Truck Accident Litigation Group, where again, I have worked with lawyers all over the country on serious truck accident cases.

But here's the good news: Not all insurance companies are bad. In fact, some insurance companies are actually quite good (give or take a particularly nasty claims adjuster here or there).

This guide, "**The 2015 Attorneys' Guide to the Best Auto Insurance Companies (And the ones our attorneys recommend you should avoid)**," is based upon data from the auto insurance industry, consumer ratings and the experience and actual cases of the insurance lawyers at Michigan Auto Law.

With 16 attorneys who only help people injured in automobile accidents, we deal with insurance companies every single day. We know from real, hard-won courtroom experience how some insurance companies really treat their customers — because these customers then become our clients. They come to Michigan Auto Law for help, and when they desperately need No Fault insurance benefits after their auto insurance companies have broken their promises to provide help in the event of a crash.

Sadly, reality doesn't always match what we see on the television commercials.

If you have questions about your auto insurance rights, I hope you won't hesitate to call us.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Gursten". The signature is fluid and cursive, with a large initial "S" and "G".

Steven M. Gursten

# The ‘Best,’ the ‘Worst’ & ‘For Your Consideration’

In this 2015 edition of our guide, “The 2015 Attorneys’ Guide to the Best Auto Insurance Companies (And the ones our attorneys recommend you should avoid),” we have analyzed the 13 largest auto insurers doing business in Michigan.

Based on our in-depth, comprehensive analysis, I present in this guide what I believe to be the “Best” auto insurance companies, the “Worst” auto insurance companies and the auto insurance companies that I submit “For Your Consideration” for 2015.

The one auto insurer that made my list of the “Best” auto insurance companies for 2015 is:

- **Auto-Owners Insurance Company**

The auto insurers that made my list of the “Worst” auto insurance companies for 2015 are:

- **State Farm Mutual Automobile Insurance Company**
- **Progressive**
- **Allstate (and Esurance)**
- **Farmers**
- **Farm Bureau**

And the auto insurers that made my list of the auto insurance companies that I submit “For Your Consideration” for 2015 are:

- **Liberty Mutual**
- **Home-Owners**
- **Citizens**
- **Auto Club Group**
- **Frankenmuth Mutual Insurance Company**
- **MEEMIC**
- **MemberSelect Insurance Company**

These lists are to a large degree formed by my own personal experience as an auto accident attorney, and by the collective experience of 16 auto accident attorneys here at Michigan Auto Law.

For over 20 years, I have devoted my entire legal career to helping people who have been seriously injured in automobile accidents. And in doing so, I have probably sued almost every insurance company that does business in Michigan at one time or another.

My experience has provided me with a very unique perspective about auto insurance companies. My hope with writing this guide is to provide consumers - who can find many different lists on the Internet of what insurance companies are good and which are bad - with a completely unique list. This is a list based largely on how I see these insurance companies treating people when they are in need. And this is what I hope to convey in this guide: How do auto insurance companies actually treat the people who have been hurt in a car accident? How do these companies treat people who need to make a claim?

While my own personal experience and that of my Michigan Auto Law colleagues (from working on actual cases) has been integral to assembling this guide, other important factors have also played an essential role.

My lists of the “Best” and “Worst” auto insurance companies and those “For Your Consideration” also reflect a rigorous, objective analysis of Michigan’s largest auto insurance companies.

My analysis was based on the following criteria:

- **Auto insurers’ specific instances of anti-consumer behavior.**
- **Consumer complaint trends: Are consumer complaints against auto insurance companies increasing or decreasing?**
- **Prices: What auto insurers charge the most and least expensive auto insurance prices?**
- **Value to auto insurance consumers: How much or how little of each premium dollar are auto insurers paying out on their insureds’ auto claims?**
- **Auto insurer ratings on the J.D. Power U.S. Auto Insurance Study.**
- **Auto insurer ratings on the J.D. Power U.S. Auto Claims Satisfaction Study.**

- **Auto insurer ratings on the J.D. Power U.S. Insurance Shopping (Auto Insurance Purchase Experience) Study.**
- **Auto insurance company ratings from [ConsumerReports.org](https://www.ConsumerReports.org).**

The insurance companies on my “Best” list over the years tend to treat people more fairly, pay claims promptly and give people better value for their auto insurance premium dollars.

And the auto insurers on my “Worst” list do not, based upon the actual experiences I have had with them as an attorney and based upon the experiences of the people we represent and help every year.

Finally, the auto insurance companies on my “For Your Consideration” list tend to fall somewhere in between the “Best” and “Worst.”

Note: For readers from other states, the information contained in this guide will still be very useful, even if the specifics vary somewhat from state to state.

## **Previous Edition of the Guide**

To see how the auto insurance companies discussed in this guide fared in our previous edition, please check out Michigan Auto Law’s previous, **[“The Attorneys’ Guide to the Best Auto Insurance Companies \(And the ones our attorneys recommend you should avoid\).”](#)**

## Feedback

I encourage you to tell me what you think of the list by visiting the Michigan Auto Law website, [www.michiganautolaw.com](http://www.michiganautolaw.com), or connecting with us through [Twitter](#), [Facebook](#) and/or [Google +](#).

We want to know: Do you agree with the insurers on the list? Would you add any names? Are there any insurers that you strongly feel **don't** belong on the "Best" insurance companies list, or that deserve to be on the "Worst" insurance companies list?

## QUICK TIP:

### Talk to an Independent Insurance Agent

Want to find the "Best" auto insurance company for you and your family, at the best price?

Here's a quick tip: Talk to an independent insurance agent. Independent insurance agents are great resources because they can quote insurance coverage from many companies at once to find the best price. They are not "captive" agents of one insurance company only. They can collect and compare information from a wide array of auto insurers.

Unlike independent insurance agents, who work with many national and Michigan-based insurers, an agent who works for one specific insurance company can only sell you on that company's insurance, regardless of whether it's the most appropriate, the most comprehensive or the best value.

When you speak with an independent insurance agent, explain that you want to buy Michigan auto insurance and you'd like quotes from multiple companies. The coverage you will want quotes for include: Michigan mandatory No Fault; broad-form, standard and limited collision.

And most important, make sure to ask for uninsured motorist; underinsured motorist; and umbrella insurance. Ask for an amount that is significantly higher than the statutory minimum insurance policy limits. You will be pleasantly surprised just how inexpensive this can be. For the price of a movie ticket and popcorn, you can properly protect you and your family if you are terribly injured by an underinsured driver.

# MICHIGANAUTO LAW

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## Experience, Dedication & Care

Find testimonials from real Michigan Auto Law clients from your own city in Michigan, [here](#).

**“Steve Gursten and Tom James are the best of the best truck accident lawyers. Nobody has more passion and knowledge about Michigan auto laws, and this is exactly what I needed after I was injured in a truck accident. Combine that with compassion for their clients and ability in the courtroom, and they are unbeatable. Steve and Tom make you feel like a member of their families, which you are during a trial. As far as I’m concerned, they did what my wife and I thought was impossible. They found and won a record judgment in a county not known for large judgments – Jackson County.”**

*- James Fairley, Jackson*

\* \* \*

**“I was overwhelmed with my settlement. It was way more than expected. Steve Gursten, my best lawyer, got my one cry in 20 years when he called me with the good news. Even my former attorney was surprised by the auto accident settlement. When I first met Steve, I felt immediate trust. I felt like I’d known him for years. He always made me feel like a priority – even calling me on Sundays. He always takes the time to be there, calling to answer questions and just to see if everything is going okay. I recommend Steve and Michigan Auto Law highly. He’s a very nice guy, down to earth and a very caring person that works hard for you.”**

*- Rhonda Searfoss, Gladwin*

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Get more tips on Michigan No Fault insurance at:  
[www.michiganautolaw.com](http://www.michiganautolaw.com).

“My husband was in a car accident and he was smashed pretty bad in a head on collision. He spent months in the hospital. We didn’t need just any lawyer. We needed attorneys who specialized in catastrophic auto lawsuits. So **we did some research and we found out that Michigan Auto Law was the best at handling catastrophic auto cases.** In our case, the insurance company never made a real offer, so we had to go to trial. Steven Gursten and Tom James were our trial lawyers. They explained things very well to us. They didn’t want the insurance company taking advantage of us so they fought for us in trial. They were very personal. They made a lot of calls and explained each step along the way very well: what our options were, where we were at in the trial... they kept us abreast of everything. Even though we were in a different city, it still felt like we had a local attorney, because they made house calls due to my husband’s disability from the crash. We felt like Steve and Tom were our friends because they were so kind and made us such a huge priority. **We are very happy with the trial results they were able to get for us in a timely fashion.** The great trial results have given closure in my husband’s healing process. **I can’t say enough about Michigan Auto Law and the professionalism of this law firm.”**

- Kaye Lockwood, Lansing

\* \* \*

“My husband was killed in an automobile accident involving a gravel hauler truck on the freeway. It became apparent that I needed to seek out an attorney. After interviewing four different lawyers, Steven Gursten of Michigan Auto Law stood out amongst them as the guy to go to for several reasons. **There was a genuine nature**

**about Steve. He was exceptionally easy to talk with and an incredible listener. Of course his knowledge and the know how to get the job done was apparent. He treated me with a real sense of kindness as an individual and not a potential case.** Steve settled my husband's case out of court so I didn't have to go through a trial. Throughout the whole process, **Steve went above and beyond my expectations in terms of his hard work to uncover the truths of the matter and all of the things the trucking company did that were unsafe and contributed to the accident.** Steve treated me with a lot of respect. He responded to my questions and phone calls very promptly. I never felt like he was in a hurry to get me off the phone. He listened to everything I had to say all the time. In terms of when I had to give my deposition, he prepared me and was next to me every step of the way. That was also the case when I had to go to court before the judge for the settlement. It made me feel very safe. **Steve gave me confidence and the strength to get up there and do what I had to do.** He did so much research and he explored every possible avenue to get me the best settlement possible. He worked very hard for me. Along the way, he kept me informed of the status of everything. **I would say if anybody is involved in an automobile accident involving trucks or other commercial vehicles, to not hesitate to contact Steve. You will not be let down.** If you've done your homework and investigated attorneys, Steve is the obvious right choice. I walked out of his office knowing it was a no-brainer decision to go with him. It was the right thing to do for my family, in the wake of such a terrible accident and traumatic time in our lives. I felt it in my heart, and I was right. **Another thing I would like to note is that even after the case was closed, Steve is still here for me with advice and all the time I need."**

*- Lynda Nunez, Riverview*



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# **CHAPTER 1: OVERVIEW: ‘BEST,’ ‘WORST’ & ‘FOR YOUR CONSIDERATION’**

This is an overview of the auto insurance companies that made my “Best” and “Worst” lists for 2015.

In this overview, I will briefly highlight the reasons each auto insurer was chosen for its respective list. Additionally, I will identify the insurance companies that made my “For Your Consideration” list.

In the chapters that follow, you will find more detailed information about each of the auto insurers on our respective 2015 lists.

## **BEST AUTO INSURANCE COMPANY** **FOR 2015**

### **Auto-Owners Insurance Company**

Auto-Owners Insurance Company was the only insurer that I am recommending for 2015. Auto Owners made this list for the following reasons:

- Auto-Owners auto insurance prices are among the least expensive in Michigan.
- Auto-Owners pays the largest percentage of premiums on claims.
- Auto-Owners rated “Among the best” in the J.D. Power 2014 U.S. Auto Insurance Study. Auto-Owners also received the “Among the best” rating in 2012 and 2013. Between 2009-11, Auto-Owners was rated “Better than most.”
- Auto-Owners rated “Better than most” in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study. Auto-Owners also received the “Better than most” rating in 2013. Between 2009 and 2012, Auto-Owners received J.D. Powers’s highest rating, “Among the best.”
- Auto-Owners received high ratings from [ConsumerReports.org](http://ConsumerReports.org) in 2014 and, previously, in 2013.

## **WORST AUTO INSURANCE COMPANIES** **FOR 2015**

### **State Farm Mutual Automobile Insurance Company**

State Farm Mutual Automobile Insurance Company topped my list of the Worst Auto Insurance Companies for 2015 for the following reasons:

- State Farm refuses to pay insurance benefits to a car accident victim in a wheelchair – making in my opinion a nonsensical and absurd reason for denying No Fault insurance benefits.
- ‘Mad dog’ defense tactics used by State Farm against its insureds. (The Utah Supreme Court said of State Farm that the insurer has engaged in “reprehensible conduct” and “egregious and malicious behavior.”)
- State Farm has implemented an IME (so-called ‘independent’ medical evaluations that in reality are anything but) policy to reduce payouts to auto accident victims – and increase insurer profits – by \$30 million.
- State Farm used stonewalling, misrepresentation and deception to deny an auto accident victim’s claim for ‘uninsured motorist’ benefits.
- State Farm ignored its own policy language to deny benefits to pedestrian struck by State Farm insured.
- State Farm charges auto insurance prices that are 127% to consumers with ‘poor’ credit scores.

- State Farm charges 45% more to consumers with ‘no credit’ than those with ‘excellent credit.’
- Complaints about State Farm from Michigan consumers have increased.

## **Progressive**

Progressive made our list of the Worst Auto Insurance Companies for 2015 for the following reasons:

- Progressive has ignored Michigan’s No Fault law by fabricating its own wage loss rules.
- To avoid paying “underinsurance” benefits to the estate of a loyal Progressive customer who was killed in a crash, Progressive ‘defended’ the at-fault driver who killed Progressive’s insured.
- Progressive charges 48% more to consumers with ‘no credit’ than those with ‘excellent credit.’
- Progressive charges higher auto insurance prices to drivers with less education and lower-status jobs.
- Progressive charges more for auto insurance to low-income, but ‘safe,’ drivers than to higher-income, accident-prone drivers.
- Progressive auto insurance prices are among the most expensive in Michigan.
- Progressive pays the smallest percentage of premiums on claims.
- Progressive received a below-average rating in the J.D. Power 2014 U.S. Insurance Shopping Study. Progressive also received a below-average rating in 2013.

- Progressive received a below-average rating in the J.D. Power 2013 U.S. Auto Insurance Study.
- I find the “Flo” commercials to be incredibly annoying.



## Allstate (and Esurance)

Allstate (and Esurance which identifies itself as “an Allstate company”) made our list of the Worst Auto Insurance Companies for 2015 for the following reasons:

- Allstate charges 116% more to consumers with ‘no credit’ than those with ‘excellent credit.’
- Esurance (“an Allstate company”) tried to dupe an unrepresented auto accident victim into accepting a low-ball \$500 settlement ... then settled the claim for \$20,000 after the victim retained a lawyer.
- Allstate’s defense lawyers make ‘bad faith’ requests for facilitation – with no intention of actually settling cases.
- Allstate charges auto insurance prices that are 39% higher to consumers with ‘poor’ credit scores.
- Complaints from Michigan consumers have increased against Allstate Property & Casualty Insurance Company.
- Complaints from Michigan consumers have increased against Esurance Insurance Company (“an Allstate company”) since the company’s acquisition by Allstate in 2011.
- Complaints from Michigan consumers have increased against Esurance Property and Casualty Insurance Company (“an Allstate company”) since the company’s acquisition by Allstate in 2011.
- Allstate pays the fourth smallest percentage of premiums on claims.
- Allstate received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Shopping Study.

- Esurance (“an Allstate company”) received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study. Esurance also received below-average ratings from 2011 (when Allstate acquired Esurance) through 2013.
- Allstate received the third lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.

## Farmers

Farmers made our list of the Worst Auto Insurance Companies for 2015 for the following reasons:

- Farmers charges 80% more to consumers with ‘no credit’ than those with ‘excellent credit.’
- Farmers charges more for auto insurance to low-income, but ‘safe,’ drivers than to higher-income, accident-prone drivers.
- Farmers charges higher auto insurance prices to drivers with less education and lower-status jobs.
- Farmers auto insurance prices are the most expensive in Michigan.
- Farmers received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study. Farmers also received below-average ratings from 2011-2013.
- Farmers received below-average ratings in the J.D. Power U.S. Auto Claims Satisfaction Study in both 2013 and 2011.
- Farmers received a below-average rating in the J.D. Power 2014 U.S. Insurance Shopping Study.
- Farmers received the lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.

## Farm Bureau

Farm Bureau made our list of the Worst Auto Insurance Companies for 2015 for the following reasons:

- Farm Bureau, in my opinion, shamefully targets a car accident victim in a wheelchair with a nonsensical and absurd reason for denying compensation.
- Farm Bureau claims adjusters routinely take positions that I see as unjust. They have consistently been among the very worst claims adjusters that I have dealt with as an insurance attorney of 20 years.

## **‘FOR YOUR CONSIDERATION’** **AUTO INSURANCE COMPANIES** **FOR 2015**

Below are the auto insurers that made our 2015 “For Your Consideration” list of auto insurance companies, along with information that you may wish to consider.

### **Liberty Mutual**

- Liberty Mutual charges higher auto insurance prices to drivers with less education and lower-status jobs.
- Liberty Mutual auto insurance prices are among the most expensive in Michigan.
- Liberty Mutual received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study.
- Liberty Mutual received a “Better than most” rating in the J.D. Power 2014 U.S. Insurance Shopping Study. In 2013, Liberty Mutual also received a “Better than most” rating.
- Liberty Mutual received the fourth-lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.
- As a lawyer in the trenches, I see Liberty Mutual adjusters are now deliberately taking a “tougher” stand on settling cases – deliberately pushing more to trial. This has been confirmed by what I have also been told by Liberty Mutual defense attorneys.

- The problem with this is that this type of litigation strategy also exposes their own insureds if these cases go to trial and the claims adjuster gambles and loses. It is the insured who pays the price when an excess verdict comes back over policy limits.
- Every insurance company swings back and forth between trying to reasonably settle more cases and taking more cases to trial. Right now, it looks like Liberty Mutual is swinging toward taking more cases to trial.

## **Home-Owners Insurance Company**

- Home-Owners accepted auto insurance premium payments on a vehicle, but then claimed the vehicle was not coverage once a claim was filed.
- Complaints from Michigan consumers have increased.
- Home-Owners auto insurance prices are among the least expensive in Michigan.
- Home-Owners Insurance Company pays the third largest percentage of premiums on claims.

## **Citizens**

- Complaints from Michigan consumers about Citizens Insurance Company of America have decreased.
- Citizens Insurance Company of the Midwest auto insurance prices are among the least expensive in Michigan.
- Citizens pays the third-smallest percentage of premiums on claims.

- Citizens received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study. Citizens also received below-average ratings from 2010 through 2013.
- Citizens received a “Better than most” rating in the J.D. Power 2014 U.S. Insurance Shopping Study.
- Citizens received the second-lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.

## **Auto Club Group Insurance Company**

- Complaints from Michigan consumers about Auto Club Group Insurance Company have decreased.
- Auto Club Group received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study. Auto Club Group also received below-average ratings from 2011 through 2013.
- Auto Club Group received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study.

## **Frankenmuth Mutual Insurance Company**

- Complaints from Michigan consumers about Frankenmuth Mutual Insurance Company have increased.
- Frankenmuth Mutual auto insurance prices are generally among the least expensive in Michigan.
- Frankenmuth Mutual pays the second-highest percentage of premiums on claims.

## **MEEMIC**

- Complaints from Michigan consumers have increased.
- MEEMIC pays the second-lowest percentage of premiums on claims.

## **MemberSelect Insurance Company**

- Complaints from Michigan consumers have increased.

## **CHAPTER 2: BEST AUTO INSURANCE COMPANIES FOR 2015**

In this rather lonely chapter of my 2015 version of “Best Auto Insurance Companies,” I further discuss the one auto insurance company that made my list of the “Best” auto insurance companies for 2015.

I will explain in detail the reasons that lead me to name it as the only — “Best” auto insurance company for 2015.

I will also identify issues that are worthy of note.

### **Auto-Owners Insurance Company**

Auto-Owners Insurance Company topped our list of the Best Auto Insurance Companies for 2015 for many reasons, which will be discussed in detail below.

However, it is not without some personal reservation that I named Auto-Owners to our list of Best Auto Insurance Companies.

Specifically, I take issue with the highly anti-consumer position that Auto-Owners took in a recent case that reached the Michigan Supreme Court. The case resulted in a ruling that has caused terrible hardship, and in my opinion, also substantial injustice to Michigan auto accident victims whose serious injuries have confined them to a wheelchair for life and forced them to rely on modified vans for their transportation needs.

- **Convincing the Michigan Supreme Court to issue a ruling that denies essential No Fault transportation benefits to catastrophically injured auto accident victims.** In *Admire v. Auto-Owners Insurance Company*, the auto insurer convinced the Michigan Supreme Court to rule in a way that denies necessary and critical No Fault “transportation” benefits to catastrophically injured auto accident victims. Kenneth Admire was able to walk, bicycle, ride a motorcycle or drive a car before car-motorcycle crash left him confined to a wheelchair for the rest of his life. When Mr. Admire requested No Fault cover the cost of a van large enough to accommodate his wheelchair, Auto-Owners said no. Until this, auto insurers have been paying identical claims for catastrophically injured auto accident victims.
- The Michigan Supreme Court sided with Auto-Owners.
- The Court ruled the van cost was not covered by No Fault because “the essential character of [Mr. Admire’s] preinjury need for transportation has not changed” – despite the undisputed facts that he could no longer walk, he was confined to a wheelchair and, for transportation, he required transportation “a van large enough for [him] to get in and out while remaining in his wheelchair.” For more information, please read my legal analysis on Michigan Auto Law’s Blog: [“Michigan Supreme Court’s No Fault ruling denies wheelchair van for motorcycle accident victim.”](#)

Setting aside my own real problems with Auto-Owners's legal position in the *Admire* case - and the auto insurer's role in causing a ruling that will devastate dozens of people and families that were dependent on No Fault - I nevertheless decided to recommend Auto-Owners for "Best Insurance Company" for 2015. Here are some of the reasons:

- **Auto-Owners auto insurance prices are among the least expensive in Michigan.** When compared with Michigan's other largest auto insurers, Auto-Owners' auto insurance prices were among the least expensive in all 16 of the major Michigan markets examined.
- **Auto-Owners pays the largest percentage of premiums on claims.** Among Michigan's largest auto insurers, Auto-Owners topped the list for paying out the largest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Auto-Owners receives from Michigan drivers, it pays out approximately \$.74 in auto accident claims submitted by its auto-insurance customers.

- **Auto-Owners rated “Among the best” in the J.D. Power 2014 U.S. Auto Insurance Study.** Auto-Owners Insurance Company was rated “Among the best” in the J.D. Power 2014 U.S. Auto Insurance Study, which ranks auto insurers based on “overall customer satisfaction with auto insurance companies ...” Auto-Owners also received the “Among the best” rating in 2012 and 2013. Between 2009-2011, Auto-Owners was rated “Better than most.” “Among the best” is the highest J.D. Power rating. “Better than most” is the second highest. “About average” is third. And the lowest is the below-average rating of “The rest.”
- **Auto-Owners rated “Better than most” in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study.** Auto-Owners Insurance Company was rated “Better than most” in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study, which ranks auto insurers based on “[o]verall customer satisfaction with the auto insurance claims process ...” Auto-Owners also received the “Better than most” rating in 2013. Between 2009 and 2012, Auto-Owners received the J.D. Powers highest rating, “Among the best.”
- **Auto-Owners received high ratings from [ConsumerReports.org](http://ConsumerReports.org).** Among Michigan’s largest auto insurers, Auto-Owners earned the second-highest score in [ConsumerReports.org](http://ConsumerReports.org)’s 2014 “Car Insurance Ratings,” which measures [ConsumerReports.org](http://ConsumerReports.org)’s readers’ “overall satisfaction” with auto insurance companies.

On a scale of 0 to 100, Auto-Owners scored an 86, which means consumers were between “completely satisfied” and “very satisfied.” In 2013, Auto-Owners scored an 91 on [ConsumerReports.org](http://ConsumerReports.org)'s 2013 auto insurer ratings, which measured [ConsumerReports.org](http://ConsumerReports.org)'s “subscribers’ overall satisfaction with how their claims were handled.”

Not all is roses, however. The following must also be noted about Auto-Owners Insurance Company:

- **Complaints from Michigan consumers have increased.** Consumer complaints against Auto-Owners increased 21% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS). However, between 2007 and 2013, consumer complaints against Auto-Owners steadily declined by 31%.



## CHAPTER 3: AUTO INSURANCE COMPANY TACTICS

Let's face it: Insurance companies make money by not paying on claims.

Even when these are valid claims.

As insurance lawyers helping people injured in car accidents and truck accidents, we see it all.

In fact, accident victims are limping away from hundreds of millions of dollars in valid and deserving claims that insurance companies are legally required to pay every year, but don't.

Many of these auto insurance companies believe you won't wait, you won't hire an insurance lawyer to file a lawsuit, and you will eventually become so fed up that you'll take a low-ball settlement offer.

There's even a name for this. It's called the "3 D" strategy: Delay, deny and defend.

Some insurance companies have claims models set up to **delay** your claim, **deny** you were hurt and **defend** aggressively.

Read on for my list of the "Worst" auto insurance companies for 2014. Some of these auto insurance companies are the worst offenders of the "3 Ds" and many

other rather ugly and anti-consumer tactics. Read this list, much of it based on real cases that I or other attorneys here have personally handled, so hopefully this won't happen to you.

## CHAPTER 4: WORST AUTO INSURANCE COMPANIES FOR 2015

In this chapter, I will discuss the auto insurance companies that made my list of the “Worst” auto insurance companies for 2015. Sadly, once again, the insurance companies that make my “worst” list outnumber those that make my “best” list.

What factors made these insurance companies among the “Worst?”

Read on and see...

### **State Farm Mutual Automobile Insurance Company**

There are plenty of reasons State Farm tops our attorneys’ list of the “Worst Auto Insurance Companies” for 2015.

But the No. 1 reason continues to be this: Our attorneys find State Farm to be exploitative, mean-spirited and less willing to pay on clearly valid and due and owing claims than any other insurance company we work with.

The following true story about how State Farm chose to target a car accident victim in a wheelchair encapsulates this feeling our attorneys have about State Farm particularly well:

- **State Farm targets a car accident victim in a wheelchair with a clearly nonsensical and absurd legal reason for denying No Fault benefits.** In a Macomb County car accident case that went on to make national news and even resulted in the Michigan Legislature passing a new law that would prevent State Farm from ever doing this again to someone, State Fault denied No Fault benefits to a paralyzed car accident victim.
- George Veness had been paralyzed from the waist down years earlier in work-related accident. State Farm became involved after he was subsequently hit by a car in his wheelchair while crossing the street.
- State Farm denied the claim, claiming that Mr. Veness did not have No Fault auto insurance coverage on his (wait for it) wheelchair. Mr. Veness was using his wheelchair to cross the street when he was struck by a car.
- State Farm tried to justify its unjustifiable position by claiming that Mr. Veness’s motorized wheelchair qualified as a “motor vehicle” under the No Fault Law and, thus, should be treated like a car or truck for purposes of obtaining No Fault auto insurance coverage. Because Mr. Veness did not have No Fault coverage on his motorized wheelchair, State Farm argues, he should be treated as an “uninsured” driver and, thus, was deemed ineligible to collect No Fault benefits.

- At the same time State Farm was making this legal argument in court to deny the claim, neither State Farm - nor any other insurance company in Michigan – actually insured motorized wheelchairs.
- In other words, Mr. Veness couldn't have purchased this auto insurance for his wheelchair even if he wanted to, (and assuming he would have thought that a wheelchair needed to be insured with car insurance).
- To learn more, please check out Michigan Auto Law's blog post, ["State Farm's treatment of wheelchair-bound man so outrageously 'unbelievable' it couldn't be made up."](#)

## **Justice Prevailed!**

I'm pleased to say that, as a result of State Farm's shameful targeting of auto accident victims in wheelchairs, the law was changed. It is now impossible for State Farm or any other Michigan auto insurer to deny No Fault benefits to a paralyzed auto accident victim on the basis he did not have No Fault auto insurance on the motorized wheelchair he was using to cross the street when he was struck by an SUV, as in the Veness case.

To learn about this welcome – and necessary – change in the law, please read Michigan Auto Law's blog post, ["BREAKING NEWS: No Fault Law amended to protect motorized-wheelchair users."](#)

Here are some of the other reasons that State Farm is top of my personal list of the Worst Auto Insurance Companies for 2015:

- **‘Mad dog’ defense tactics used by State Farm against its insureds.** In a “bad faith” case brought against State Farm Mutual Automobile Insurance Company by one of its insureds, the Utah Supreme Court highlighted the following instances of “reprehensible conduct” and “egregious and malicious behavior” on State Farm’s part: **Mad dog defense tactics** (“State Farm actually instructs its attorneys and claim superintendents to employ ‘mad dog defense tactics’ – using the company’s large resources to ‘wear out’ opposing attorneys by prolonging litigation, making meritless objections, claiming false privileges, destroying documents, and abusing the law and motion process”); **Deceit and cheating** (“State Farm repeatedly and deliberately deceived and cheated its customers ...”); **Fraudulent practices toward minorities, women and the elderly:** “State Farm’s fraudulent practices were consistently directed to persons – poor racial or ethnic minorities, women, and elderly individuals – who State Farm believed would be less likely to object or take legal action”); **Concealing a profit “scheme;” Keeping no corporate records related to lawsuits against it; and, harassing and intimidating claimants.** For more information, please check out Michigan Auto Law’s blog posts: [“Have State Farm’s ‘mad dog’ tactics taken a bite out of you?”](#); and, [“The case: Campbell v. State Farm Mutual Automobile Insurance Company.”](#)

- **State Farm has implemented an IME (so-called ‘independent’ medical evaluations) policy to reduce payouts – and increase profits – by \$30 million.** Any auto accident victim who has been forced to undergo an “independent” medical evaluation (IME) by an insurance-company doctor knows very well that the doctors who perform these one-time evaluations are far from “independent.” The IMEs are ordered by the auto insurance company, conducted by a doctor chosen and paid by the insurance company and are geared toward finding any “reason” an insurance can use to deny an insurance claim.
- State Farm’s \$30 million IME policy sheds important light on how the process works. Based on advice from the consulting firm McKinsey & Company (which had advised Allstate about using Colossus claims adjusting software and the high-pressure tactics it adopted to force low-ball settlement offers on auto accident victims), State Farm implemented an IME policy to reduce No Fault payouts – and increase profits – by \$30 million.
- The policy calls for the increased use of IMEs to settle claims for cheaper amounts than what the claims might be worth. Additionally, the policy required that IME could only be conducted by pre-approved doctors who can be expected to disagree with the diagnoses and treatment conclusions of independent treating physicians and healthcare professionals. Also, defense attorneys representing State Farm were to follow State Farm’s instructions as to how IMEs should be used, what doctors

should be contacted and the issues that should be addressed – and/or avoided. For more, please check out Michigan Auto Law’s blog post, [“Why State Farm’s \\$30 million IME policy for MI auto accident victims is a joke.”](#)

- **State Farm used stonewalling, misrepresentation and deception to deny an auto accident victim’s claim for ‘uninsured motorist’ benefits.** In *Woodruff v. State Farm*, the Michigan Court of Appeals blasted State Farm for using stonewalling, misrepresentation and deception to deny an auto accident victim’s “uninsured motorist” benefits claim. Here’s what the court said about each issue:  
**Stonewalling** – “State Farm’s inexcusable failure to provide [the auto accident victim] with a copy of the policy effectively prevented [her] from complying with the policy’s conditions for the recovery of uninsured motorist benefits;”  
**Misrepresentation** – “State Farm’s representatives made significant misrepresentations concerning the applicable policy” and its “contractually shortened period of limitations” and, thus, the time period during which the auto accident victim could “assert her claim;”  
**Deception** – State Farm had “failed to give Woodruff fair notice” of its defenses and had “engaged in a course of conduct” that “reasonably led Woodruff to believe she had complied with the terms” of State Farm’s UM policy. For more, please check out Michigan Auto Law’s blog post, [“State Farm gets slammed for stonewalling, deceiving auto accident victim.”](#)

- **State Farm ignored its own policy language to deny benefits to pedestrian struck by State Farm insured.** A State Farm Mutual Automobile Insurance Company insured crashed into a woman while she was walking her dog. She made a claim on the driver's State Farm liability. Even though State Farm's policy defined "occupant" as including a person who is "on" the covered vehicle and it was undisputed that the pedestrian was "on the vehicle's hood," State Farm denied the woman's claim, calling it "ridiculous" and insisting that she was not an "occupant" in the conventional sense. The federal 6<sup>th</sup> Circuit Court of Appeals rejected State Farm's argument, noting that, not only is it uncivil to call an opponent's argument "ridiculous," but it's also unwise, especially when "the argument that State Farm derides as ridiculous is instead correct."
- For more information, please check out Michigan Auto Law's blog post, ["State Farm thinks it's 'ridiculous' that it must provide the benefits promised in its policy language."](#)
- **State Farm charges auto insurance prices that are 127% to consumers with 'poor' credit scores.** Research by the Consumer Federation of America (CFA) shows that State Farm charges drivers "with poor credit scores much higher prices" for auto insurance – approximately 127% higher - "than drivers with excellent scores," according to a press release announcing the publication of CFA's report, "The Use of Credit Scores by Auto Insurers: Adverse Impacts on

Low- and Moderate-Income Drivers.” For more information, please check out Michigan Auto Law’s blog post, [“Why State Farm and Allstate will charge you more for auto insurance if you have a poor credit score.”](#)

- **State Farm charges 45% more to consumers with ‘no credit’ than those with ‘excellent credit.’** In its “2014 Car Insurance by Credit Score Report,” consumer website WalletHub reported that State Farm “display[ed] a 45% premium fluctuation” between the auto insurance prices charged to consumers with “excellent credit” and those with “no credit.” For more information, please read Michigan Auto Law’s blog post, [“How do credit scores punish Detroit residents when paying for auto insurance?”](#)
- **Complaints from Michigan consumers have increased.** Consumer complaints against State Farm Mutual Automobile Insurance Company increased 14% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).

## **Progressive**

Here are the reasons that Progressive landed near the top of our list of the Worst Auto Insurance Companies for 2015:

- **Progressive ignored Michigan’s No Fault law by fabricating its own wage loss rules.**

When a Michigan Auto Law client who was injured in an auto accident applied for No Fault wage loss benefits with Progressive, the company informed the victim that wage loss would be paid only if certain conditions are met. This, it should be noted, is always the case and is not unusual. Michigan's No Fault law sets forth certain requirements that an auto accident victim must satisfy in order to be entitled to collect wage loss benefits.

- However, what was unusual was what Progressive's "conditions" were – and these "conditions" had nothing to do with Michigan's No Fault law. In fact, the statute that Progressive cited as authority for its "conditions" did not even exist. For more information on this, please check out Michigan Auto Law's blog post, "[Progressive demands '7 verifiable proofs' to avoid paying legitimate claim.](#)"
- **To avoid paying "Underinsurance" benefits to the estate of a loyal Progressive customer who was killed in a crash, Progressive 'defended' the at-fault driver who killed Progressive's insured.** After years of accepting, cashing and depositing Kaitlynn Fisher's dutifully paid premiums for "Underinsurance Motorist Benefits," Progressive Insurance turned its back on Ms. Fisher (the form of her estate). After Ms. Fisher was killed by an inadequately-insured at-fault driver, Ms. Fisher's estate made a claim for "Underinsured" motorist benefits under Ms. Fisher's policy with Progressive. Progressive denied the claim.

- But that wasn't all. The auto insurer contested Ms. Fisher's estate's "underinsurance" claim by using Ms. Fisher's premium dollars to hire a lawyer to "defend" the truly at-fault driver and, thus, Ms. Fisher for the car crash that took her life - despite overwhelming evidence that the other driver had caused the crash that took Ms. Fisher's life. No doubt you have heard of this shameful case. Ms. Fisher's brother, Matt, made very public statements expressing his outrage at the way Progressive had betrayed his sister, one of Progressive's own, premium-paying customers. For more information, please check out Michigan Auto Law's blog post, ["Progressive's betrayal of woman after fatal car crash could happen to you."](#)
- **Progressive charges 48% more to consumers with 'no credit' than those with 'excellent credit.'** In its "2014 Car Insurance by Credit Score Report," consumer website WalletHub reported that Progressive had approximately 48% premium fluctuation" between the auto insurance prices charged to consumers with "excellent credit" and those with "no credit." For more information, please read Michigan Auto Law's blog post, ["How do credit scores punish Detroit residents when paying for auto insurance?"](#)
- **Progressive charges higher auto insurance prices to drivers with less education and lower-status jobs.** In its study, "Major Auto Insurers Charge Higher Rates To High School Graduates And Blue Collar Workers," the Consumer

Federation of America reported that Progressive and other auto insurance companies “charge higher rates to drivers with less education and lower-status jobs,” than they do to drivers with more education and higher-status jobs. Specifically, the CFA found that Progressive “charges a factory worker with a high school degree higher annual premiums than a plant supervisor with a college degree” by anywhere from 8% to 33%. To learn more, please read Michigan Auto Law’s blog post, [“Are blue collar workers paying more for car insurance in Michigan?”](#)

- **Progressive charges more for auto insurance to low-income, but ‘safe,’ drivers than to higher-income, accident-prone drivers.** In its study, “Largest Auto Insurers Frequently Charge Higher Premiums To Safe Drivers Than To Those Responsible For Accidents,” the Consumer Federation of America reported that Progressive charged higher auto insurance rates to “safe drivers,” who had little education and lower-paying jobs, than it did to accident-prone drivers, who had more education and higher-paying jobs. The CFA study was based on price quotes obtained from auto insurers for both a “good driver” (a receptionist with a high school education and a clean driving record) and a “bad driver” (an executive with a Master’s Degree and an at-fault accident with \$800 in damage within the past three years) in cities across the country. For more information, please check out Michigan Auto Law’s blog post, [“The poor pay more for car insurance than bad drivers.”](#)

- **Progressive auto insurance prices are among the most expensive in Michigan.** When compared with Michigan’s other largest auto insurers, Progressive’s auto insurance prices were among the **most** expensive in all 16 of the major Michigan markets examined. Progressive Michigan’s auto insurance prices were the third-most expensive in two of the 16 major Michigan markets examined, fourth-most expensive in 11, and fifth-most expensive in the remaining three. Progressive Marathon’s auto insurance prices were the second-most expensive in nine of the 16 major Michigan markets examined and third-most expensive in the remaining seven.
- **Progressive pays the smallest percentage of premiums on claims.** Among Michigan’s largest auto insurers, Progressive Michigan Insurance Company topped the list for paying out the smallest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Progressive Michigan Insurance Company receives from Michigan drivers, it pays out approximately \$.48 in auto accident claims submitted by its auto-insurance customers. *\*Data was not available for Progressive Marathon Insurance Company.*

- **Progressive received a below-average rating in the J.D. Power 2014 U.S. Insurance Shopping Study.** Progressive received a below-average rating in the J.D. Power 2014 U.S. Insurance Shopping (Auto Insurance Purchase Experience) Study, which ranks auto insurers based on “overall customer [or “new-buyer”] satisfaction with the auto insurance purchase experience ...” Progressive’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest J.D. Power rating. “Better than most” is the second-highest. “About average” is third. And the lowest is the below-average rating of “The rest.” Notably, in 2013, Progressive also received a below-average rating.
- **Progressive received a below-average rating in the J.D. Power 2013 U.S. Auto Insurance Study.** Progressive received a below-average rating in the J.D. Power 2013 U.S. Auto Insurance Study, which ranks auto insurers based on “overall customer satisfaction with auto insurance companies ...” Progressive’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest rating. “Better than most” is the second-highest. “About average” is third. And the lowest is the below-average rating of “The rest.”

The following must also be noted about Progressive:

- **Complaints from Michigan consumers have declined.** Consumer complaints against Progressive Michigan Insurance Company dropped 48% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS). Similarly, consumer complaints against Progressive Marathon Insurance Company dropped 22% during the same time period.

### **Allstate (and Esurance)**

Allstate always makes my list of the worst insurance companies. I speak at legal seminars across the nation, and if there were a vote, I believe Allstate and State Farm would be voted the worst and second worst insurance companies by insurance lawyers across the nation.

Here are some of the latest reasons that Allstate - and Esurance which identifies itself as “an Allstate company” - landed on our list of the Worst Auto Insurance Companies of 2015:

- **Allstate charges 116% more to consumers with ‘no credit’ than those with ‘excellent credit.’** In its “2014 Car Insurance by Credit Score Report,” consumer website WalletHub reported that Allstate had “a 116% fluctuation in [auto insurance] premiums” between the prices charged to consumers with “excellent credit” and those with “no credit.” For more information, please read

Michigan Auto Law's blog post, ["How do credit scores punish Detroit residents when paying for auto insurance?"](#)

- **Esurance ("an Allstate company") tried to dupe an unrepresented auto accident victim into accepting a low-ball \$500 settlement ... then settled the claim for \$20,000 (3,900% more) after the victim retained a lawyer.** Less than two weeks after a collision caused by Esurance's insured, Esurance ("an Allstate company") tried to take advantage of the vulnerable, unrepresented crash victim who had been seriously injured in the collision by making a low-ball settlement offer of \$500. When Esurance learned the crash victim had retained a lawyer (who happened to be Brandon Hewitt, a lawyer with Michigan Auto Law), Esurance withdrew its offer.
- Six months later, Esurance settled the exact same case that it had just offered \$500 on for \$20,000 – the entire insurance liability policy limits for the Esurance's insured.
- ***In other words, Esurance settled the collision victim's case for 3,900% more after the victim retained a lawyer.***
- To learn more, please read Michigan Auto Law's blog post, ["Esurance makes case for why auto accident victims need attorneys."](#)

- **Allstate’s defense lawyers make ‘bad faith’ requests for facilitation – with no intention of actually settling cases.** Allstate’s defense lawyers seem to have recently rolled out a new stalling tactic. This tactic is to postpone a trial by offering to enter into a “facilitation,” which is a form of alternative dispute resolution, to attempt to settle the case.
- That would be fine, of course, assuming the insurer was entering into facilitation with the intent to engage in good faith settlement negotiations to actually try to settle the case. However, after the victim and her lawyer have agreed and after they’ve invested substantial time and money in preparation, they show up for the facilitation only to find none of the Allstate adjusters are present and the Allstate lawyer has no settlement authority to settle the case. Allstate has successfully pulled off this trick with many personal injury lawyers.
- But not all. When Allstate tried it with a Michigan Auto Law client, Josh Terebelo, a Michigan Auto Law attorney, had the insurer sanctioned by the trial court judge for its “Bad Faith Facilitation” request ... and the judge did! She ordered Allstate to pay for the auto accident victim’s attorney fees and for the facilitator’s fee. For more, please check out Michigan Auto Law’s blog post, [“Has Allstate stood you up at a facilitation or mediation?”](#)
- **Allstate charges auto insurance prices that are 39% higher to consumers with ‘poor’ credit scores.** Research by the Consumer

Federation of America (CFA) shows that Allstate charges drivers “with poor credit scores much higher prices” for auto insurance – approximately 39% higher - “than drivers with excellent scores,” according to a press release announcing the publication of CFA’s report, “The Use of Credit Scores by Auto Insurers: Adverse Impacts on Low- and Moderate-Income Drivers.” For more information, please check out Michigan Auto Law’s blog post, [“Why State Farm and Allstate will charge you more for auto insurance if you have a poor credit score.”](#)

- **Complaints from Michigan consumers have increased against Allstate Property & Casualty Insurance Company.** Consumer complaints against Allstate Property & Casualty Insurance Company increased 350% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).
- **Complaints from Michigan consumers have increased against Esurance Insurance Company (“an Allstate company”).** Consumer complaints against Allstate’s “protégé,” Esurance Insurance Company, increased 133% since the company’s acquisition by Allstate in 2011, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).

- **Complaints from Michigan consumers have increased against Esurance Property and Casualty Insurance Company (“an Allstate company”).** Consumer complaints against Allstate’s “protégé,” Esurance Property and Casualty Insurance Company, increased 1,050% since the company’s acquisition by Allstate in 2011, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).
- **Allstate pays the fourth-smallest percentage of premiums on claims.** Among Michigan’s largest auto insurers, Allstate Insurance Company paid the fourth-smallest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Allstate Insurance Company receives from Michigan drivers, it pays out approximately \$.62 in auto accident claims submitted by its auto-insurance customers.  
*\*Data was not available for Allstate Property & Casualty Insurance Company or Esurance Insurance Company (for years after its acquisition by Allstate).*
- **Allstate received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Shopping Study.** Allstate received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study, which ranks auto insurers based on “overall customer satisfaction with auto

insurance companies ...” Allstate’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest J.D. Power rating. “Better than most” is the second-highest. “About average” is third. And the lowest is the below-average rating of “The rest.”

- **Esurance (“an Allstate company”) received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study.** Esurance (“an Allstate company”) received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study, which ranks auto insurers based on “[o]verall customer satisfaction with the auto insurance claims process ...” Esurance’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest J.D. Power rating. “Better than most” is the second- highest. “About average” is third. And the lowest is the below-average rating of “The rest.” Notably, Esurance also received below-average ratings from 2011 (when Allstate acquired Esurance) through 2013.
- **Allstate received the third-lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.** Among Michigan’s largest auto insurers, Allstate Insurance Company received the third-lowest score in [ConsumerReports.org](http://ConsumerReports.org)’s 2014 “Car Insurance Ratings,” which measures [ConsumerReports.org](http://ConsumerReports.org)’s readers’ “overall satisfaction” with auto insurance companies. On a scale of zero to 100, Allstate

Insurance Company scored an 81, which means consumers were between “completely satisfied” and “very satisfied.” In 2013, Allstate Insurance Company scored an 85 on [ConsumerReports.org](http://ConsumerReports.org)'s 2013 auto insurer ratings, which measured [ConsumerReports.org](http://ConsumerReports.org)'s “subscribers’ overall satisfaction with how their claims were handled.”

**NOTE:** We have grouped Esurance (“an Allstate company”) into our discussion about Allstate because it is so closely aligned to Allstate. According to its website, [www.esurance.com](http://www.esurance.com), Esurance presents itself as being very closely aligned with Allstate: “Esurance, an Allstate company,” “As a member of the Allstate family, we’re backed by the strength, commitment, and experience of a long-time industry leader,” “Esurance is backed by Allstate, the largest publicly held personal lines insurer in the U.S. With their 80-plus years of experience and superior financial strength behind us, you know you can count on Esurance for car insurance coverage you can rely on.”

## **Farmers**

In the past, Farmers has made my “Best Auto Insurance Companies” list— but no longer. Here are the reasons Farmers dropped from “Best” to “Worst” and has now made our attorneys’ list of the “Worst Auto Insurance Companies” for 2015:

- **Farmers charges 80% more to consumers with ‘no credit’ than those with ‘excellent credit.’** In its “2014 Car Insurance by Credit Score Report,” consumer website WalletHub reported that Farmers’s auto insurance premiums fluctuated

approximately 80% between the prices charged to consumers with “excellent credit” and those with “no credit.” For more information, please read Michigan Auto Law’s blog post, [“How do credit scores punish Detroit residents when paying for auto insurance?”](#)

- **Farmers charges more for auto insurance to low-income, but ‘safe,’ drivers than to higher-income, accident-prone drivers.** In its study, “Largest Auto Insurers Frequently Charge Higher Premiums To Safe Drivers Than To Those Responsible For Accidents,” the Consumer Federation of America reported that Farmers charged higher auto insurance rates to “safe drivers,” who had little education and lower-paying jobs, than it did to accident-prone drivers, who had more education and higher-paying jobs. The CFA study was based on price quotes obtained from auto insurers for both a “good driver” (a receptionist with a high school education and a clean driving record) and a “bad driver” (an executive with a Master’s Degree and an at-fault accident with \$800 in damage within the past three years) in cities across the country. For more information, please check out Michigan Auto Law’s blog post, [“The poor pay more for car insurance than bad drivers.”](#)
- **Farmers charges higher auto insurance prices to drivers with less education and lower-status jobs.** In its study, “Major Auto Insurers Charge Higher Rates To High School Graduates And Blue Collar Workers,” the Consumer

Federation of America reported that Farmers and other auto insurance companies “charge higher rates to drivers with less education and lower-status jobs,” than they do to drivers with more education and higher-status jobs. Specifically, the CFA found that Farmers “charges those who are neither professionals nor certain government workers five percent higher premiums.” To learn more, please read Michigan Auto Law’s blog post, [“Are blue collar workers paying more for car insurance in Michigan?”](#)

- **Farmers auto insurance prices are the most expensive in Michigan.** When compared with Michigan’s other largest auto insurers, Farmers’s auto insurance prices were the **most** expensive in each of the 16 major Michigan markets examined.
- **Farmers received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study.** Farmers received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study, which ranks auto insurers based on “overall customer satisfaction with auto insurance companies ...” Farmers’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest rating. “Better than most” is the second-highest. “About average” is third. And the lowest is the below-average rating of “The rest.” Farmers also received below-average ratings from 2011-13.

- **Farmers received a below-average ratings in the J.D. Power U.S. Auto Claims Satisfaction Study in both 2013 and 2011.** Farmers received a below-average rating in the J.D. Power U.S. Auto Claims Satisfaction Study in both 2013 and 2011, which ranks auto insurers based on “[c]ustomer satisfaction with auto insurance claims handling ...” Farmers’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest rating. “Better than most” is the second-highest. “About average” is third. And the lowest is the below-average rating of “The rest.”
- **Farmers received a below-average rating in the J.D. Power 2014 U.S. Insurance Shopping Study.** Farmers received a below-average rating in the J.D. Power 2014 U.S. Insurance Shopping (Auto Insurance Purchase Experience) Study, which ranks auto insurers based on “overall customer [or “new-buyer”] satisfaction with the auto insurance purchase experience ...” Farmers’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest rating. “Better than most” is the second highest. “About average” is third. And the lowest is the below-average rating of “The rest.”
- **Farmers received the lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.** Among Michigan’s largest auto insurers, Farmers earned

the lowest score in [ConsumerReports.org](http://ConsumerReports.org)'s 2014 "Car Insurance Ratings," which measures [ConsumerReports.org](http://ConsumerReports.org)'s readers' "overall satisfaction" with auto insurance companies. On a scale of zero to 100, Farmers scored an 80, which means consumers were between "completely satisfied" and "very satisfied." In 2013, Farmers scored an 84 on [ConsumerReports.org](http://ConsumerReports.org)'s 2013 auto insurer ratings, which measured [ConsumerReports.org](http://ConsumerReports.org)'s "subscribers' overall satisfaction with how their claims were handled."

The following is some good news about Farmers, and should also be noted:

- **Complaints from Michigan consumers have decreased.** Consumer complaints against Farmers ("Farmers Insurance Exchange") dropped 23% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).
- **Farmers pays the second-highest percentage of premiums on claims.** Among Michigan's largest auto insurers, Farmers paid the second-highest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Farmers receives from Michigan drivers, it pays out approximately \$.71 in auto accident claims submitted by its auto-insurance customers.

## Farm Bureau

One of the main reasons Farm Bureau made our list of the “Worst Auto Insurance Companies” for 2015 is because our attorneys find Farm Bureau adjusters to be particularly insensitive and mean-spirited. The following real case is a good example of what we see from Farm Bureau:

- **Farm Bureau shamefully targets a car accident victim in a wheelchair with a nonsensical and absurd legal reason for denying compensation.** In a Macomb County case, Farm Bureau – along with State Farm (which also made our “Worst” list) denied legal compensation to a paralyzed car accident victim – George Veness. Mr. Veness had been paralyzed from the waist down years earlier in work-related accident.
- The reason behind Farm Bureau’s denial? Farm Bureau took the position that Mr. Veness should have had auto No Fault insurance coverage — on his motorized wheelchair. Mr. Veness had been using his wheelchair to cross the street when he was struck by an SUV whose at-fault driver (who happened to be an off-duty police officer) was Farm Bureau’s insured customer. Farm Bureau has tried to justify its otherwise unjustifiable position by claiming that Mr. Veness’s motorized wheelchair qualified as a “motor vehicle” under the No Fault Law and, thus, should be treated like a car or truck for purposes of obtaining No Fault auto insurance coverage.

- Because Mr. Veness did not have No Fault coverage on his motorized wheelchair, Farm Bureau went on to argue, he should be treated as an “uninsured” driver and, thus, deemed ineligible for any pain and suffering compensation from the at-fault driver, who was the Farm Bureau insured.
- This is despite the fact that a person couldn’t purchase car insurance for his wheelchair, even if he wanted to. No insurance company in America was selling it, including Farm Bureau, at the time Farm Bureau was making this same legal argument.
- This case went on to make national news. It was considered so outrageous that the Michigan Legislature passed a law to stop insurance companies like Farm Bureau from ever making this type of argument again. To learn more, please check out Michigan Auto Law’s blog post, Farm Bureau’s [“\[T\]reatment of wheelchair-bound man so outrageously ‘unbelievable’ it couldn’t be made up.”](#)

But wait, it actually gets worse.

- **Farm Bureau blames a non-existing ‘ethical obligation’ for its shameful denial of pain and suffering compensation to Mr. Veness, the paralyzed car accident victim.** As if it were not bad enough that Farm Bureau was absurdly trying to say a person in a wheelchair should be barred for not having car insurance on his wheelchair, Farm Bureau had the audacity - and lack of common decency - to say it had an

“ethical obligation” for making this frivolous legal argument (one that court filings show Farm Bureau subsequently withdrew once the case made state and national news). Before this, however, Farm Bureau said it purportedly owed its at-fault insured who caused the injury a duty to make this argument in court. Of course, nothing could be further from the truth. Neither Farm Bureau’s auto insurance policy, nor Michigan’s No Fault law, nor Michigan’s Insurance Code imposes on Farm Bureau the type of “ethical” obligation that Farm Bureau claimed to be fulfilling when its lawyers argued that people must buy car insurance for wheelchairs or be considered “uninsured.” The “ethical obligation” issue is just smoke and mirrors.

- What’s really going on here is simple: Farm Bureau got caught denying injury compensation because it wants to avoid paying out on a valid claim. To read more, please read the Michigan Auto Law Blog (which is the first of a three-part series), [“Farm Bureau blames phony ‘ethical obligation’ for its frivolous legal argument, shameful treatment of injured man in wheelchair.”](#)

## **Justice Prevailed!**

I’m pleased to say that, as a result of Farm Bureau’s shameful targeting of auto accident victims in wheelchairs, the law was changed, thereby making it impossible for State Farm or any other Michigan auto insurer to deny No Fault benefits to a paralyzed auto accident victim on the basis that he did not have No Fault auto insurance on the motorized wheelchair when he was injured in a car accident.

To learn about this welcome – and necessary – change in the law, please read Michigan Auto Law’s Blog, [“BREAKING NEWS: No Fault Law amended to protect motorized-wheelchair users.”](#)

As an attorney, I might not personally like Farm Bureau, but that doesn’t mean it isn’t pricing its insurance very competitively. The following should also in fairness be noted:

- **Farm Bureau auto insurance prices are among the least expensive in Michigan.** When compared with Michigan’s other largest auto insurers, auto insurance prices for both Farm Bureau General and Mutual were among the least expensive in all 16 of the major Michigan markets examined.

## CHAPTER 5: 'FOR YOUR CONSIDERATION' AUTO INSURANCE COMPANIES FOR 2015

In this chapter, I will discuss the auto insurance companies that made my "For Your Consideration" list for 2015.

### Liberty Mutual

Here are the reasons that Liberty Mutual made our "For Your Consideration" list of auto insurance companies for 2015:

- **Liberty Mutual charges higher auto insurance prices to drivers with less education and lower-status jobs.** In its study, "Major Auto Insurers Charge Higher Rates To High School Graduates And Blue Collar Workers," the Consumer Federation of America reported that Liberty Mutual and other auto insurance companies "charge higher rates to drivers with less education and lower-status jobs," than they do to drivers with more education and higher-status jobs. Specifically, the CFA found that Liberty Mutual "charges a high school graduate higher annual premiums than a college graduate" by anywhere from 10% to 13%. To learn more, please read Michigan Auto Law's blog post, ["Are blue collar workers paying more for car insurance in Michigan?"](#)

- **Complaints from Michigan consumers have not increased or decreased.** Consumer complaints against Liberty Mutual Fire Insurance Company did not increase or decrease between 2007-13, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).
- **Liberty Mutual auto insurance prices are among the most expensive in Michigan.** When compared with Michigan’s other largest auto insurers, Liberty Mutual Fire Insurance Company’s auto insurance prices were among the most expensive in each of the 16 major Michigan markets examined.
- **Liberty Mutual received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study.** Liberty Mutual received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study, which ranks auto insurers based on “[o]verall customer satisfaction with the auto insurance claims process ...” Liberty Mutual’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest J.D. Power rating. “Better than most” is the second highest. “About average” is third. And the lowest is the below-average rating of “The rest.”
- **Liberty Mutual received a “Better than most” rating in the J.D. Power 2014 U.S. Insurance Shopping Study.** Liberty Mutual

receive a “Better than most” rating in the J.D. Power 2014 U.S. Insurance Shopping (Auto Insurance Purchase Experience) Study, which ranks auto insurers based on “overall customer [or “new-buyer”] satisfaction with the auto insurance purchase experience ...” “Better than most” is the second highest J.D. Power rating. In 2013, Liberty Mutual also received a “Better than most” rating.

- **Liberty Mutual received the fourth-lowest [ConsumerReports.org](#) rating among Michigan’s largest auto insurers.** Among Michigan’s largest auto insurers, Liberty Mutual earned the fourth-lowest score in [ConsumerReports.org](#)’s 2014 “Car Insurance Ratings,” which measures [ConsumerReports.org](#)’s readers’ “overall satisfaction” with auto insurance companies. On a scale of zero to 100, Auto-Owners scored an 81, which means consumers were between “completely satisfied” and “very satisfied.” In 2013, Liberty Mutual scored an 86 on [ConsumerReports.org](#)’s 2013 auto insurer ratings, which measured [ConsumerReports.org](#)’s “subscribers’ overall satisfaction with how their claims were handled.”

## **Home-Owners Insurance Company**

Here are the reasons Home-Owners made our “For Your Consideration” list of auto insurance companies for 2015:

- **Home-Owners accepted auto insurance premium payments on a vehicle, but then**

**claimed the vehicle was not coverage once a claim was filed.** Here's an actual case we had with Home-Owners I want to share. Home-Owners, which despite its name also sells auto insurance, was okay with an insured customer's 'owner' status when accepting her money for years for insurance premiums; but once a claim was made, Home-Owners objects.

- Strangely – and quite inexplicably – Ms. Carson's "owner" status had never been a problem for Home-Owners, who for years made money from pocketing her premium payments. Home-Owners never voiced any concerns to cause it to refund Ms. Carson's premium payments for the time period when her "owner" status supposedly prevented coverage under her policy. Nope. Instead, Ms. Carson's "owner" status of the Lexus SUV only became a problem for Home-Owners when it meant that Home-Owners might have to pay out on a claim. And that is not how insurance companies make money. To read more of what happened, please check out Michigan Auto Law's blog post, ["Yet another insurance company dirty trick \(Sigh\)."](#)
- **Complaints from Michigan consumers have increased.** Consumer complaints against Home-Owners Insurance Company increased 39% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).

- **Home-Owners auto insurance prices are among the least expensive in Michigan.** When compared with Michigan’s other largest auto insurers, Home-Owners’ prices were among the **least** expensive in all 16 of the major Michigan markets examined.
- **Home-Owners Insurance Company pays the third-largest percentage of premiums on claims.** Among Michigan’s largest auto insurers, Home-Owners pays the third-largest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Home-Owners receives from Michigan drivers, it pays out approximately \$.69 in auto accident claims submitted by its auto-insurance customers.

## Citizens

Here are the reasons Citizens made our “For Your Consideration” list of auto insurance companies for 2015:

- **Complaints from Michigan consumers about Citizens Insurance Company of America have decreased.** Consumer complaints against Citizens Insurance Company of America decreased 85% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS). However, consumer complaints against

Citizens Insurance Company of the Midwest increased 383% over the same period.

- **Citizens Insurance Company of the Midwest auto insurance prices are among the least expensive in Michigan.** When compared with Michigan's other largest auto insurers, Citizens Insurance Company of the Midwest's auto insurance prices were among the least expensive in each of the 16 major Michigan markets examined. In fact, Citizens Insurance Company of the Midwest's auto insurance prices were the least expensive in 11 of the 16 major Michigan markets examined, the second-least expensive in four of the markets, and the third-least expensive in one market. In contrast, Citizens Insurance Company of America's auto insurance prices were among the most expensive in seven of the 16 major Michigan markets examined.
- **Citizens pays the third-smallest percentage of premiums on claims.** Among Michigan's largest auto insurers, Citizens Insurance Company of America paid the third-smallest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Citizens Insurance Company of America receives from Michigan drivers, it pays out approximately \$.56 in auto accident claims submitted by its auto-insurance customers. *\*Data was not available for Citizens Insurance Company of the Midwest.*

- **Citizens received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study.** Citizens received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study, which ranks auto insurers based on “overall customer satisfaction with auto insurance companies ...” Citizens’s below-average performance was marked by its “The rest” rating, which is J.D. Power’s lowest rating. “Among the best” is the highest J.D. Power rating. “Better than most” is the second-highest. “About average” is third. And the lowest is the below-average rating of “The rest.” Citizens also received below-average ratings from 2010 through 2013.
- **Citizens received a “Better than most” rating in the J.D. Power 2014 U.S. Insurance Shopping Study.** Citizens received a “Better than most”-rating in the J.D. Power 2014 U.S. Insurance Shopping (Auto Insurance Purchase Experience) Study, which ranks auto insurers based on “overall customer [or “new-buyer”] satisfaction with the auto insurance purchase experience ...” “Better than most” is the second highest J.D. Power rating.
- **Citizens received the second-lowest [ConsumerReports.org](http://ConsumerReports.org) rating among Michigan’s largest auto insurers.** Among Michigan’s largest auto insurers, Citizens (through its parent company, Hanover) earned second-lowest rating in [ConsumerReports.org](http://ConsumerReports.org)’s 2014 “Car Insurance Ratings,” which measures [ConsumerReports.org](http://ConsumerReports.org)’s readers’ “overall

satisfaction” with auto insurance companies. On a scale of zero to 100, Citizens (through its parent company, Hanover) scored an 80, which means consumers were between “completely satisfied” and “very satisfied.” In 2013, Citizens (through its parent company, Hanover) scored an 87 on [ConsumerReports.org](http://ConsumerReports.org)’s 2013 auto insurer ratings, which measured [ConsumerReports.org](http://ConsumerReports.org)’s “subscribers’ overall satisfaction with how their claims were handled.”

## **Auto Club Group Insurance Company**

Here are the reasons that Auto Club Group made our “For Your Consideration” list of auto insurance companies for 2015:

- **Complaints from Michigan consumers about Auto Club Group Insurance Company have decreased.** Consumer complaints against Auto Club Group Insurance Company decreased 15% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).
- **Auto Club Group received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study.** Auto Club Group received a below-average rating in the J.D. Power 2014 U.S. Auto Insurance Study, which ranks auto insurers based on “overall customer satisfaction with auto insurance companies ...” Auto Club Group’s below-average performance was marked by its “The rest”

rating, which is J.D. Power's lowest rating. "Among the best" is the highest J.D. Power rating. "Better than most" is the second highest. "About average" is third. And the lowest is the below-average rating of "The rest." Auto Club Group also received below-average ratings from 2011 through 2013.

- **Auto Club Group received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study.** Auto Club Group received a below-average rating in the J.D. Power 2014 U.S. Auto Claims Satisfaction Study, which ranks auto insurers based on "[o]verall customer satisfaction with the auto insurance claims process ..." Auto Club Group's below-average performance was marked by its "The rest" rating, which is J.D. Power's lowest rating.

## **Frankenmuth Mutual Insurance Company**

Here are the reasons that Frankenmuth made our "For Your Consideration" list of auto insurance companies for 2015:

- **Complaints from Michigan consumers about Frankenmuth Mutual Insurance Company have increased.** Consumer complaints against Frankenmuth Mutual Insurance Company increased 114% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).

- **Frankenmuth Mutual auto insurance prices are generally among the least expensive in Michigan.** When compared with Michigan’s other largest auto insurers, Frankenmuth Mutual Insurance Company’s auto insurance prices were the among the least expensive in 10 of the 16 major Michigan markets examined.
- **Frankenmuth Mutual pays the second-highest percentage of premiums on claims.** Among Michigan’s largest auto insurers, Frankenmuth Mutual Insurance Company paid the second-highest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Frankenmuth Mutual receives from Michigan drivers, it pays out approximately \$.71 in auto accident claims submitted by its auto-insurance customers.

### **MEEMIC Insurance Company**

Here are the reasons that MEEMIC Insurance Company made our “For Your Consideration” list of auto insurance companies for 2015:

- **Complaints from Michigan consumers have increased.** Consumer complaints against MEEMIC Insurance Company increased 25% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).

- **MEEMIC pays the second-lowest percentage of premiums on claims.** Among Michigan’s largest auto insurers, MEEMIC paid the second-lowest percentage of its premium dollars in claims for its auto-insurance customers, according to loss ratio data gathered by the Michigan Department of Insurance and Financial Services (DIFS). For instance, for every premium dollar Frankenmuth Mutual receives from Michigan drivers, it pays out approximately \$.50 in auto accident claims submitted by its auto-insurance customers.

## **MemberSelect Insurance Company**

Here are the reasons MemberSelect Insurance Company made our “For Your Consideration” list of auto insurance companies for 2015:

- **Complaints from Michigan consumers have increased.** Consumer complaints against MemberSelect Insurance Company increased 354% between 2007 and 2013, according to data gathered by the Michigan Department of Insurance and Financial Services (DIFS).



## CHAPTER 6: SOURCE INFORMATION

In addition to my own personal experience as an auto accident attorney, and the experiences of my fellow attorneys and colleagues at Michigan Auto Law, the information for this book came largely from our own cases and my own writings in Michigan Auto Law blog posts (for which titles have been provided in the previous chapters). I have also relied on the following sources of data, statistics and information in compiling this 2015 edition of **“The Attorneys’ Guide to the Best Auto Insurance Companies (And the ones our attorneys recommend you should avoid)”**:

1. Insurance Institute of Michigan, 2014 IIM Fact Book, “Top Writers of Auto Insurance in Michigan.” (Page 27)
2. “Insurance Company Complaint Ratios” (“Coverage Type: Automobile”) for 2007 through 2013, Michigan Office of Financial and Insurance Regulation (OFIR) and Department of Insurance and Financial Services (DIFS).
3. “The Competitiveness and Premium Excessiveness of the ... Auto Insurance Industr[y] in the State of Michigan,” Michigan Office of Financial and Insurance Services (OFIS) [Now known as the Michigan Office of Financial and Insurance Regulation (OFIR)] (“Appendix L: Auto Insurance Companies’ Combined Loss Ratios ...”).
4. “2008 Buyers’ Guide to Auto Insurance,” Michigan Office of Financial and Insurance Regulation (OFIR). (Example 3: Pages 16-17)

5. J.D. Power U.S. Auto Insurance Study (2009-14).
6. J.D. Power 2014 U.S. Auto Claims Satisfaction Study (2009-14).
7. J.D. Power 2014 U.S. Insurance Shopping (Auto Insurance Purchase Experience) Study (2013-14).
8. [ConsumerReports.org](http://ConsumerReports.org): "Car insurance ratings, 2014; Auto Insurer Ratings: "Save on auto insurance," June 2013.

## CHAPTER 7: STOPPING FRAUD AND ABUSE FROM MICHIGAN AUTO INSURANCE COMPANIES

If you've read my list of the "Worst" auto insurance companies for 2015, you can surely see that some serious action needs to occur now — in order to regulate how these insurance companies treat people.

One day, one of these people could be you.

As a No Fault insurance lawyer, I know that insurance companies treat people worse in Michigan than in most other states. If you've been injured in an auto accident, chances are you will experience the three D's from an auto insurance company when handling your claim. The insurance company will usually:

1. **Delay** your insurance benefits,
2. **Deny** you were injured in an auto accident, and then
3. **Defend** aggressively, to get people to avoid hiring an insurance lawyer and to accept a compromised settlement.

## No Bad Faith Laws or Punitive Damages in Michigan

This happens because Michigan has no bad faith laws and no punitive damages to deter insurance companies from abusing their people like this.

**Bad faith laws** are laws that prohibit insurance companies from treating you unfairly and illegally. Bad faith is defined as an intentional dishonest act by not fulfilling legal or contractual obligations, misleading another, entering into an agreement without the intention or means to fulfill it, or violating basic standards of honesty in dealing with others.

**Punitive damages** are additional damages that a judge or jury can award when an insurance company acts with recklessness, malice or deceit. Michigan law does not allow judges or juries to award punitive damages in car accident cases or any personal injury lawsuits for that matter. So insurance company defendants have no problem forcing legitimate cases to trial. Even if they lose, all they have to pay is the insurance policy limits (This also means we have more “[grasshoppers](#)” - truckers who have caused so many truck accidents that they can’t get jobs in states with punitive damages, so they come here).

## **Michigan's Pathetic Consumer Protection Act Does Not Protect People from Insurance Companies**

For those of you who are unfamiliar, consumer protection laws are supposed prevent businesses from engaging in fraud or certain unfair practices and to protect consumers in the marketplace.

Unfortunately, this means nothing in Michigan, where our Republican Supreme Court ruled that the Michigan Consumer Protection Act cannot be used to protect people against auto insurance companies. The result is that once again, Michigan insurance company claims adjusters can treat people terribly and largely can get away with it.

Michigan insurance companies already [lead the nation in profitability](#), and Michigan is one of the few states without an insurance commissioner who can regulate how much profit these insurance companies can make; even though as residents, we are all required by law to purchase No Fault insurance.

### **What you Can Do to Ensure More Fair Auto Insurance Rates and Protections**

On a macroeconomic level, this all works out quite well for our auto insurance companies.

Why?

*Auto accident victims in Michigan have been walking away from hundreds of millions of dollars in valid and deserving claims that No Fault insurance companies are legally required to pay. Many of these auto insurance companies believe you won't wait, you won't hire a No Fault insurance lawyer to file an auto accident lawsuit, and you will eventually become so fed up or worn down by the claims adjuster that you will walk away or take a low-ball offer.*

Some of the auto insurance companies on my list are the worst offenders.

These episodes scream out why Michigan must have bad faith insurance laws and punitive damages to deter such bad behavior. Without a "big stick" that can halt deliberate insurance company abuse, our auto insurance companies can get away with dishonest actions more than insurance companies in almost all other states.

## **What Michigan Consumers Can Do to Help**

Here's what you can do to help:

Please **write a letter to your local representative and ask that bad faith insurance laws be introduced** in Michigan against insurance companies.

**Call for punitive damages when insurance companies and others intentionally and recklessly cause injury**, in order to stop them from doing it to others.

## **Do you have an insurance company horror story?**

Do you have an insurance company horror story? Tell us about it by visiting our Michigan Auto Law [Facebook](#), [Twitter](#) and [Google +](#) pages. Let's not let these insurance companies get away with abusing our cherished Michigan families!

If you have questions about your auto insurance policy, or if you've been in an auto accident and your insurance company is mistreating you, feel free to call (800) 968-1001 to speak with one of our No Fault lawyers. There is no cost or no obligation.



## CHAPTER 8: HOW TO CHOOSE THE BEST AUTO INSURANCE COMPANY

We've given you Michigan Auto Law's list of the "Best" and "Worst" auto insurance companies for 2015 and those that we submit "For Your Consideration."

Now that you have this information, you can better protect yourself and your family. Our auto insurance lawyers realize that choosing an insurance policy can be daunting.

Accordingly, in addition to the "Best" and "Worst" information above, we hope the following tips can help you choose the best auto insurance company for you.

### **1. Visit the Michigan Department of Insurance and Financial Services (DIFS) website.**

Formerly known as the "Insurance Bureau," the Michigan Department of Insurance and Financial Services (DIFS) is Michigan government's official website for insurance-related information, including auto insurance.

<http://www.michigan.gov/difs>

On the DIFS website, you will find, among other things, information about "consumer complaints" for all of the insurance companies that sell policies in Michigan.

Some of these will absolutely shock you, and give you a good flavor for how an insurance company you may be considering chooses to handle auto accident claims.

Moreover, the website explains how complaints can be filed against Michigan's auto insurance companies.

Finally, the DIFS site has helpful information about buying Michigan auto information.

## **2. Find out which insurers the independent repair shops and independent auto body shops recommend.**

One of the best ways to identify dependable auto insurers is to contact local collision repair shops that you trust, and ask for their recommendations. Shop managers have a unique perspective to offer, since they regularly interact with insurance claims adjusters. They know which insurance companies have the smoothest claim processes for routine [mini tort](#) claims and which companies are looking for shortcuts to cut costs at the expense of their own customers.

## **3. Always work with an independent insurance agent.**

Independent agents represent several insurance companies and therefore, do not have a vested interest in selling you a policy from one particular company. They can become familiar with your situation and guide you toward a suitable policy. Our auto insurance lawyers do not vouch for any particular one of these independent agents, but [findmichiganinsurance.org](http://findmichiganinsurance.org) is a great resource to search for independent insurance agents.

#### **4. Do your research.**

With so many people sharing reviews and testimonials both in social circles and on the Internet, you can get opinions from real people who have experienced insurance company claims first hand. Pay particular attention to those who have had personal injury claims from car and truck accidents.

### **Online Auto Insurance Resources for Michigan Drivers**

Our auto insurance lawyers have compiled this list of online resources to assist Michigan drivers with evaluating their No Fault insurance:

1. The Michigan government's website has a valuable ["What to watch for" guide](#) for buying insurance.
2. As noted above, the State of Michigan's Department of Insurance and Financial Services (DIFS) also has a great website with [information on purchasing auto insurance](#).
3. The [National Association of Insurance Commissioners' "Consumer Information Source" \(CIS\)](#) provides information about insurance companies that you can use before purchasing insurance, including key information about closed insurance complaints, licensing information and financial data.



## Conclusion

I hope my list of the “Best” and “Worst” auto insurance companies for 2015 - along with my list of those auto insurance companies I submit “For Your Consideration” - will help you protect yourself and your family, whether you’re shopping for new auto insurance, or just checking to make sure your policy is sufficient.

If you need more information, visit our [Michigan No Fault Insurance Resource Center](#). It has information on No Fault benefits, the No Fault Act, Michigan mini tort, Social Security Disability and additional coverage that can protect you if you’re ever injured in an auto accident.

You’re also welcome to call one of our insurance attorneys at (800) 968-1001. There’s no cost or obligation, and we can answer all of your questions about your car accident or your No Fault insurance policy.

# MICHIGANAUTOLAW

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# The 2015 Attorneys' Guide to the Best Auto Insurance Companies

*(And the ones our attorneys recommend you should avoid)*

This guide includes our attorneys' picks of the best auto insurer, and tips on how to choose the insurance company that's right for you and your family. We've also listed our picks for the worst auto insurance companies, with examples of how each has mistreated accident victims and consumers.



This guide is based on real experience from our lawyers, who deal with insurance companies every day, and see how they truly treat people when they're at their most vulnerable – after a car accident.

About the author: Steven M. Gursten is head of Michigan Auto Law, a 16-lawyer firm that only handles car, truck and motorcycle accident cases. He is a nationwide expert in automobile accident and Michigan No Fault laws. Steve is President of the national Motor Vehicle Trial Lawyers Association. He is a Michigan Lawyers Weekly Lawyer of the Year, a Top 100 Michigan Super Lawyer and listed in Best Lawyers in America.

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