



NEWS

RELEASE

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ALLSTATE TO IMPLEMENT STATEWIDE INCREASE INSURANCE DEPARTMENT LAUNCHES INVESTIGATION

ATLANTA – Insurance Commissioner Ralph Hudgens is issuing a consumer alert to inform Allstate Property & Casualty Insurance Company policyholders that the insurer has filed an overall statewide automobile rate increase of 25 percent that will be implemented on May 22, 2016. Hudgens warns policyholders that the 25 percent figure is only an average rate change for the entire state, and that many policyholders should be prepared to see a rate change as high as 58.3 percent.

“I am deeply concerned about this filing and the impact it could have on consumers,” Commissioner Hudgens said. “Georgia law prohibits me from stopping or delaying this increase unless an actuarial examination proves the rate to be legally excessive.”

On Monday, Commissioner Hudgens directed Georgia department staff to initiate a professional level examination of the Allstate filing to determine if the rate increase is defensible under state law. If the results of the examination show that the filing cannot adequately support the increase, he intends to take every measure allowed to him by law to protect policyholders.

“Georgia adopted a ‘file and use’ system in 2008 to promote competition and lower rates among insurance companies,” Hudgens said. “This rate filing appears to promote neither.”

The Georgia Department of Insurance recommends that policyholders discuss the reasons for the increase and options available to them with Allstate. These options could include revising deductibles, reviewing coverages needed or comparison shopping to find the right mix of coverage and price.

The Allstate Group of companies is the second largest automobile policy provider in the state of Georgia. As of Dec. 31, 2015, they held a market share of 11 percent of all Georgia automobile policies. Allstate can be contacted by telephone at 1-800-255-7828. You can also reach them online at www.allstate.com or tweet them at @Allstatecares.