

March 5, 2025

Bernadette Harrington, Lake Oswego OR

### **Testimony In Support of SB 174**

Chair Prozanski and members of the Committee, my name is Bernadette Harrington. I retired from the insurance industry on 1/1/2011 while employed by Liberty Mutual and was credited with 35 years of service. I say credited because I worked for prior companies that were later acquired by Liberty Northwest/Liberty Mutual Group. I have been a claims manager, a litigation specialist and a Home Office claims analyst. For 25 years, I worked for a wonderful company called North Pacific / Oregon Auto. They were an Oregon domiciled insurer that had multiple claims offices throughout the state, properly staffed with local adjusters. Unfortunately, Liberty Mutual/Safeco has no local adjusters and as a result of that and other practices, their policyholders suffer. I offer my own experience as an insured as a firsthand witness to their delay, denial and shortchanging tactics.

On 12/22/2022, my neighbor's 100-foot fir tree fell on our home while my husband and I were sleeping. It crashed through our bedroom and the ceiling fell down all around us. We submitted our claim to Safeco the very same day. The out-of-state telephone adjuster asked us to take photos, which we did but we were left on our own to find a contractor to tarp our roof to avoid further damage from the constant rainy weather. Fortunately, we were able to retain Kennedy Restoration Co. They tarped and started the dryout process. The water had travelled down to the floor below our bedroom, so drywall had to be removed from a number of areas. Our bedroom remained uninhabitable for approximately 6 months. I immediately notified Safeco once Kennedy was retained.

On 1/1/2023, Safeco's adjuster (from Florida) and his supervisor (from Minnesota) came to our home and spent less than 1 ½ hours inspecting the damage. They showed up without business cards, face masks, foot protection or a ladder. Because I knew the proper process, I told them that the City of Lake Oswego would likely require a building permit, structural engineer report. I knew The City further requires a tree protection plan and asbestos survey/inspection. Safeco's supervisor told me that, in his opinion, it was not necessary. A quick review on the City's website would have revealed I was telling them the truth. Later that day, they emailed me a repair estimate and stated that a check for \$14,170.55 would be forthcoming. I told them not to issue it as it would not be accepted because it was wholly inadequate. I dealt with at least 8-10 Safeco adjusters on this. We had portions of the claim improperly denied and reversed. All part of the delay tactics .

As consumers, we are expected to pay our premiums promptly, but insurers like this feel no duty to pay claims promptly. They can delay without real consequences because they are

unaccountable to an individual claimant under UCSPA( ORS 746.230). SB 174 would rectify that.

In my case, our final proof of loss is for \$ 83,563.86. Safeco has not paid the claim in full, so we have been forced to file suit for the balance and other claims. Safeco has refused all of our offers to enter voluntary mediation. They are employing delay tactics in the litigation by asking for resets on settlement conference dates and trial dates.

There is a term for this, called “Claims Optimization”. Insurance carriers pay a minimal amount of what is owed on a claim, banking on the fact that their policyholders will just give up in frustration and accept less than they are owed under the policy they paid for.

I am especially concerned about elder policy holders and for those whom English is a second language. They would not be schooled in the rights and duties they are owed under the policy and so are greatly disadvantaged against the powerful Insurance Companies and their lawyers when they are being ill-treated. Insurers should be held to the same reasonable standards of conduct like every other industry included under the UTPA.

**I urge you to level the playing field and adopt SB 174.**