



Rutgers Law School

Affordability and Availability Crises in the Auto and Home Insurance Markets

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Problems

Solutions

No answers

Good questions

Problems

What's the problem?

Problems

What's causing the problem?

*Physical environment? Market factors?
Social factors? . . .*

*Probably more than one cause
Real, significant causes only*

Problems

What kind of problem is it?

Long-term? Short-term? Transition?

Problems

How big is the problem?

Big? Small?

Solutions

What's the best solution?

None? Non-insurance? Insurance?

Probably more than one solution

Solutions

Should we let the losses lie where they fall?

Solutions

Should we use non-insurance solutions?

Subsidies? Market incentives?

Direct regulation? . . .

Solutions

Should we use insurance solutions?

Insurance Solutions

What are the goals of the insurance?

Insurance Solutions

What's the pool?

Insurance Solutions

What's the risk classification?

Insurance Solutions

How do we set the price?

Risk classification

Intrinsic subsidies

Extrinsic subsidies

Insurance Solutions

How will the insurance be sold and bought?

And now a word from our (my) sponsor



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The Rutgers Center for Risk and Responsibility frequently addresses homeowners insurance in its research, conferences, and policy recommendations.

And now a word from our (my) sponsor

HELPING HOMEOWNERS BUY INSURANCE: RATING THE STATES

[None]	★★★★★	Oregon	★★★★★
California	★★★★★	Pennsylvania	★★★★★
Texas	★★★★★	Rhode Island	★★★★★
Maine	★★★★★	South Carolina	★★★★★
Missouri	★★★★★	Utah	★★★★★
Oklahoma	★★★★★	Virginia	★★★★★
Colorado	★★★★★	Washington	★★★★★
Louisiana	★★★★★	West Virginia	★★★★★
Nevada	★★★★★	Wisconsin	★★★★★
Alabama	★★★★★	Wyoming	★★★★★
Alaska	★★★★★	Arizona	★★★★★
Connecticut	★★★★★	Arkansas	★★★★★
Delaware	★★★★★	District of Columbia	★★★★★
Florida	★★★★★	Georgia	★★★★★
Hawaii	★★★★★	Idaho	★★★★★
Indiana	★★★★★	Illinois	★★★★★
Kentucky	★★★★★	Iowa	★★★★★
Maryland	★★★★★	Kansas	★★★★★
Michigan	★★★★★	Massachusetts	★★★★★
Mississippi	★★★★★	Minnesota	★★★★★
Nebraska	★★★★★	Montana	★★★★★
New Hampshire	★★★★★	New Mexico	★★★★★
New Jersey	★★★★★	New York	★★★★★
North Carolina	★★★★★	South Dakota	★★★★★
North Dakota	★★★★★	Tennessee	★★★★★
Ohio	★★★★★	Vermont	★★★★★

And now a word from our (my) sponsor

RU InsureScore

Chubb	94	★★★★★	Chubb provides excellent coverage with policies designed especially for high net worth consumers.
Amica	88	★★★★★	Amica provides very good overall coverage.
Travelers	86	★★★★★	Travelers provides overall good coverage with some limitations.
Liberty Mutual	84	★★★★☆	Liberty Mutual provides overall good coverage with some limitations.
Nationwide	83	★★★★☆	Nationwide provides overall good coverage with some limitations.
USAA	81	★★★★☆	USAA provides adequate coverage with some limitations on coverage of risks and payment.
Auto-Owners	79	★★★★☆	Auto-Owners provides adequate coverage with some limitations on coverage of risks and payment.
State Farm	78	★★★★☆	State Farm provides adequate coverage with some limitations on property and risk covered and payment.
Farmers	75	★★★★☆	Farmers provides adequate coverage with some significant limitations on coverage of property and risk and payment. The policy is more detailed than many others, with some of the details limiting coverage.
American Family	75	★★★★☆	American Family provides adequate coverage with some significant limitations on coverage of property, risks, and payment.
Allstate	73	★★★★☆	Allstate provides a basic policy that covers fewer risks and provides for smaller payments than many other policies.

Insurance Solutions

What are the external effects of the insurance solution?

Thank you!

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