



NEWS RELEASE

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Ameriprise Insurance Fined \$71,100 for Steering Violations

A Colorado automobile insurance company, IDS Property Casualty Insurance Company (better known as Ameriprise Auto & Home Insurance Company), has been fined \$71,100 and ordered to change their business practices following an investigation into repair shop “steering,” which violates Colorado law.

Steering, in which an insurance company illegally pushes business to certain repair shops using rebates or incentives, can harm consumers by restricting consumer choice.

“Consumers need to be able to compare repair rates, quality and service,” Morrison said. “While the repair shops contracted with Ameriprise may have done good work, the anti-steering law ensures that consumers, not insurance carriers, are in the driver’s seat to decide where they want repairs done.”

Records show that between September of 2006 and January of 2010, more than 700 Colorado consumers participated in the Ameriprise incentive program, for which they received a discount of \$100 off the collision deductible amount for using a repair shop that was contracted with the insurance company as a direct repair facility. Ameriprise will pay a monetary penalty of \$71,100 (\$100 for each of the 711 consumers who was steered to a preferred repair shop using the program), which will go into Colorado’s general fund. By law, the company must also pay a 10 percent surcharge (\$7,100) to the DORA outreach and education fund.

Details of the Stipulation and Final Agency Order for IDS Property Casualty Company (Ameriprise Auto and Home Insurance Company) can be found on the Division of Insurance website:

<http://www.dora.state.co.us/insurance/enforcement/2010/cinvIDSPropertyCasualtyStipFao082410.pdf>

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DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.