

**WYOMING DEPARTMENT OF INSURANCE**  
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\*\*\*\*\*FOR IMMEDIATE RELEASE\*\*\*\*\*

CHEYENNE ----- The Wyoming Department of Insurance (DOI) recently announced the resolution of a matter against Farmers Insurance Exchange that resulted in civil monetary penalties against the company.

On July 2, 2020, the Department of Insurance entered an Order approving a settlement with Farmers Insurance Exchange which included a civil penalty in the amount of \$150,000. In 2016, Farmers Insurance Exchange (Farmers) filed its Farmers Smart Plan Home (FSPH) policy with the Department for review and approval. At the request of the Department of Insurance, Farmers changed the language of that policy to reflect specific Wyoming regulatory requirements. However, Farmers did not update its producer handbook to reflect new sales procedures as a result of the change in this policy language. Some policies were sold to Wyoming consumers that would not have provided certain benefits.

In November and December of 2018, two complaints were filed with the Department regarding the FSPH policy. After an investigation into the complaints, the error was identified, and Farmers took corrective action including refunding premiums to the affected policyholders, together with interest, and payment of a civil penalty. Approximately 3,300 Wyoming policyholders may have been affected by this error.

The Wyoming Department of Insurance is responsible for enforcing the state insurance laws and regulations and assisting consumers in insurance matters or complaints. The Department encourages a healthy insurance marketplace and promotes changes to better serve the public interest. If readers have questions about this case or other insurance questions, please contact the DOI at 307-777-7401 or go to the DOI website at: [www.doi.wyo.gov](http://www.doi.wyo.gov).