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July 26, 2002

Commissioner Frank Fitzgerald
Department of Insurance
611 West Ottawa, 2nd Floor
P. O. Box 30220
Lansing, MI 48909

RE: OFIS Insurance Scoring Inquiry - Additional Written Testimony

Dear Commissioner Fitzgerald:

Please find additional written testimony offered by the Allstate Insurance Company with regard to its use of credit information for purposes of insurance scoring.

We offer additional testimony on:

- (1) Allstate's use of insurance scoring
- (2) Correlation between credit history and risk of loss
- (3) No hits
- (4) Inquires
- (5) Customer communications
- (6) A discussion with regard to the intuitive link between insurance scores and insurance losses

These topics, for the most part, appeared to draw the most discussion at the six statewide OFIS public hearings. We hope this additional testimony will help OFIS determine what course of action, if any, needs to be taken with regard to the use of insurance scoring in Michigan.

We stand ready to address any additional questions you may pose with regard to the enclosed testimony or any other questions you may have with regard to the use of insurance scoring.

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Lastly, I attended each of the six meetings and, if anything was proven conclusively, there are still many misunderstandings about this powerful new tool. Much like other new processes, education leads to understanding, and these hearings proved to be an important first step in this process.

Thank you for your time and efforts in calling, scheduling, and conducting these important meetings. The public was well-served by your efforts.

Yours truly,

David E. Field