

2013 Insurance Complaints and Administrative Actions

OFFICE OF THE COMMISSIONER OF INSURANCE

PI-030 (R 05/2014)

Complaint Information

The Office of the Commissioner of Insurance (OCI) defines a complaint as "a written communication received by the Commissioner's Office that indicates dissatisfaction with an insurance company or agent." There are four categories of contacts: direct response, referrals, requests for information and further investigation complaints. Only the further investigation complaints are used to calculate the ratios used in this report. Referrals involve complaints that are regulated by another jurisdiction such as the federal government. Requests for information are general questions about insurance that do not refer to a specific company or agent. Direct response complaints involve questions that OCI can answer directly without contacting the insurer such as whether a company is licensed or a rate has been filed. Listed below is a summary of the types of complaints filed in 2013.

Further investigation	3,441
Referrals	1,063
Requests for information	<u>1,921</u>
Total	6,425

Complaints are categorized by both the type of coverage and the reason for the complaint:

Type of Coverage

Auto	630
Property and Casualty	2,388
Accident and Health	1,749
Life	472
Annuities	122

Complaint Reasons

Underwriting	465
Marketing and Sales	489
Claim Handling	2,328
Policyholder Service	700
Other	172

Amounts Recovered for Complainants

2013	\$4,679,600
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Note: There may be more than one type of insurance and more than one reason involved in each complaint.

Administrative Actions

All complaints are investigated to determine if any Wisconsin laws have been violated. In cases of serious violations administrative actions are taken.

The following administrative actions were taken in 2013.

Companies

Total Number of Actions	52
Forfeitures Demanded	\$272,128.03

Agents

Licenses Denied	259
Licenses Revoked	68
Licenses Surrendered	2
Licenses Suspended	5
Total Number of Actions	363
Forfeitures Demanded	\$265,480

Complaint Ratio Reports

OCI is no longer preparing state-specific complaint summaries. Consumers can access complaint summary information through the Consumer Information Source at this link: <https://eapps.naic.org/cis/>. The consumer can select the closed complaint ratio report. It will provide the ratio of the company's U.S. Market Share of closed complaints compared to the company's U.S. Market Share of premiums. The "Total Complaints" include only those complaints in which the final resolution by the respective state upheld the consumer's complaint position.

To view the Complaint Ratio Report:

1. Open the Web page at: <https://eapps.naic.org/cis/>.
2. Follow the instructions in the Search for a Company section of the Help to locate the company for which you want to view complaints information.
3. On the Company Search Results page, click the Closed Complaints Reports link to the right of the company information.
4. The Closed Consumer Complaints Reports page will display, listing the company name and other identifying information at the top of the page.
5. Click the Complaint Ratio Report link
6. Select the Policy Type for which you would like to see the complaint index.
7. Click the Create Report button to create the report.

After determining that an insurance product is suitable for their needs, consumers should consider the following items before selecting an insurer:

- Cost;
- The company's reputation for claims payment and customer service; and
- The competence of agents.

The number of complaints about a company is a limited, although useful, measuring device in the insurance selection process.

The number of complaints does not reflect the office's final determination on whether there has been a violation of the law. However, even when complaints do not involve violations of law, they may indicate something about company communications with policyholders, deficiencies in policy design (i.e., "too much fine print"), or agent training. The office receives many complaints that involve factual disputes where, in the absence of a court determination, definitive judgments on the factual dispute and violations of law cannot be made.

Consumers having problems with their insurance should first contact the agent and/or company involved. If they are unable to settle the problem at that level, they are encouraged to contact the Insurance Commissioner's Office.

To file a complaint online or to print a complaint form:

[OCI's Web Site](http://oci.wi.gov)
oci.wi.gov

Phone
(608) 266-0103 (In Madison)
or
1-800-236-8517 (Statewide)

Mailing Address
Office of the Commissioner of Insurance
P.O. Box 7873
Madison, WI 53707-7873

Electronic Mail
ocicomplaints@wisconsin.gov
Please indicate your name, phone number, and e-mail address.

Deaf, hearing, or speech impaired callers may reach OCI through WI TRS