

I.I.I. Statement in Response to ProPublica

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“The U.S. personal car insurance industry works meticulously with state regulators to ensure that the millions of Americans paying for their products and services are provided fair and accurate pricing. What’s more, the rates must be neither inadequate nor excessive, and they cannot be discriminatory.

U.S. auto insurers ask prospective policyholders many questions during the application process, such as where they live and what kind of car they drive. The majority of states go so far as to safeguard race or ethnicity from even being asked during the process. Insurance companies go even further; they never ask about race or income.

Given the amount of time and energy over the last five months that was spent educating and providing objective, third-party actuarial review of ProPublica’s methodology -- which pointed out its foundational flaws -- the I.I.I. is disappointed in ProPublica’s attempt to sensationalize an issue that should only be taken in the most serious of manners. Furthermore, the Institute believes impartial parties will find, as we did, that ProPublica misleadingly extrapolated the experience of a fictional, 30-year-old driver to make a real-world, incendiary assertion.”