Denied: Racial Disparities in Insurance Claims*

Pulak Ghosh **Ankit Kalda** **Avantika Pal** **Vikas Soni**

January 2026

We document that Black homeowners receive less value from their insurance policies than White homeowners with similar coverage. Using administrative data on 4 million homeowners insurance policies and 200,000 claims, we find that Black policyholders face 3.2 percent higher claim rejection rates, receive 4.8 percent lower payouts, and wait 18 percent longer for claim resolution than White policyholders filing similar claims in similar locations. These disparities amount to $2.5 million in annual losses for Black policyholders in our sample. Insurance agents—intermediaries who advocate for policyholders but do not make final decisions—contribute to these disparities. The gap exists only with White agents and disappears entirely with Black agents. Within-adjuster analysis shows that the same decision-maker produces different outcomes depending on which agent presents the claim, consistent with differential advocacy rather than decision-maker bias. Disparities are larger in less competitive markets, among lower-value clients, and when agents face greater capacity constraints—consistent with taste-based discrimination shaped by both agent discretion and cognitive load. Our findings show that discrimination in financial markets extends beyond the point of sale, affecting wealth preservation, not just accumulation.

Keywords: Homeowners insurance, racial discrimination, financial intermediation, claims, wealth gap

*Pulak Ghosh is with Indian Institute of Management, Bangalore; Ankit Kalda is with Indiana University; Avantika Pal is with University of Illinois at Urbana Champaign; Vikas Soni is with the University of South Florida. Emails: pulak.ghosh@iimb.ac.in; akalda@iu.edu; pal8@illinois.edu; vsoni@usf.edu.

1 Introduction

Do minorities receive equal value from financial products they have already purchased? When households purchase financial products, they expect equal treatment not only at the point of sale[1] but also when exercising their contractual rights—filing an insurance claim, exercising a warranty, seeking dispute resolution. If minorities are treated differently at this stage, equal treatment at the point of sale does not deliver equal value. This is a consequential margin: households have paid for contractual rights that may not be fully honored.

We study this question in the context of homeowners insurance claims. For most American families, home equity is their primary asset,[2] and homeowners insurance—with a market size of over $145 billion in annual premiums covering 80 million households—is meant to protect it. A denied claim or reduced payout can force families to pay out of pocket for repairs, take on debt, or defer maintenance—eroding the very wealth the insurance was meant to safeguard. If Black policyholders systematically receive less favorable claims outcomes, they effectively hold less valuable policies despite paying similar premiums. Given that home equity is the dominant source of wealth for Black households in particular,[3] disparities in claim outcomes could contribute to the racial wealth gap.

We are the first to document racial disparities in insurance claims. Using a novel dataset linking policyholders, agents, and claims, we compare policyholders within the same insurance agent. We find that Black policyholders are 3.2 percent more likely to have claims rejected, receive payouts 4.8 percent lower, and wait 18 percent longer for resolution than White policyholders with similar coverage and deductibles, filing claims for the same types

1. A large literature documents discrimination at the point of sale. See, e.g., Yinger (1986), Ayres and Siegelman (1995), List (2004), Edelman et al. (2017), Munnell et al. (1996), Bartlett et al. (2022), Bayer et al. (2018), Blanchflower et al. (2003).

2. Home equity accounts for a median of 45 percent of homeowners' net worth (Pew Research Center, 2023).

3. Black homeowners derive 63 percent of their net worth from home equity compared to 41 percent for White homeowners (Pew Research Center, 2023).

of losses, in the same neighborhoods. Insurance agents—the intermediaries who help policyholders navigate the claims process—contribute to this racial gap. The disparity appears only among White agents and disappears with Black agents. This racial gap amounts to $2.5 million in annual losses for Black policyholders in our sample.

Examining racial disparities in insurance claims presents several empirical challenges. First, claims data is proprietary and not easily available to researchers. Second, documenting bias requires ruling out differences in claim quality or policyholder behavior. Third, the claims process involves multiple actors—policyholders, agents, and adjusters—making it difficult to isolate who is responsible for any observed disparity.

Our setting and data address each of these challenges. We obtain administrative records from Florida's insurer of last resort covering over 4 million policies and 200,000 claims, including agent identifiers and adjuster assignments. We exploit within-agent variation that helps control for endogenous matching and any systematic differences in how agents select or serve clients. We further rely on heterogeneity in our findings, particularly based on agent race, to address residual concerns about matching. To rule out fraudulent or low-quality claims, we examine policyholder responses—whether they contest rejections through litigation or appraisal. We leverage within-adjuster variation to isolate the source of disparities, comparing outcomes across agent race for the same adjuster.

To evaluate whether fraudulent claims explain our results, we examine policyholder responses. Black policyholders are significantly more likely to contest claim outcomes. Compared to White policyholders, Black policyholders are 3.7 percentage points more likely to litigate claims and 2.2 percentage points more likely to invoke the appraisal process. These responses suggest that Black policyholders view rejections and underpayments as erroneous rather than legitimate—inconsistent with the alternative explanation that racial disparities reflect fraudulent or lower-quality claims.

We further address the concern that Black and White policyholders matched to the same

agent may differ in unobservable ways by exploiting major hurricanes as events that generate plausibly comparable damage across policyholders. Comparing the same agent-policyholder pair before and after a hurricane, we find that racial disparities in rejection rates and payouts increase sharply post hurricanes. Because agent-by-policyholder fixed effects hold the match constant, these results cannot reflect differences in claim quality, policyholder characteristics, or sorting.

We next examine the role of insurance agents in driving these disparities. The racial gap in payouts and rejection rates exists only among White agents—Black policyholders with White agents face lower payouts and higher rejection rates. With Black agents, these disparities disappear. Despite facing no disparity in rejection rates with Black agents, Black policyholders litigate at nearly the same rate as they do with White agents—where rejections are significantly higher. This pattern suggests Black agents encourage Black policyholders to contest rejections while White agents discourage it. This likely increases resolution times that remain elevated for Black policyholders at similar levels with both agent types. When we restrict to accepted claims, the resolution time disparity disappears with Black agents but persists with White agents—further supporting this interpretation. Disparities are also concentrated in discretionary claim closures—rejections classified as "miscellaneous reasons"—consistent with differential advocacy operating through agent discretion.

Having established that agents contribute to racial disparities, we consider what type of bias might explain these patterns. Discrimination can arise from taste-based preferences against out-groups (Becker, 1957; Charles and Guryan, 2008; Guryan and Charles, 2013; Fisman et al., 2017) or from using race as a statistical proxy when better information is unavailable (Arrow, 1973; Phelps, 1972; Altonji and Pierret, 2001). The heterogeneity in disparities by agent race provides initial evidence. The point estimates suggest in-group favoritism—White agents discriminate against Black policyholders while Black agents favor them. Though the smaller Black agent sample limits statistical precision, this pattern is

consistent with taste-based discrimination. Statistical discrimination would predict similar treatment of Black policyholders regardless of agent race.

Taste-based discrimination is costly—agents who treat clients unequally forgo profitable transactions (Becker, 1957; Charles and Guryan, 2008). Disparities should therefore be smaller when the economic cost of discriminating is higher. We find support along several dimensions. In less competitive markets—areas with fewer insurance agents—racial gaps in rejection rates are significant, while areas with more agents show smaller gaps. Disparities are also concentrated among lower-value clients—those with lower premiums and shorter agent relationships—where the cost of losing a client is smaller. Finally, disparities are larger where there are fewer Black agents and in counties with smaller Black populations, consistent with exposure reducing bias (Allport, 1954; Pettigrew and Tropp, 2006).

Statistical discrimination predicts that disparities should diminish as agents acquire information—through experience on the job or repeated interactions with the same policyholder (Altonji and Pierret, 2001). We evaluate these heterogeneity and find partial support. Inexperienced agents show larger disparities than experienced agents—the racial gap in rejection rates is significant among agents below median tenure but smaller among more experienced agents. Similarly, disparities are larger for first claims than subsequent claims. However, disparities persist even among experienced agents, suggesting taste-based preferences remain even as agents learn.

The evidence suggests that both taste-based and statistical factors contribute to racial disparities, with taste-based preferences playing the larger role. A related question is when these preferences translate into differential treatment. Bertrand et al. (2005) argue that implicit biases are more likely to manifest when decision-makers face cognitive load and time pressure. Consistent with this prediction, we find that the widening of racial gaps after hurricanes is concentrated in the immediate aftermath, when agent workload peaks. Cross-sectional evidence also corroborates this — we find that agents with more insurer

appointments produce larger racial gaps.

A potential concern with our setting is external validity. Our data come from Florida's insurer of last resort, which may include selected agents and policyholders and hence the findings may not generalize to other insurers. However, over 95% of agents in our sample are independent agents who also work with private insurers, and approximately half of all licensed homeowners insurance agents in the state are affiliated with our data provider. Further, the disparities we document operate through agent behavior and not insurer-specific policies. Hence our qualitative findings and the mechanism we uncover are likely to extend to the broader homeowners insurance market.

Our paper contributes to a substantial literature documenting racial discrimination in financial services. Minority mortgage applicants face higher denial rates even after controlling for creditworthiness (Munnell et al., 1996), pay higher interest rates (Bartlett et al., 2022), and are steered toward high-cost subprime products (Bayer et al., 2018). Lending disparities also operate at the neighborhood level, with mortgage credit less available in minority communities (Tootell, 1996). Similar patterns appear in auto lending, where minority borrowers pay higher interest rates (Charles et al., 2008; Butler et al., 2023). In small business credit markets, minority-owned firms face higher denial rates (Blanchflower et al., 2003; Cavalluzzo and Wolken, 2005), and discrimination appears to decline with market competition (Cavalluzzo et al., 2002). A related strand examines how intermediaries shape these disparities: cultural proximity between loan officers and borrowers improves credit access (Fisman et al., 2017), minorities pay higher fees when working with white mortgage brokers (Ambrose et al., 2021), minority loan officers reduce disparities for minority borrowers (Frame et al., 2025), and process automation can reduce racial gaps by limiting human discretion (Howell et al., 2024), though machine learning algorithms may also widen disparities by more precisely pricing borrower risk (Fuster et al., 2022).

Research on discrimination in insurance markets has been comparatively limited. Us-

ing aggregate data, Squires (2003) documents geographic patterns in homeowners insurance availability consistent with redlining, and Harrington and Niehaus (1998) examine whether auto insurance premiums vary with neighborhood racial composition. We provide the first evidence on discrimination in insurance claims. While prior work examines whether minorities can obtain financial products on equal terms, we ask whether they receive equal value from products they have already purchased—a distinct and consequential margin, since households have paid premiums expecting protection. Policies designed to address discrimination at the point of sale may not address disparities that arise when households exercise their contractual rights. We also show that intermediaries create disparate outcomes through differential advocacy even when they do not make final decisions—extending work on loan officers to a setting where the advocacy and decision-making roles are clearly separated. By documenting that Black homeowners receive less insurance protection for their primary asset, we identify a novel channel through which financial market frictions contribute to racial wealth inequality. Unlike discrimination in credit markets, which affects wealth accumulation, discrimination in claims affects the preservation of wealth households have already built.

2 Data

Our analysis combines administrative homeowners' insurance records with individual-level voter registration data. The insurance data consist of policy-level and claims-level administrative records obtained from Citizens Property Insurance Corporation, Florida's insurer of last resort and the largest provider of multi-peril homeowners' insurance in the state.

The insurance dataset covers all policies issued by Citizens from 2002 through September 2023. The policy-level data include detailed information on contract characteristics, such

as premiums, deductibles, coverage limits, and policy effective dates. In addition, the data reports the names and addresses of insurance agents and contains rich property-level characteristics, including street address, year of construction, total building area, number of units, and number of stories.

The claims data provides granular information on the claims process, including loss and resolution dates, claim status (e.g., approved or denied), net losses incurred, and the identifier of the claims adjuster assigned to each claim. We merge the policy and claims datasets using policy and term numbers as unique identifiers, allowing us to link contract characteristics to subsequent claims and their outcomes.

To measure the demographic characteristics of policyholders and insurance agents, we use voter registration data from L2, a widely used commercial data provider in academic research. The L2 data contain monthly to yearly snapshots of Florida registered voters from 2004 to 2023 and report individuals' race and ethnicity, political affiliation, and registered residential address, primarily drawn from voter registration records.

The availability of names and residential addresses in both datasets allows us to match voter records to insurance policyholders and agents. This linkage enables us to observe the race and other demographic characteristics of policyholders and agents at a granular level. Our final matched sample includes more than 4.5 million homeowners' insurance policies and approximately 200,000 claims.

2.1 Summary Statistics

Figure 1 displays the geographic distribution of policies and claims across Florida ZIP codes. Both policies and claims are concentrated in the southern and coastal regions of the state, reflecting population density and property exposure. Figure 2 maps the distribution of insurance agents, which follows a similar pattern.

Table 1 reports summary statistics for the main variables used in the analysis. The

policy-level sample consists of 4,672,904 homeowners' insurance contracts. Approximately 5 percent of policies experience at least one claim during the observation period.

The average Coverage A limit is $191,687 (median $177,000), and the mean annual premium is $1,832. Black policyholders account for 14 percent of contracts in the sample, while 5 percent of insurance agents are Black, reflecting the racial composition of policyholders and agents in our data. The claims sample includes 213,701 claims, of which 35 percent are rejected. The mean payout-to-coverage ratio is 0.11, with substantial dispersion (standard deviation of 0.23), indicating that, conditional on filing a claim, payouts average approximately 11 percent of insured dwelling coverage. The median payout ratio is 2 percent. Claim resolution takes 7.3 months on average and exhibits substantial heterogeneity, with an interquartile range of 1 to 7 months.

Policyholders may contest unfavorable outcomes through two primary channels. 8 percent of claims result in litigation, while 7 percent go to appraisal. In addition, 2 percent of claims close with partial payment, and 9 percent close for miscellaneous reasons not captured by standard rejection categories. Insurance agents in our sample have an average tenure of 14.1 years and write an average of 338 policies, with substantial heterogeneity in agent volume (standard deviation of 545 policies). The median agent writes 183 policies and has a tenure of 15.5 years.

Table 2 reports summary statistics separately by agent race. Coverage limits are similar across policies written by Black and White agents. Premiums are higher on average for policies written by Black agents. Black agents serve a substantially higher share of Black policyholders, with 54 percent of their policyholders being Black, compared with 12 percent for White agents.

Conditional on a claim, rejection rates are slightly lower for Black agents (33 percent versus 35 percent), while payout-to-coverage ratios are lower on average. Claims associated with Black agents take longer to resolve, averaging 8.8 months compared with 7.1 months

for White agents. Dispute rates are substantially higher among Black agents: 15 percent of claims result in litigation and 12 percent invoke appraisal, compared with 7 percent for each outcome among White agents. Rates of partial payment and miscellaneous claim closures are similar across agent race. Finally, Black agents operate at smaller scale, handling fewer policies on average, while agent tenure is comparable across groups.

Overall, the summary statistics indicate meaningful differences in client composition and claim experiences across agent race, motivating our analysis of racial disparities in claim outcomes in the following sections.

3 Empirical methodology

Our empirical strategy for evaluating racial differences in insurance claim outcomes exploits within-agent variation in policyholder race. Insurance agents act as the primary intermediaries in the claims process and exercise discretion over claim initiation, documentation, communication with insurers, and the pace of resolution. Importantly, individual agents handle claims for multiple policyholders who differ in racial identity. This institutional feature allows us to compare claim outcomes for Black and White policyholders handled by the same agent, holding fixed all agent-specific factors that may affect claim processing.

We estimate the following specification:

$$Y_{i,j,z,t} = \beta \times \mathit{Black}_i + \alpha_j + \alpha_z + \mathbf{X}_i^{\text{Contract}} + \mathbf{X}_i^{\text{Property}} + \mathbf{X}_i^{\text{Claim}} + \mathbf{D}_z \times \text{PolicyYear}_t + \varepsilon_{i,j,z,t}, \quad (1)$$

where $Y_{i,j,z,t}$ denotes an outcome associated with the insurance claim process for policyholder i, handled by agent j, residing in ZIP code z, in policy year t. Outcomes include payout-to-coverage ratios, claim rejection, resolution time, and litigation. The indicator Black_i equals one if the policyholder is Black and zero if White. The coefficient β captures

differences in claim outcomes between Black and White policyholders.

The specification includes agent fixed effects (α_j), which absorb all time-invariant agent-specific characteristics—such as experience, workload, discretion, and local operating practices—that may influence claim processing. To further account for geographic heterogeneity, the specification also includes ZIP-code policyholder fixed effects (α_z).

We control for a rich set of observable characteristics that affect claim outcomes. Contract characteristics $\mathbf{X}_i^{\text{Contract}}$ include fixed effects for quintiles of deductibles and coverage limits. Property characteristics $\mathbf{X}_i^{\text{Property}}$ include fixed effects for dwelling size, number of stories, and property age. Claim characteristics $\mathbf{X}_i^{\text{Claim}}$ include loss-year fixed effects and cause-of-loss fixed effects, capturing systematic variation in claim timing and claim type. To flexibly control for evolving local socioeconomic conditions, we additionally include interactions between ZIP-code–level demographics $\mathbf{D}_z$ (income and educational attainment) and policy-year fixed effects. Standard errors are clustered at the policy level.

Under this within-agent design, the fixed-effects approach tests whether claims filed by Black policyholders experience systematically different outcomes than claims filed by White policyholders when handled by the same agent. Since the comparison is across policyholders for a given agent, all time-invariant agent-specific claim-handling characteristics are absorbed by the agent fixed effect. Conditioning further on a rich set of contract, property, claim, and location-by-time controls, differences in claim outcomes cannot be attributed to agent-level heterogeneity or common institutional factors and instead reflect within-agent variation associated with policyholder race. The identifying assumption is that, within a given agent, unobserved determinants of claim outcomes do not vary systematically with policyholder race. Under this assumption, the estimated differences can be interpreted as reflecting differential outcomes associated with policyholder race rather than differences in agent behavior or local conditions.

4 Racial gap in claims process

4.1 Claim outcomes

We begin by examining whether homeowners' insurance claim outcomes differ systematically by policyholder race. Specifically, we test whether Black and White policyholders receive different treatment in the claims process. Figure 3 presents the time series of claim outcomes separately for Black and White policyholders. Black policyholders face higher rejection rates and longer resolution times than White policyholders in nearly every year of the sample. They also receive lower payouts and litigate at higher rates. The persistence of these gaps across years—through varying market conditions and policy environments—suggests the disparities reflect systematic differences in treatment rather than idiosyncratic year-specific factors.

Table 3 reports estimates for claim payout-to-coverage ratios, rejection rates, and resolution times as a function of an indicator for Black policyholders, controlling for detailed policy characteristics, property attributes, loss characteristics, and fixed effects that absorb local and temporal variation.

Across all specifications, Black policyholders experience significantly worse claim outcomes. Panel A shows that Black policyholders receive systematically lower payouts. In our most saturated specification (Column 5), which includes agent fixed effects and controls for policy characteristics, property features, loss characteristics, and neighborhood demographics, Black policyholders receive payouts that are 0.51 percentage points lower relative to coverage limits. Given a mean payout ratio of 10.6 percent, this corresponds to a 4.8 percent reduction in claim payouts. The estimated effect remains economically and statistically significant across all specifications, ranging from 0.44 to 0.64 percentage points.

Black policyholders also face higher rejection rates. Panel B shows that Black policyholders are 1.12 percentage points more likely to have claims rejected than otherwise similar

White policyholders—filing claims for the same types of losses, in the same neighborhoods, and served by the same insurance agents. Relative to the baseline rejection rate of 34.9 percent, this represents a 3.2 percent increase.

Panel C shows that Black policyholders experience substantially longer resolution times. Claims filed by Black policyholders take 1.35 months longer to resolve than comparable claims filed by White policyholders, an 18 percent increase relative to the mean resolution time of 7.5 months. This disparity persists across all specifications and remains economically meaningful even when comparing policyholders served by the same agent and filing claims in the same year for identical loss types.

Importantly, these differences persist even after conditioning on ZIP code, policy year, cause of loss, and agent fixed effects, indicating that they are not driven by neighborhood characteristics and contract terms. The inclusion of agent fixed effects is particularly important, as it ensures comparisons between Black and White policyholders served by the same agent, ruling out explanations based on sorting to lower-quality agents.

4.2 Rejection reasons

To analyze higher rejection rates among Black policyholders, we examine the specific reasons for claim rejections. Table 4 reports estimates for two discretionary categories: partial payment closures and miscellaneous closures.

Panel A shows small differences in partial payment closures. Once agent fixed effects are included, these differences become statistically insignificant. These partial payment rates largely reflect observable claim characteristics rather than differential treatment. In contrast, Panel B shows that Black policyholders are significantly more likely to have claims closed for miscellaneous reasons. These closures do not fall into standard denial categories and represent the most discretionary form of claim rejection. They occur 0.58 percentage points more frequently for Black policyholders.

Notably, this disparity accounts for about half of the overall racial gap in rejection rates. The concentration of disparities in non-specific rejection categories suggests that racial differences arise from discretionary decision-making rather than from observable differences in coverage or claim characteristics.

4.3 Policyholder reaction

The gaps in claim outcomes could reflect either discrimination or legitimate differences in claim quality. If Black policyholders file lower-quality or fraudulent claims, we would expect them to accept rejections at rates similar to or higher than those of White policyholders. In Table 5, we test this implication by examining policyholder responses to unfavorable claim outcomes.

Black policyholders are substantially more likely to pursue litigation and appraisal. Specifically, Black policyholders are 3.73 percentage points more likely to litigate claims—a 47 percent increase relative to the baseline litigation rate of 7.9 percent. Similarly, Black policyholders are 2.22 percentage points more likely to invoke the appraisal process, relative to a mean rate of 7.1 percent.

These higher dispute rates are inconsistent with the hypothesis that Black policyholders file lower-quality claims. Black policyholders contest outcomes at substantially higher rates, incurring legal costs and delays to challenge decisions they view as erroneous. These results suggest that racial disparities in rejection rates and payouts reflect differential treatment rather than differences in claim quality.

4.4 Evidence from hurricanes

Our results so far document substantial racial disparities in claim outcomes and show that Black policyholders contest rejections at higher rates. However, a remaining concern is that

Black and White policyholders served by the same agent may differ in unobservable ways that affect claim outcomes. We address this concern using major hurricanes as events that generate plausibly comparable property damage across policyholders in the same area. Our specification includes agent-by-policyholder fixed effects, comparing outcomes for the same policyholder-agent pair before and after a hurricane—holding constant all time-invariant characteristics of the policyholder, the agent, the property, and the match.

We identify major hurricanes and tropical storms using the SHELDUS database, which provides county-level property damage estimates for natural disaster events. We restrict the sample to counties that have experienced at least one such event during our sample period. This restriction ensures that treated and control counties are relatively more comparable—both are located in hurricane-prone regions of Florida. Within this sample, we define treated counties as those experiencing above-median property losses at the county level for a given event. Counties with below-median losses serve as controls. Because hurricanes strike different parts of the state at different times, variation comes from the staggered timing of events across counties. This design compares how racial disparities evolve in high-damage versus low-damage counties around the same hurricane, while the staggered nature of events provides variation across multiple storms over our sample period.

We estimate the following specification:

$$\begin{aligned} Y_{i,j,c,t} = {} & \beta_1 \times Post_{c,t} \times Treated_{c,t} \times Black_i + \beta_2 \times Post_{c,t} \times Treated_{c,t} + \beta_3 \times Post_{c,t} \times Black_i \\ & + \beta_4 \times Treated_{c,t} \times Black_i + \beta_5 \times Post_{c,t} + \beta_6 \times Treated_{c,t} + \beta_7 \times Black_i \\ & + \alpha_{i \times j} + \alpha_z + \alpha_t^{loss} + \alpha^{cause} + \epsilon_{i,j,c,t} \end{aligned} \tag{2}$$

where $Y_{i,j,c,t}$ denotes the claim outcome for policyholder i, handled by agent j, in county c, at time t. $Post_{c,t}$ is an indicator equal to one for the period following a hurricane in county c. $Treated_{c,t}$ equals one for counties experiencing above-median property losses from the

event. $Black_i$ is an indicator for Black policyholders. The coefficient of interest β_1 captures whether racial disparities widen differentially in high-damage counties after a hurricane. The specification includes agent $\times$ policyholder fixed effects ($\alpha_{i\times j}$), which absorb all time-invariant characteristics of the policyholder, agent, property, and the match. We additionally include policyholder ZIP code fixed effects (α_z), loss year fixed effects (α_t^{loss}), and cause of loss fixed effects (α^{cause}). Standard errors are clustered at the policy level.

Table 13 reports the estimates. The triple-difference coefficient is large and statistically significant for three of the four outcomes. Black policyholders in high-damage counties receive payouts 5.28 percentage points lower after a hurricane, relative to White policyholders in the same zip code and Black policyholders in low-damage counties. Given a mean payout-to-coverage ratio of 10.6 percent, this represents a roughly 50 percent reduction. Rejection rates increase by 11.44 percentage points, representing a 33 percent increase relative to the mean rejection rate. Resolution times lengthen by nearly 3 months, more than doubling the baseline disparity of 1.35 months. The litigation coefficient is positive but imprecisely estimated.

Figure 5 presents dynamic event-study estimates that allow us to assess the key identifying assumption of this design — that racial disparities in high-damage and low-damage counties would have evolved similarly absent the hurricane. We plot the coefficient on the interaction of Black, Treated, and event-time indicators for each quarter relative to the hurricane. The pre-event coefficients are centered around zero across all four outcomes, confirming parallel pre-trends. The divergence occurs sharply in the immediate aftermath of the hurricane and attenuates in subsequent quarters, consistent with the disparities being tied to the acute disruption caused by the event rather than permanent differences between treated and control counties.

These results suggest that racial disparities in claims outcomes are less likely to reflect unobserved differences in claim quality or policyholder-agent sorting. Within the same

policyholder-agent pair, we find substantial gaps after a hurricane relative to before. Because agent-by-policyholder fixed effects hold the match constant, the only change is the hurricane itself and the conditions it creates for claims processing. We explore what drives this intensification—and why it is concentrated in the immediate aftermath—in Section 5.5.

5 Mechanisms

We now turn to identifying the source of these disparities. Because insurance agents act as intermediaries between policyholders and insurers and play a central role in the claims process, we examine whether agents contribute to the observed disparities.

5.1 Role of insurance agents

Figure 4 presents the time series of claim outcomes by agent race. Claims handled by Black agents exhibit higher litigation rates and longer resolution times than those handled by White agents throughout the sample period. Rejection rates and payout ratios are similar across agent race. The elevated litigation and resolution times among Black agents are consistent with Black agents encouraging policyholders to contest unfavorable outcomes—extending the claims process but potentially improving final outcomes.

Table 6 presents our main test of agent influence by formally examining whether racial disparities vary by agent race. We split the sample by the insurance agent's race and re-estimate our baseline specifications separately for each subsample. The racial gap in payouts arises entirely among White agents. Column 2 shows that Black policyholders working with White agents receive payouts that are 0.52 percentage points lower than those received by White policyholders. This amount is nearly identical to our baseline estimate. In contrast, Column 1 shows no meaningful payout disparity among Black agents. The coefficient is a small and statistically insignificant 0.15 percentage points. If anything, the point estimates

suggest that Black agents may favor Black policyholders. However, the smaller sample size limits statistical precision.

Rejection rates show a similar pattern. Black policyholders face significantly higher rejection rates when working with White agents (1.12 percentage points) but not when working with Black agents, where the estimated effect is negative and statistically insignificant. As with payouts, these estimates are consistent with in-group favoritism among Black agents, though we cannot rule out equal treatment given the standard errors.

In contrast, resolution times remain elevated for Black policyholders regardless of agent race. Columns 5 and 6 show delays of about 1.3 months for Black policyholders, with no economically meaningful difference between Black and White agents.

Table 8 provides additional evidence on the role of agents by examining resolution times conditional on claim acceptance and discretionary rejection categories. When we restrict the sample to accepted claims, the resolution-time disparity disappears among Black agents but persists among White agents. This results suggests that the overall resolution gap reflects Black agents encouraging Black policyholders to contest rejections—thereby increasing total resolution time—while White agents discourage such challenges. Consistent with this interpretation, Black policyholders litigate at similar rates with Black and White agents, despite facing substantially higher rejection rates when working with White agents. Moreover, discretionary miscellaneous closures are disproportionately higher for Black policyholders only among White agents.

Taken together, these results indicate that insurance agents play a central role in shaping claim outcomes and that agent race is a key determinant of the observed racial disparities.

5.1.1 Differential Agent Advocacy versus Adjuster Bias

The results in Table 6 show that racial disparities exist only with White agents. One concern is that this pattern could reflect sorting between agents and adjusters—if White

agents' claims are routed to different adjusters than Black agents' claims, the disparity could arise from adjuster bias rather than differential advocacy. For example, if White agents systematically work with adjusters who are biased against Black policyholders, the agent race heterogeneity would reflect adjuster assignment rather than agent behavior. To address this concern, we re-estimate our main results controlling for adjuster fixed effects, comparing outcomes for claims evaluated by the same adjuster.

Table A4 reports the baseline results where we find that racial disparities persist within adjusters. Black policyholders receive payouts 0.90 percentage points lower than White policyholders whose claims are decided by the same adjuster. This represents an 8.5 percent reduction relative to the mean payout ratio. Black policyholders also face rejection rates 2.11 percentage points higher—a 6 percent increase relative to the baseline rejection rate—and wait 0.6 months longer for resolution. These estimates are similar in magnitude to our baseline results, indicating that adjuster sorting does not explain the disparities.

Table 7 combines adjuster fixed effects with the sample split by agent race. If adjuster bias explained the disparities, we would expect the racial gap to persist regardless of which agent presents the claim—biased adjusters would treat Black policyholders worse whether the claim comes from a White or Black agent. The results reject this prediction. The racial gap in payouts and rejections exists only when White agents present claims—even holding the adjuster constant. Black policyholders with White agents receive payouts 0.93 percentage points lower and face rejection rates 2.05 percentage points higher than White policyholders evaluated by the same adjuster. With Black agents, these within-adjuster disparities disappear. The coefficient on payouts is small and statistically insignificant, and the coefficient on rejections is positive but imprecisely estimated.

The same adjuster produces different outcomes for Black policyholders depending on which agent presents the claim. This pattern rules out adjuster bias as the primary explanation. If adjusters were biased against Black policyholders, the disparity would appear

regardless of agent race. Instead, the results indicate that agents influence how adjusters perceive and process claims—consistent with differential advocacy shaping outcomes within the decision-making process.

5.2 Agent characteristics

If racial disparities reflect statistical discrimination—where agents use race as a proxy when information is limited—these gaps should attenuate as agents acquire information through experience. Table 9 examines this prediction by exploring heterogeneity by agent tenure and policy volume.

Panel A shows that disparities are larger among less experienced agents. Among agents with below-median tenure, Black policyholders face rejection rates that are 1.44 percentage points higher, while among more experienced agents, the estimated disparity is smaller and statistically insignificant. Payout disparities show similar results, with larger, statistically significant gaps concentrated among less experienced agents.

Panel B reports mixed evidence by agent policy volume. High-volume agents exhibit larger payout disparities, whereas low-volume agents exhibit larger rejection-rate disparities. These results may reflect differences in operating models: high-volume agents may process claims more mechanically, while low-volume agents may exercise greater discretion.

Statistical discrimination predicts that disparities should decline as agents learn about policyholders through repeated interactions. To examine this, Table A8 compares first claims to subsequent claims from the same policyholder. Results show that Black policyholders face rejection rates 0.82 percentage points higher on first claims. For subsequent claims, the gap decreases to 0.55 percentage points, although this estimate is imprecise. Thus, while there is some attenuation, the persistence of economically meaningful disparities after agents observe prior claims behavior suggests taste-based preferences remain even as information accumulates.

5.3 Policy characteristics

Becker (1957) provides a simple framework for taste-based discrimination. In his model, discrimination is costly because it requires agents to forgo profits. When the economic stakes are higher, unequal treatment becomes more expensive. Racial disparities should therefore be smaller when profitability is higher.

We examine this prediction by testing whether disparities vary with client value. Table 10 reports estimates separately by premium and relationship length. In Panel A, we split the policies at the median premium. Racial disparities are more pronounced among lower-premium contracts. Black policyholders in the below-median premium group receive payouts that are 0.47 percentage points lower and face rejection rates that are 1.46 percentage points higher than comparable White policyholders. For above-median premium policyholders, the payout disparity attenuates to 0.28 percentage points, and the rejection-rate gap becomes statistically indistinguishable from zero.

Panel B measures client value using relationship length, defined as the number of times a policyholder renews with the same agent. Longer relationships increase the expected future value of the client. Consistent with the profitability mechanism, racial disparities are larger among shorter-tenure relationships and smaller among long-standing clients, although they do not fully disappear.

Overall, the results indicate that racial disparities are concentrated among lower-value clients—those generating lower premiums or with shorter agent relationships. These results are consistent with Becker (1957) framework, where the economic cost of unequal treatment is higher, the discriminatory behavior is more limited.

5.4 Market concentration

We further examine whether competitive pressure mitigates racial disparities in the claims process. Panel A of Table 11 splits the sample by the number of agents operating within each ZIP code–year. In less competitive markets with fewer agents, Black policyholders face rejection rates that are 2.25 percentage points higher than those of White policyholders. This corresponds to a 6.5 percent increase relative to the mean rejection rate. In contrast, in more competitive markets with a greater number of agents, the rejection-rate gap is economically small (0.13 percentage points) and statistically indistinguishable from zero.

Payout disparities show a similar but more muted pattern. Black policyholders in less competitive markets receive payouts that are 0.43 percentage points lower. Those in more competitive markets face payout gaps of 0.45 percentage points. The comparable magnitudes suggest that competition may be more effective at disciplining outright claim denials—a highly visible outcome—than at reducing more subtle underpayments.

Resolution-time disparities are larger in more competitive markets than in less competitive markets. This result likely reflects higher litigation rates in competitive markets. Black policyholders may have greater access to legal representation and face lower barriers to contesting unfavorable outcomes. This can lead to longer overall resolution times.

Panel B measures market concentration using the Herfindahl–Hirschman Index (HHI), where higher values indicate greater concentration and less competition. Consistent with Panel A, markets with lower concentration generally exhibit smaller disparities. The differences are less pronounced. Rejection-rate disparities equal 1.14 percentage points in less concentrated markets and 0.80 percentage points in more concentrated markets. Both estimates are statistically significant. Payout disparities are similar across market structures, while resolution-time disparities again differ across levels of competition.

The stronger results using agent counts rather than HHI suggest that the absolute number of alternative agents may matter more than formal market-share distributions. In mar-

kets with many agents, discriminatory behavior is more likely to be disciplined by competition. In contrast, in markets with few agents—even when market shares are evenly distributed—policyholders have limited alternatives.

Local demographic composition shapes the magnitude of disparities. Table A6 shows that in predominantly White counties, Black policyholders face rejection rates 1.58 percentage points higher and receive payouts 0.66 percentage points lower. These disparities disappear in counties where Black populations exceed 30 percent. Table A7 demonstrates that this pattern operates through agent composition: rejection-rate gaps are 0.84 percentage points in markets with more Black agents versus 1.37 percentage points in markets with fewer Black agents. The findings suggest competitive pressure from Black agents disciplines discrimination while also reflecting exposure effects that may reduce bias.

Overall, these results indicate that racial disparities in the claims process are amplified in less competitive markets. These findings are consistent with the view that taste-based discrimination is constrained by competition.

5.5 Capacity Constraints

When agents face greater cognitive load and time pressure, they may rely more on heuristics and mental shortcuts in processing claims. Bertrand et al. (2005) argue that such conditions can aggravate implicit biases, leading to discrimination even in the absence of conscious prejudice. If differential advocacy partly reflects automatic rather than deliberate behavior, disparities should be larger when agents are under greater strain. We examine this prediction using two sources of variation in agent capacity constraints — the hurricane events analyzed in Section 4.4 and cross-sectional differences in agent workload.

The hurricane evidence from Section 4.4 speaks directly to this prediction. Racial disparities in payouts, rejection rates, and resolution times widen sharply in the immediate aftermath of hurricanes — precisely when agents face acute workload pressure from a surge

in claims. The dynamic event-study estimates show that this intensification is concentrated at the time of the event and attenuates in subsequent quarters as conditions normalize. This pattern is consistent with capacity constraints temporarily amplifying differential treatment rather than permanent differences between high- and low-damage counties.

We find corroborating evidence in the cross-section. Agents vary in the number of insurers they are appointed with at any given time, which provides a measure of workload and cognitive demands. Table 12 splits the sample at the median number of insurer appointments in the month prior to claim filing. Capacity-constrained agents — those with above-median appointments — produce significantly larger racial disparities. Black policyholders working with these agents receive payouts 0.59 percentage points lower and face rejection rates 2.00 percentage points higher than comparable White policyholders. In contrast, agents with below-median appointments show a smaller payout gap of 0.45 percentage points and a rejection-rate gap that is economically negligible and statistically insignificant. Resolution times remain elevated for Black policyholders regardless of agent capacity.

Both the time-series evidence from hurricanes and the cross-sectional evidence from agent appointments are consistent with racial disparities being larger when agents face greater capacity constraints. These results complement the taste-based interpretation developed in the preceding sections. Agents may hold preferences that manifest more strongly when cognitive resources are stretched, consistent with implicit biases operating through the channels described in Bertrand et al. (2005).

6 Robustness

A potential concern may be that agent behavior may evolve in ways correlated with the racial composition of their client base. If agents adjust their claim-handling practices in response to changing local conditions, agent fixed effects alone may not fully absorb this

variation. To address this concern, we include Agent × Policy Year fixed effects in our most saturated specification. This specification compares Black and White policyholders served by the same agent in the same year.

Table A2 shows that racial disparities remain economically and statistically significant even after including Agent × Policy Year fixed effects. Black policyholders receive payouts 0.57 percentage points lower relative to coverage, face rejection rates 0.96 percentage points higher, and wait 1.37 months longer for resolution than comparable White policyholders handled by the same agent in the same year. These magnitudes are similar to our baseline estimates.

In Table A3, we apply the same specification to the agent-race heterogeneity tested in Table 7. The racial gap in payouts and rejection rates persists among White agents, even after controlling for agent-by-year and adjuster fixed effects. Black policyholders working with White agents receive payouts 0.57 percentage points lower and face rejection rates 0.93 percentage points higher than White policyholders evaluated by the same adjuster in the same year. In contrast, no statistically significant disparities appear among Black agents. Resolution times remain high for Black policyholders across agent race.

These results show that the findings are therefore not explained by time-varying agent behavior or adjuster sorting, and they reinforce our interpretation that differential advocacy by White agents drives the observed racial gaps in the claims outcomes.

7 Conclusion

This paper documents racial disparities in homeowners insurance claims. Using administrative data linking policyholders, agents, and claims, we find that Black policyholders face 3.2 percent higher rejection rates, receive 4.8 percent lower payouts, and wait 18 percent longer for claim resolution than White policyholders with similar coverage filing similar

claims in similar locations. Black policyholders are also more likely to contest outcomes through litigation and appraisal, suggesting they view rejections and underpayments as erroneous rather than legitimate—inconsistent with the alternative explanation that disparities reflect fraudulent or lower-quality claims.

The disparities operate through insurance agents—intermediaries who advocate for policyholders but do not make final decisions. The racial gap exists only with White agents and disappears entirely with Black agents. Our within-adjuster analysis shows that the same decision-maker yields different outcomes depending on agent race, consistent with differential advocacy rather than decision-maker bias. Several patterns suggest taste-based discrimination: disparities are larger in less competitive markets, in areas with fewer Black agents, and in counties with smaller Black populations. Disparities also decline with agent experience and repeated interactions, though they persist even among experienced agents. The concentration of disparities in smaller policies and discretionary claim closures—where oversight is weaker—further supports taste-based preferences operating through agent discretion.

Our findings have broader implications. First, they demonstrate that discrimination in financial markets extends beyond the point of sale. Equal access to financial products does not guarantee equal value if minorities are treated differently when exercising their contractual rights. Policies designed to address discrimination at the point of sale may not address disparities that arise afterward. Second, intermediaries can create disparate outcomes through differential effort even when they do not make final decisions—a mechanism that likely operates in other settings where agents advocate on behalf of clients. Third, by documenting that Black homeowners receive less protection for their primary asset, we identify a channel through which financial market frictions contribute to racial wealth inequality—affecting wealth preservation, not just accumulation.

References

Allport, G. W. (1954). *The Nature of Prejudice*. Reading, MA: Addison-Wesley.

Altonji, J. G. and C. R. Pierret (2001). Employer learning and statistical discrimination. *Quarterly Journal of Economics 116*(1), 313–350.

Ambrose, B. W., J. N. Conklin, and L. A. Lopez (2021). Does borrower and broker race affect the cost of mortgage credit? *Review of Financial Studies 34*(2), 790–826.

Arrow, K. J. (1973). The theory of discrimination. In O. Ashenfelter and A. Rees (Eds.), *Discrimination in Labor Markets*, pp. 3–33. Princeton: Princeton University Press.

Ayres, I. and P. Siegelman (1995). Race and gender discrimination in bargaining for a new car. *American Economic Review 85*(3), 304–321.

Bartlett, R., A. Morse, R. Stanton, and N. Wallace (2022). Consumer-lending discrimination in the fintech era. *Journal of Financial Economics 143*(1), 30–56.

Bayer, P., F. Ferreira, and S. L. Ross (2018). What drives racial and ethnic differences in high-cost mortgages? the role of high-risk lenders. *Review of Financial Studies 31*(1), 175–205.

Becker, G. S. (1957). *The Economics of Discrimination*. Chicago: University of Chicago Press.

Bertrand, M., D. Chugh, and S. Mullainathan (2005). Implicit discrimination. *American Economic Review 95*(2), 94–98.

Blanchflower, D. G., P. B. Levine, and D. J. Zimmerman (2003). Discrimination in the small-business credit market. *Review of Economics and Statistics 85*(4), 930–943.

Butler, A. W., E. J. Mayer, and J. P. Weston (2023). Racial disparities in the auto loan market. *Review of Financial Studies 36*(1), 1–41.

Cavalluzzo, K. and J. Wolken (2005). Small business loan turndowns, personal wealth, and discrimination. *Journal of Business 78*(6), 2153–2178.

Cavalluzzo, K. S., L. C. Cavalluzzo, and J. D. Wolken (2002). Competition, small business financing, and discrimination: Evidence from a new survey. *Journal of Business 75*(4), 641–679.

Charles, K. K. and J. Guryan (2008). Prejudice and wages: An empirical assessment of Becker's *The Economics of Discrimination*. *Journal of Political Economy 116*(5), 773–809.

Charles, K. K., E. Hurst, and M. Stephens (2008). Rates for vehicle loans: Race and loan source. *American Economic Review 98*(2), 315–320.

Edelman, B., M. Luca, and D. Svirsky (2017). Racial discrimination in the sharing economy: Evidence from a field experiment. *American Economic Journal: Applied Economics 9*(2), 1–22.

Fisman, R., D. Paravisini, and V. Vig (2017). Cultural proximity and loan outcomes. *American Economic Review 107*(2), 457–492.

Frame, W. S., R. Huang, E. X. Jiang, Y. Lee, W. S. Liu, E. J. Mayer, and A. Sunderam (2025). The impact of minority representation at mortgage lenders. *Journal of Finance*. Forthcoming.

Fuster, A., P. Goldsmith-Pinkham, T. Ramadorai, and A. Walther (2022). Predictably unequal? The effects of machine learning on credit markets. *Journal of Finance 77*(1), 5–47.

Guryan, J. and K. K. Charles (2013). Taste-based or statistical discrimination: The economics of discrimination returns to its roots. *The Economic Journal 123*(572), F417–F432.

Harrington, S. E. and G. Niehaus (1998). Race, redlining, and automobile insurance prices. *Journal of Business 71*(3), 439–469.

Howell, S. T., T. Kuchler, D. Snitkof, J. Stroebel, and J. Wong (2024). Lender automation and racial disparities in credit access. *Journal of Finance 79*(2), 1457–1512.

List, J. A. (2004). The nature and extent of discrimination in the marketplace: Evidence from the field. *Quarterly Journal of Economics 119*(1), 49–89.

Munnell, A. H., G. M. Tootell, L. E. Browne, and J. McEneaney (1996). Mortgage lending in boston: Interpreting hmda data. *American Economic Review 86*(1), 25–53.

Pettigrew, T. F. and L. R. Tropp (2006). A meta-analytic test of intergroup contact theory. *Journal of Personality and Social Psychology 90*(5), 751–783.

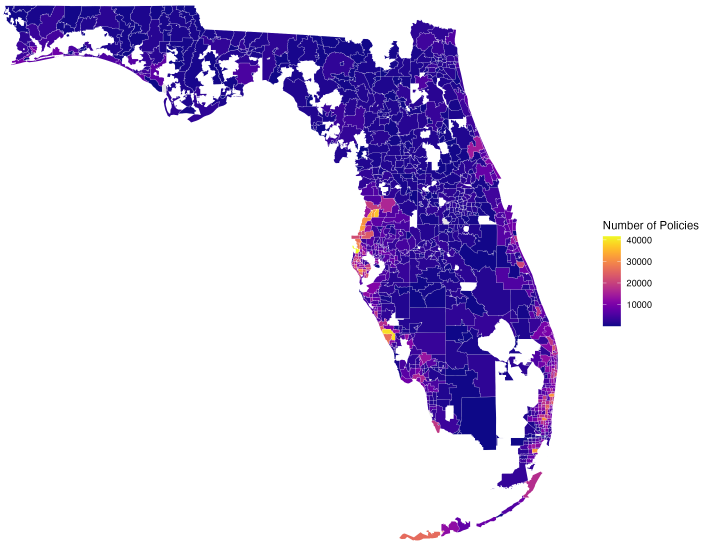
Pew Research Center (2023, December). The assets households own and the debts they carry. Technical report, Pew Research Center.

Phelps, E. S. (1972). The statistical theory of racism and sexism. *American Economic Review 62*(4), 659–661.

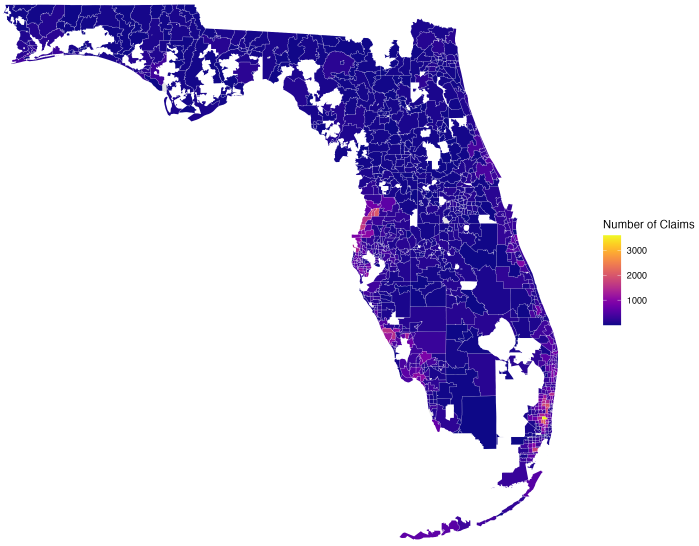
Squires, G. D. (2003). Racial profiling, insurance style: Insurance redlining and the uneven development of metropolitan areas. *Journal of Urban Affairs 25*(4), 391–410.

Tootell, G. M. B. (1996). Redlining in Boston: Do mortgage lenders discriminate against neighborhoods? *Quarterly Journal of Economics 111*(4), 1049–1079.

Yinger, J. (1986). Measuring racial discrimination with fair housing audits: Caught in the act. *American Economic Review 76*(5), 881–893.



(a) Policyholder Distribution



(b) Claimant Distribution

Figure 1: Florida Zipcode Distribution by Insurance Contracts and Claims
Panel (a) maps the distribution of homeowners' insurance policies across Florida ZIP codes, measured by the number of active policies. Panel (b) maps the distribution of insurance claims, measured by the number of claims filed. Color intensity reflects higher concentrations.

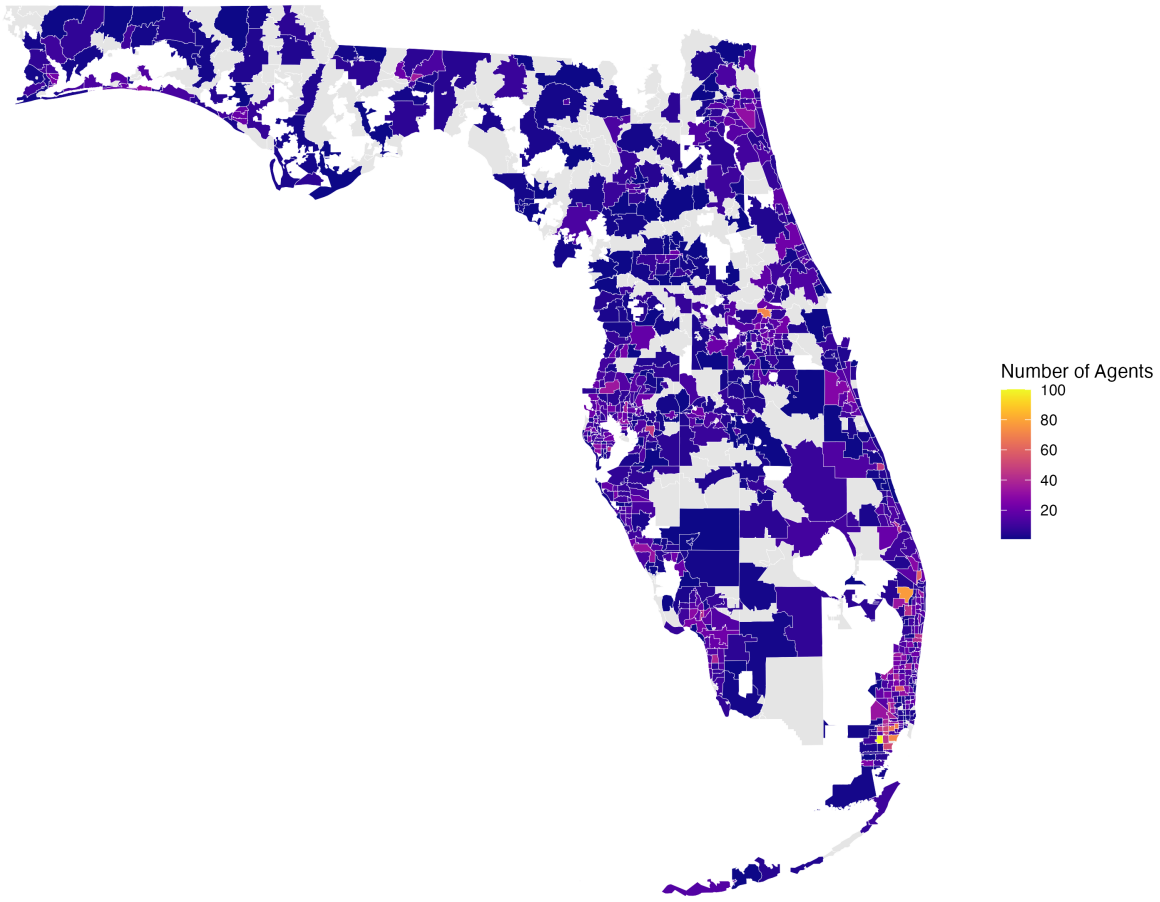


Figure 2: Insurance Agent Distribution
This figure maps the geographic distribution of insurance agents across Florida. Shaded areas represent the number of agents operating in each ZIP code, with darker colors indicating higher agent density.

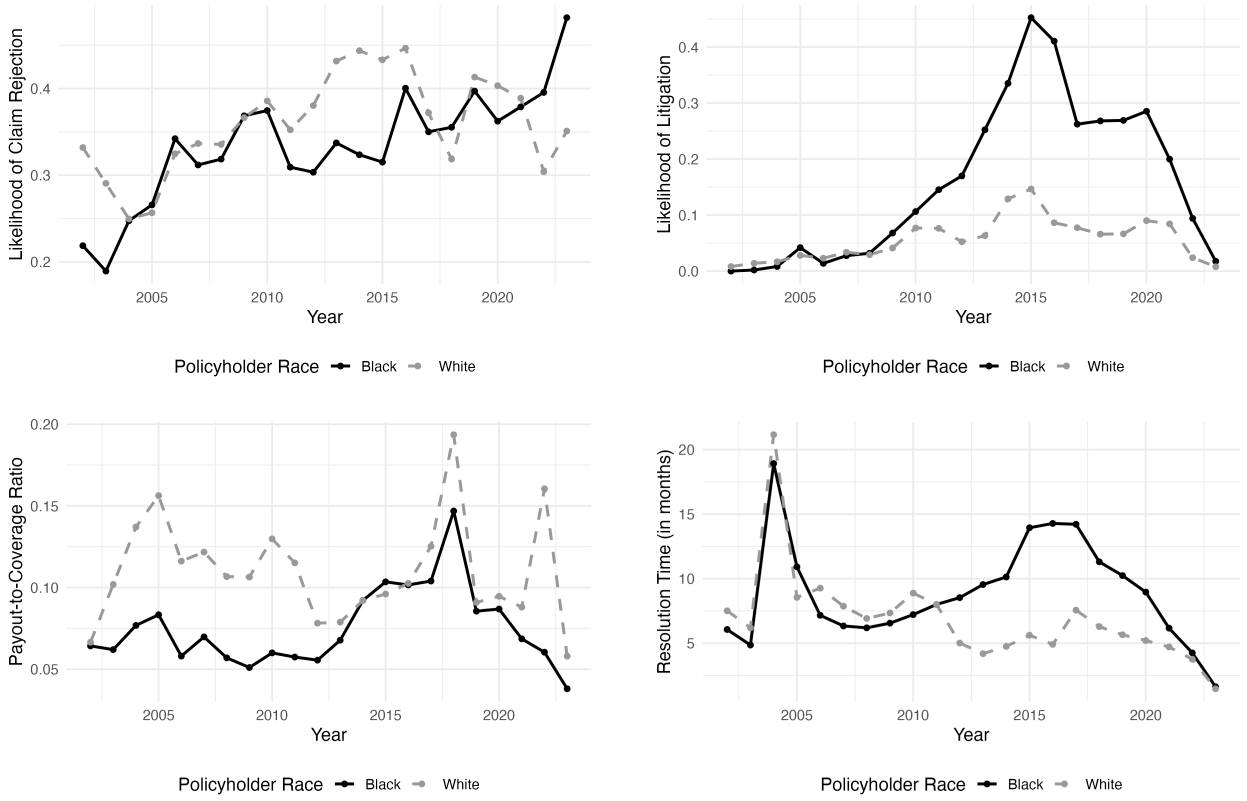


Figure 3: Time Series Analysis by Policyholder Race
This figure plots annual mean insurance claim outcomes by year, separately for Black and White policyholders. Panels show the likelihood of claim rejection, likelihood of litigation, resolution time (in months), and the payout-to-coverage ratio.

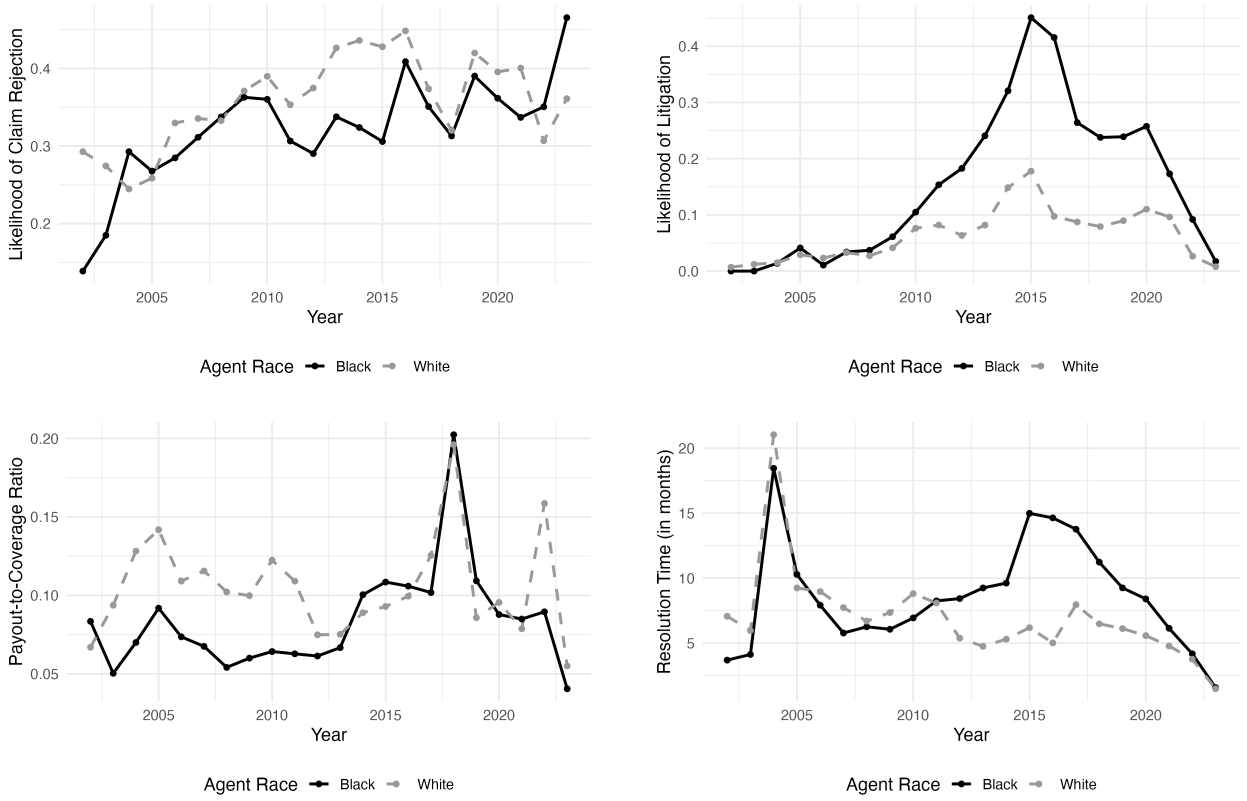


Figure 4: Time Series Analysis by Agent Race
This figure plots annual mean insurance claim outcomes by year, separately for contracts handled by Black and White agents. Panels show the likelihood of claim rejection, likelihood of litigation, resolution time (in months), and the payout-to-coverage ratio.

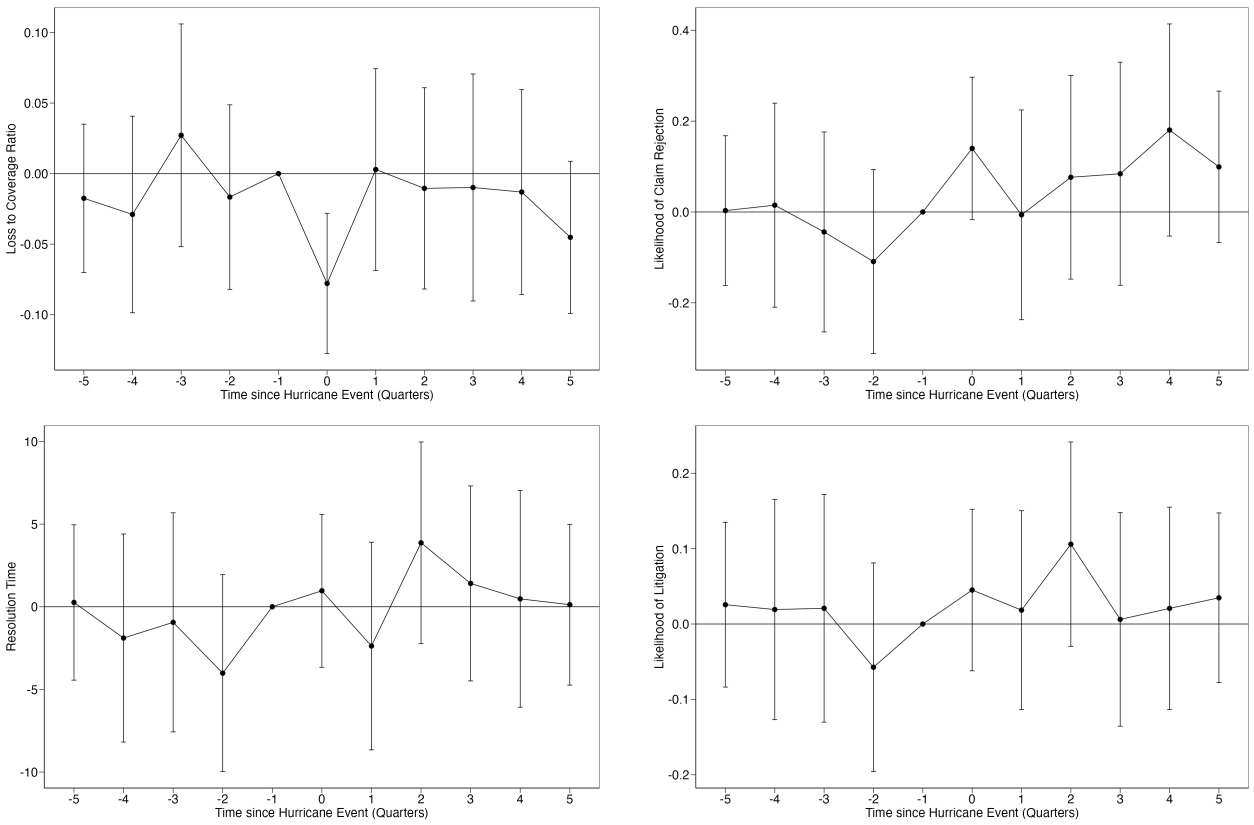


Figure 5: Racial disparities in claims processing around major hurricane: Dynamic Triple DiD Estimates

This figure presents event-time triple-difference (DDD) estimates of racial disparities in claims processing surrounding major hurricane or tropical storm events. The sample consists of Florida homeowners' insurance contracts from 2002–2023 with at least one filed claim and non-missing policyholder race information, restricted to counties experiencing a major hurricane event. Each point represents the coefficient on the interaction between Black, Treated, and event-time indicators, capturing the differential change in outcomes for Black policyholders in high-damage counties relative to White policyholders and lower-damage counties. Vertical bars denote 90% confidence intervals with standard errors clustered at the policy level. All specifications include fixed effects for policyholder ZIP code, loss year, cause of loss as well as Agent interacted with Policyholder.

Table 1: Summary Statistics

This table reports summary statistics for the main variables used in the analysis. The sample consists of homeowners' insurance contracts from 2002–2023 for Florida with non-missing policyholder race. Claim-related variables such as claim rejection, payout, resolution time, litigation, appraisal and rejection reasons are defined only for contracts with at least one claim filed. Claim Rejection is an indicator coded as 1 if the associated payout is zero. Resolution time is measured as the number of months between the date the loss is incurred and the date the claim is resolved. Closure w/ Partial Payment and Closure w/ Misc. Reason are indicators coded as 1 if the claim is closed with a partial payment or rejected stating miscellaneous reasons respectively. Agent Tenure is defined as the number of years between an agent's first and last policy written with a given agency. Agent Policy Volume is measured as the number of policies written by an agent with a given agency. Policy Tenure is defined as the number of years between the policy effective date and date of loss incurred.

	N	Mean	Std. Dev.	p25	Median	p75
Coverage A Limit	4,672,904	191,686.70	137,173.38	85,800	177,000	263,600
Premium Subtotal	4,672,904	1,831.71	1,347.93	885	1,507	2,396
Prop. Black Policyholders	4,672,904	0.14	0.35	0	0	0
Prop. Black Agents	4,672,904	0.05	0.23	0	0	0
Agent Tenure (years)	4,672,904	14.05	6.30	8.66	15.53	20.08
Agent Policy Volume	4,672,904	338.07	544.77	76.00	183.00	381.00
Claim Rejection (0/1)	213,701	0.35	0.48	0	0	1
Payout-to-Coverage Ratio	213,250	0.11	0.23	0	0.02	0.09
Resolution Time	204,442	7.28	13.04	1	2	7
Litigation (0/1)	213,701	0.08	0.27	0	0	0
Appraisal (0/1)	213,701	0.07	0.26	0	0	0
Closure w/ Partial Payment (0/1)	213,701	0.02	0.13	0.00	0.00	0.00
Closure w/ Misc. Reason (0/1)	213,701	0.09	0.28	0.00	0.00	0.00
Policy Tenure (years)	213,701	0.45	0.33	0.21	0.44	0.70

Table 2: Summary Statistics by Agent Race

The table presents mean values of key variables by agent race. The sample consists of homeowners' insurance contracts in Florida from 2002–2023 with non-missing policyholder race. Claim-related variables are defined only for contracts with at least one claim filed. Black Agent equals 1 for contracts associated with Black agents and 0 for those associated with White agents. All variable definitions are described in Table 1.

	Black Agent=0	Black Agent=1
Coverage A Limit	191685.77	191702.70
Premium Subtotal	1814.41	2131.32
Prop. Black Policyholders	0.12	0.54
Claim Rejection	0.35	0.33
Payout-to-Coverage Ratio	0.11	0.08
Resolution Time	7.14	8.83
Litigation	0.07	0.15
Appraisal	0.07	0.12
Closure w/ Partial Payment	0.09	0.09
Closure w/ Misc. Reason	0.02	0.01
Agent Policy Volume	345.75	204.91
Agent Tenure	14.03	14.38
Policy Tenure	0.45	0.46

Table 3: Race and Insurance Claim Outcomes

This table reports regression estimates of differences in homeowners' insurance claim outcomes between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	(1)	(2)	(3)	(4)	(5)
Panel A: Payout to Coverage Ratio					
Black	-0.0044***	-0.0064***	-0.0053***	-0.0055***	-0.0051***
	(0.0012)	(0.0012)	(0.0012)	(0.0013)	(0.0013)
N	213,250	213,250	200,677	200,677	200,451
R^2	0.1566	0.2611	0.2479	0.2807	0.2846
Mean	0.1063	0.1063	0.1063	0.1063	0.1063
Panel B: Claim Rejection (0/1)					
Black	0.0031	0.0091***	0.0112***	0.0120***	0.0112***
	(0.0034)	(0.0033)	(0.0034)	(0.0036)	(0.0036)
N	213,701	213,701	201,062	201,062	200,836
R^2	0.0316	0.0899	0.0896	0.1239	0.1268
Mean	0.3485	0.3485	0.3485	0.3485	0.3485
Panel C: Resolution Time (in months)					
Black	1.473***	1.568***	1.613***	1.343***	1.353***
	(0.1019)	(0.0973)	(0.0999)	(0.1065)	(0.1061)
N	204,442	204,442	192,086	192,086	191,871
R^2	0.1178	0.2714	0.2723	0.2995	0.3051
Mean	7.511	7.511	7.511	7.511	7.511
Policy Year FE	Yes	Yes	Yes	Yes	Yes
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes
Loss Year FE		Yes	Yes	Yes	Yes
Cause of Loss FE		Yes	Yes	Yes	Yes
Dwelling Size FE			Yes	Yes	Yes
No. of Stories FE			Yes	Yes	Yes
Property Age FE			Yes	Yes	Yes
Agent FE				Yes	Yes
Income × Policy Year FE					Yes
Education × Policy Year FE					Yes

Table 4: Race and Insurance Claim Rejection Reasons

This table reports regression estimates of differences in reasons for rejection of homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with atleast one claim filed and with non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	(1)	(2)	(3)	(4)	(5)
	Panel A: Closure w/ Partial Payment {0, 1}				
Black	0.0014*	0.0017**	0.0011	0.0006	0.0006
	(0.0008)	(0.0008)	(0.0008)	(0.0009)	(0.0009)
N	213,701	213,701	201,062	201,062	200,836
R^2	0.10948	0.11858	0.10661	0.13103	0.13390
Mean	0.0180	0.0180	0.0180	0.0180	0.0180
	Panel B: Closure w/ Miscellaneous Reasons {0, 1}				
Black	0.0049**	0.0079***	0.0087***	0.0060***	0.0058***
	(0.0019)	(0.0019)	(0.0020)	(0.0021)	(0.0021)
N	213,701	213,701	201,062	201,062	200,836
R^2	0.10060	0.13673	0.14017	0.16738	0.17047
Mean	0.0885	0.0885	0.0885	0.0885	0.0885
Policy Year FE	Yes	Yes	Yes	Yes	
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes
Loss Year FE		Yes	Yes	Yes	Yes
Cause of Loss FE		Yes	Yes	Yes	Yes
Dwelling Size FE			Yes	Yes	Yes
No. Of Stories FE			Yes	Yes	Yes
Property Age FE			Yes	Yes	Yes
Agent FE				Yes	Yes
Income × Policy Year FE					Yes
Education × Policy Year FE					Yes

Table 5: Race and Policyholder Reaction to Claim Rejection

This table reports regression estimates of differences in the likelihood of litigation and appraisal between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	(1)	(2)	(3)	(4)	(5)
	Panel A: Litigation {0, 1}				
Black	0.0474***	0.0466***	0.0476***	0.0377***	0.0373***
	(0.0022)	(0.0021)	(0.0022)	(0.0023)	(0.0023)
N	213,701	213,701	201,062	201,062	200,836
R^2	0.10107	0.13484	0.13558	0.17325	0.18334
Mean	0.0788	0.0788	0.0788	0.0788	0.0788
	Panel B: Appraisal {0, 1}				
Black	0.0299***	0.0269***	0.0266***	0.0221***	0.0222***
	(0.0020)	(0.0020)	(0.0021)	(0.0022)	(0.0022)
N	213,701	213,701	201,062	201,062	200,836
R^2	0.08183	0.09665	0.09788	0.13322	0.13869
Mean	0.0707	0.0707	0.0707	0.0707	0.0707
Policy Year FE	Yes	Yes	Yes	Yes	
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes
Loss Year FE		Yes	Yes	Yes	Yes
Cause of Loss FE		Yes	Yes	Yes	Yes
Dwelling Size FE			Yes	Yes	Yes
No. Of Stories FE			Yes	Yes	Yes
Property Age FE			Yes	Yes	Yes
Agent FE				Yes	Yes
Income × Policy Year FE					Yes
Education × Policy Year FE					Yes

Table 6: Heterogeneity in Insurance Claim Process by Agent Race

This table reports heterogeneity by agent race in the regression estimates of differences in homeowners' insurance claims process between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. Agent B corresponds to the subsample of Black agents and Agent W to White agents respectively. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	0.0015	-0.0052***	-0.0079	0.0112**	1.291***	1.342***	0.0356***	0.0407***
	(0.0046)	(0.0016)	(0.0131)	(0.0044)	(0.3699)	(0.1178)	(0.0085)	(0.0026)
N	17,467	148,029	17,490	148,342	16,588	142,295	17,490	148,342
R^2	0.28903	0.29359	0.16510	0.12631	0.20495	0.34620	0.23230	0.16060
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 7: Heterogeneity in Insurance Claim Process by Agent Race with Adjuster FE

This table reports heterogeneity by agent race in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. Agent B corresponds to the subsample of Black agents and Agent W to White agents respectively. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0053	-0.0093***	0.0112	0.0205***	0.4790	0.6259***	0.0105*	0.0131***
	(0.0048)	(0.0015)	(0.0138)	(0.0042)	(0.3449)	(0.0992)	(0.0058)	(0.0017)
N	17,428	147,351	17,450	147,662	16,548	141,615	17,450	147,662
R^2	0.45561	0.41279	0.37822	0.23523	0.55418	0.55737	0.75390	0.62105
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adjuster FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 8: Heterogeneity in Insurance Claim Resolution Conditional on Acceptance, Rejection Reason by Agent Race

This table reports heterogeneity by agent race in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. Agent B corresponds to the subsample of Black agents and Agent W to White agents respectively. Resolution Time‖Acceptance is measured conditional on claim rejection equal to 0. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Resolution Time‖Acceptance		Closure w/ Partial Payment		Closure w/ Miscellaneous Reasons	
	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W
	(1)	(2)	(3)	(4)	(5)	(6)
Black	0.8829	1.781***	0.0019	-0.0003	-0.0066	0.0082***
	(0.5443)	(0.1694)	(0.0032)	(0.0010)	(0.0074)	(0.0025)
N	10,962	91,027	17,490	148,342	17,490	148,342
R^2	0.26465	0.49895	0.10596	0.14857	0.22278	0.16835
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Table 9: Heterogeneity in Insurance Claim Process by Other Agent Characteristics

This table reports heterogeneity by agent characteristics such as tenure and volume, in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. Agent Tenure is defined as the number of years between an agent's first and last policy written with a given agency. Agent Policy Volume is measured as the number of policies written by an agent with a given agency. $\geq$ Median denotes the subsample with above-median agent tenure in Panel A and above-median agent policy volume in Panel B. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	Panel A: By Agent Tenure							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0030	-0.0063***	0.0075	0.0144***	1.585***	1.152***	0.0425***	0.0325***
	(0.0019)	(0.0017)	(0.0051)	(0.0051)	(0.1582)	(0.1434)	(0.0034)	(0.0032)
N	98,796	101,655	99,023	101,813	95,835	96,036	99,023	101,813
R^2	0.27513	0.30764	0.10910	0.15706	0.28798	0.33561	0.17053	0.20608
	Panel B: By Agent Policy Volume							
Black	-0.0068***	-0.0032*	0.0107*	0.0106**	1.235***	1.440***	0.0362***	0.0380***
	(0.0018)	(0.0018)	(0.0057)	(0.0047)	(0.1572)	(0.1451)	(0.0034)	(0.0032)
N	90,274	110,177	90,406	110,430	86,352	105,519	90,406	110,430
R^2	0.31042	0.28821	0.11760	0.15975	0.36181	0.27255	0.16205	0.21093
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 10: Heterogeneity in Insurance Claim Process by Client Value

This table reports heterogeneity by client value in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. Panel A measures client value based on policy premium. Panel B reports a measure based on renewal frequency, calculated as the number of times a policyholder renews the policy with the same agent. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	Panel A: By Premium							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0028**	-0.0047*	0.0059	0.0146***	1.692***	0.9844***	0.0476***	0.0249***
	(0.0012)	(0.0024)	(0.0050)	(0.0055)	(0.1557)	(0.1520)	(0.0037)	(0.0028)
N	99,344	101,107	99,344	101,492	93,158	98,713	99,344	101,492
R^2	0.29546	0.30433	0.16310	0.15245	0.27102	0.38167	0.20420	0.18375
	Panel B: By Relationship Length							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0032*	-0.0077***	0.0065	0.0145**	1.597***	0.9688***	0.0443***	0.0264***
	(0.0016)	(0.0021)	(0.0046)	(0.0062)	(0.1398)	(0.1700)	(0.0032)	(0.0034)
N	129,737	70,714	129,926	70,910	125,974	65,897	129,926	70,910
R^2	0.29668	0.33090	0.13277	0.19584	0.31464	0.34615	0.18949	0.24552
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 11: Heterogeneity in Insurance Claim Process by Market Concentration

This table reports heterogeneity by local insurance agent market concentration in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. Panel A measures concentration based on number of agents within a ZIPcode-Year. Panel B reports ZIP code–year measures of agent market concentration using the Herfindahl–Hirschman Index (HHI), calculated as the sum of squared agent policy shares. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	Panel A: By # of Agents in Zipcode x Year							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0045***	-0.0043**	0.0013	0.0225***	1.666***	0.9062***	0.0502***	0.0197***
	(0.0016)	(0.0022)	(0.0048)	(0.0056)	(0.1398)	(0.1691)	(0.0034)	(0.0030)
N	103,355	97,096	103,485	97,351	97,831	94,040	103,485	97,351
R^2	0.32058	0.29099	0.14310	0.16749	0.31299	0.34011	0.19483	0.20807
	Panel B: By HHI							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0034	-0.0038***	0.0114*	0.0080*	0.9291***	1.514***	0.0133***	0.0460***
	(0.0027)	(0.0014)	(0.0066)	(0.0044)	(0.1887)	(0.1314)	(0.0030)	(0.0031)
N	91,885	108,566	92,117	108,719	89,219	102,652	92,117	108,719
R^2	0.32780	0.25940	0.16199	0.14935	0.44411	0.21619	0.21165	0.18964
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 12: Heterogeneity by Agent Capacity Constraints

This table reports heterogeneity by agent capacity constraint, in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. Agent capacity constraint is measured as the number of insurers the agent is appointed with. $\geq$ Median denotes the subsample with above-median agent number of insurers. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0059***	-0.0045**	0.0200***	0.0005	1.336***	1.369***	0.0376***	0.0375***
	(0.0017)	(0.0019)	(0.0052)	(0.0050)	(0.1454)	(0.1562)	(0.0034)	(0.0032)
N	96,706	103,745	96,744	104,092	91,639	100,232	96,744	104,092
R^2	0.29684	0.29923	0.13806	0.14335	0.28900	0.33199	0.18104	0.20759
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 13: Race and Insurance Claim Process around Major Hurricanes: Triple DiD

This table reports triple difference-in-differences regression estimates measuring the racial bias in claims processing surrounding major hurricance/tropical storm events.The sample consists of Florida homeowners' insurance contracts from 2002–2023 with at least one filed claim and non-missing policyholder race information, restricted to counties experiencing a major hurricane event. *Treated* equals 1 for counties with above-median property damage from the hurricane/tropical storm. Black is an indicator equal to 1 if the policyholder is Black and 0 if White. *Post* is 1 for months following hurricane occurence. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio	Claim Rejection	Resolution Time	Litigation
	(1)	(2)	(3)	(4)
Post × Treated × Black	-0.0528***	0.1144***	2.980**	0.0359
	(0.0129)	(0.0380)	(1.194)	(0.0223)
Post	0.0156**	-0.0056	0.3475	-0.0139
	(0.0063)	(0.0168)	(0.4245)	(0.0097)
Treated	-0.0120*	0.0121	-0.6692*	-0.0106
	(0.0061)	(0.0143)	(0.3493)	(0.0069)
Black	0.0193	-0.0300	2.315**	0.0705***
	(0.0132)	(0.0273)	(1.143)	(0.0223)
Post × Treated	0.0367***	-0.0314*	1.545***	0.0129
	(0.0088)	(0.0191)	(0.4773)	(0.0098)
Post × Black	-0.0152*	0.0252	-2.207***	-0.0703***
	(0.0078)	(0.0235)	(0.7139)	(0.0174)
Treated × Black	0.0141	-0.0529	-4.634***	-0.0662***
	(0.0116)	(0.0356)	(1.154)	(0.0202)
N	228,624	229,117	219,306	229,117
R^2	0.88435	0.82092	0.86629	0.83520
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes
Agent FE × Client FE	Yes	Yes	Yes	Yes

Appendix for Online Publication

Table A1: Summary Statistics by Policyholder Race

The table presents mean values of key variables by policyholder race. The sample consists of homeowners' insurance contracts in Florida from 2002–2023 with non-missing policyholder race. Claim-related variables are defined only for contracts with at least one claim filed. Black equals 1 for contracts associated with Black policyholder and 0 for those associated with White policyholder. All variable definitions are described in Table 1.

	Black = 1	Black = 0
Coverage A Limit	188774.60	192162.69
Premium Subtotal	2211.37	1769.65
Prop. Black Agents	0.21	0.03
Claim Rejection	0.34	0.35
Payout-to-Coverage Ratio	0.07	0.12
Resolution Time	9.20	6.61
Litigation	0.15	0.05
Appraisal	0.12	0.05
Closure w/ Partial Payment	0.01	0.02
Closure w/ Misc. Reason	0.09	0.09
Agent Policy Volume	278.62	347.78
Agent Tenure	14.00	14.06
Policy Tenure	0.45	0.45

Table A2: Race and Insurance Claim Process with Additional FE

This table reports regression estimates of differences in homeowners' insurance claim outcomes between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age as well as agent interacted with policy year. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio	Claim Rejection	Resolution Time	Litigation
	(1)	(2)	(3)	(4)
Black	-0.0057***	0.0096**	1.373***	0.0347***
	(0.0014)	(0.0041)	(0.1208)	(0.0026)
N	200,451	200,836	191,871	200,836
R^2	0.41407	0.28511	0.43227	0.34084
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes
No. of Stories FE	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes
Agent FE × Policy Year FE	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes
Adjuster FE	Yes	Yes	Yes	Yes

Table A3: Heterogeneity in Insurance Claim Process by Agent Race with Additional FE

This table reports heterogeneity by agent race in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. Agent B corresponds to the subsample of Black agents and Agent W to White agents respectively. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, property age and agent interacted with policy year. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W	Agent B	Agent W
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0013	-0.0057***	-0.0063	0.0093*	1.460***	1.326***	0.0425***	0.0373***
	(0.0051)	(0.0018)	(0.0149)	(0.0049)	(0.4332)	(0.1333)	(0.0103)	(0.0029)
N	17,467	148,029	17,490	148,342	16,588	142,295	17,490	148,342
R^2	0.42296	0.41566	0.30076	0.28079	0.32326	0.46145	0.34801	0.31466
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adjuster FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table A4: Race and Insurance Claim Process with Adjuster FE

This table reports regression estimates of differences in homeowners' insurance claim outcomes between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio	Claim Rejection	Resolution Time	Litigation
	(1)	(2)	(3)	(4)
Black	-0.0090***	0.0211***	0.6122***	0.0105***
	(0.0012)	(0.0034)	(0.0880)	(0.0014)
N	199,619	200,000	191,035	200,000
R^2	0.39266	0.23580	0.53399	0.64916
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes
No. of Stories FE	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes
Adjuster FE	Yes	Yes	Yes	Yes

Table A5: Race and Insurance Claim Resolution Time Conditional on Acceptance

This table reports regression estimates of differences in time from loss to resolution, conditional on claim acceptance, between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and accepted and non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Resolution Time‖Acceptance (months)				
	(1)	(2)	(3)	(4)	(5)
Black	1.804***	1.892***	1.988***	1.688***	1.683***
	(0.1403)	(0.1282)	(0.1323)	(0.1422)	(0.1416)
N	132,184	132,184	123,343	123,343	123,195
R^2	0.14642	0.39491	0.39694	0.42901	0.43518
Mean	9.325	9.325	9.325	9.325	9.325
Policy Year FE	Yes	Yes	Yes	Yes	Yes
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes
Loss Year FE		Yes	Yes	Yes	Yes
Cause of Loss FE		Yes	Yes	Yes	Yes
Dwelling Size FE			Yes	Yes	Yes
No. of Stories FE			Yes	Yes	Yes
Property Age FE			Yes	Yes	Yes
Agent FE				Yes	Yes
Income × Policy Year FE					Yes
Education × Policy Year FE					Yes

Table A6: Heterogeneity in Insurance Claim Process by County Racial Composition

This table reports heterogeneity by county racial composition in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. County B corresponds to the subsample of majority black counties (with atleast 30% Black population) and County W corresponds to the subsample of majority White population counties. All specifications include fixed effects for quintiles of deductibles, coverage limits, dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	County B	County W	County B	County W	County B	County W	County B	County W
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0009	-0.0066***	-0.0066	0.0158***	1.768***	1.110***	0.0518***	0.0278***
	(0.0022)	(0.0016)	(0.0063)	(0.0045)	(0.1910)	(0.1285)	(0.0046)	(0.0025)
N	44,745	182,619	44,795	182,986	42,587	175,045	44,795	182,986
R^2	0.28446	0.30726	0.16800	0.13611	0.15400	0.36464	0.19452	0.20259
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table A7: Heterogeneity in Insurance Claim Process by Number of Black Agents

This table reports heterogeneity in the regression estimates of differences in homeowners' insurance claims between Black and White policyholders by number of black agents within a zipcode-year. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0039***	-0.0038	0.0084**	0.0137*	1.535***	0.6052***	0.0448***	0.0123***
	(0.0014)	(0.0029)	(0.0043)	(0.0070)	(0.1265)	(0.2035)	(0.0029)	(0.0035)
N	116,950	83,501	117,103	83,733	110,680	81,191	117,103	83,733
R^2	0.27779	0.32304	0.14466	0.17118	0.23591	0.44115	0.19172	0.21427
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table A8: Heterogeneity in Insurance Claim Process by Claim Order

This table reports heterogeneity in the regression estimates of differences in homeowners' insurance claim outcomes between Black and White policyholders across additional policy characteristics, including the order of claims filed within the same contract. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with at least one claim filed and non-missing information on policyholder race. *First* Claim is defined as the earliest observed claim associated with a contract at a given agency. *Subsequent* Claim is defined as other other claims thereafter. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Payout to Coverage Ratio		Claim Rejection		Resolution Time		Litigation	
	First	Subsequent	First	Subsequent	First	Subsequent	First	Subsequent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black	-0.0042***	-0.0074*	0.0082**	0.0055	1.363***	1.176***	0.0345***	0.0483***
	(0.0013)	(0.0038)	(0.0038)	(0.0117)	(0.1075)	(0.3543)	(0.0023)	(0.0080)
N	177,134	23,317	177,473	23,363	169,633	22,238	177,473	23,363
R^2	0.29657	0.35320	0.13368	0.28666	0.31921	0.34982	0.17783	0.34171
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deductible FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Loss Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cause of Loss FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. Of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Income × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education × Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table A9: Race and Insurance Premium

This table reports regression estimates of differences in homeowners' insurance premium between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Premium Subtotal			
	(1)	(2)	(3)	(4)
Black	33.37***	-10.67	3.550	3.649
	(10.07)	(8.857)	(9.225)	(9.095)
N	139,228	130,171	130,171	130,012
R^2	0.31824	0.50707	0.55826	0.57151
Mean	1,831.7	1,831.7	1,831.7	1,831.7
Policy Year FE	Yes	Yes	Yes	
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes
Dwelling Size FE		Yes	Yes	Yes
No. of Stories FE		Yes	Yes	Yes
Property Age FE		Yes	Yes	Yes
Agent FE			Yes	Yes
Income × Policy Year FE				Yes
Education × Policy Year FE				Yes

Table A10: Race and Insurance Coverage

This table reports regression estimates of differences in homeowners' insurance coverage between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Coverage Limit			
	(1)	(2)	(3)	(4)
Black	8,132.7***	392.4	73.54	42.51
	(865.8)	(617.1)	(645.3)	(643.5)
N	139,228	130,171	130,171	130,012
R^2	0.32072	0.66683	0.70370	0.70573
Mean	191,686.7	191,686.7	191,686.7	191,686.7
Policy Year FE	Yes	Yes	Yes	
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes
Dwelling Size FE		Yes	Yes	Yes
No. of Stories FE		Yes	Yes	Yes
Property Age FE		Yes	Yes	Yes
Agent FE			Yes	Yes
Income × Policy Year FE				Yes
Education × Policy Year FE				Yes

Table A11: Heterogeneity in Insurance Premium by Agent Characteristics

This table reports heterogeneity by agent characteristics in the regression estimates of differences in homeowners' insurance premium between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. Agent B corresponds to the subsample of Black agents and Agent W to White agents respectively. All specifications include fixed effects for quintiles of dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Premium Subtotal					
	Agent Race		Agent Tenure		Agent Volume	
	Agent B	Agent W	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	(1)	(2)	(3)	(4)	(5)	(6)
Black	34.99***	17.96***	43.91***	8.291***	19.05***	27.96***
	(5.983)	(1.951)	(2.448)	(2.378)	(2.536)	(2.303)
N	246,271	3,602,005	2,224,414	2,229,292	2,250,100	2,203,606
R^2	0.59923	0.53613	0.53251	0.57230	0.53909	0.56626
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes
No. of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Table A12: Heterogeneity in Insurance Premium by Market Concentration

This table reports heterogeneity in the regression estimates of differences in homeowners' insurance premium between Black and White policyholders across markets with varying local insurance agent concentration. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. # of Agents, HHI and # of Black Agents are measured within a ZIP code-year. All specifications include fixed effects for quintiles of dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Premium Subtotal					
	# of Agents		HHI		# of Black Agents	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	(1)	(2)	(3)	(4)	(5)	(6)
Black	27.86***	18.42***	16.75***	23.47***	21.91***	21.27***
	(2.355)	(2.276)	(2.369)	(2.218)	(2.091)	(2.687)
N	2,294,947	2,158,759	2,179,819	2,273,887	2,435,052	2,018,654
R^2	0.55375	0.52676	0.49918	0.55470	0.54661	0.53043
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes	Yes	Yes
No. of Stories FE	Yes	Yes	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Table A13: Heterogeneity in Insurance Premium by Policy Characteristics

This table reports heterogeneity by policy characteristics in the regression estimates of differences in homeowners' insurance premium between Black and White policyholders. The sample includes homeowners' insurance contracts in Florida from 2002 to 2023 with non-missing information on policyholder race. *Black* is an indicator variable equal to 1 if the policyholder is Black and 0 if White. All specifications include fixed effects for quintiles of dwelling size, number of stories, and property age. Income and educational attainment (percentage of college graduates) are measured at the ZIP-code level. Standard errors are clustered at the policy level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% levels, respectively.

	Premium Subtotal			
	Policy Tenure		Policy Size	
	$\geq$ Median	$<$ Median	$\geq$ Median	$<$ Median
	(1)	(2)	(3)	(4)
Black	-73.69***	108.3***	-3.966	25.26***
	(11.62)	(8.087)	(10.68)	(1.726)
N	105,580	95,256	100,162	4,353,544
R^2	0.53098	0.54282	0.57875	0.55240
ZIP Code Policyholder FE	Yes	Yes	Yes	Yes
Dwelling Size FE	Yes	Yes	Yes	Yes
No. of Stories FE	Yes	Yes	Yes	Yes
Property Age FE	Yes	Yes	Yes	Yes
Agent FE	Yes	Yes	Yes	Yes
Income $\times$ Policy Year FE	Yes	Yes	Yes	Yes
Education $\times$ Policy Year FE	Yes	Yes	Yes	Yes