



# Consumer Federation of America

February 11, 2020

Dear Commissioner,

I would like to draw your attention to a recent news story that revealed an unconscionable practice targeting soldiers in many auto insurance markets around the country. As investigative reporter Lee Zurik explains in [this TV segment](#), Geico and possibly other insurers impose a “patriot penalty” on customers with good driving records who had a break in auto coverage because of a deployment. It is absolutely outrageous and unacceptable to allow any insurer to charge a higher premium to members of the military solely because they didn’t maintain insurance coverage when they were sent abroad to serve.

Consumer Federation of America (CFA) calls on you, and all insurance commissioners around the country, to survey the carriers selling auto insurance in your state and determine if Geico or any other insurers have underwriting or rating rules that either make it harder or more expensive to insure for members of the military who were deployed. Concurrently, you should immediately issue a bulletin that prohibits companies from using deployment-related penalties. If you do not believe you have the authority to protect military personnel from this egregious practice, then we urge you to immediately call upon lawmakers in your state to author legislation banning the practice.

What is particularly disturbing about Geico’s practice is that the company specifically asks consumers who have had a break in coverage if the reason for that coverage lapse is that they were deployed overseas. The company cannot claim ignorance, as they first determine if the coverage break is due to deployment and then they punish them anyway. According to research that CFA has conducted, Geico may not be the only company that penalizes soldiers, as we have found some evidence of other companies doing so as well, either by increasing premiums or refusing to sell auto insurance to a returning soldier who dropped coverage while deployed. There is no excuse for this, and you should take action immediately.

GEICO

Do you currently have auto insurance?

Yes

Yes, I am on my parent's GEICO Policy

No, I haven't needed insurance

No, my insurance ran out

No, I was deployed ✓

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Though CFA has broader concerns about the use of prior coverage history for the purposes of underwriting and rating, this penalty for patriotic service is revolting and should be barred without delay. While Mr. Zurik's [news story about the Patriot Penalty](#) speaks for itself, we would be happy to discuss this issue with you or your staff in greater detail at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Heller', with a long horizontal line extending to the right.

Douglas Heller  
CFA Insurance Expert

A handwritten signature in black ink, appearing to read 'J. Robert Hunter', written in a cursive style.

Robert Hunter  
Director of Insurance