



Dora

Department of Regulatory Agencies

Division of Insurance

Annual Report
On
Complaints Against
Insurers
Fiscal Year 2012-2013

October 1, 2015



Dora
Department of Regulatory Agencies

Division of Insurance
Marguerite Salazar
Commissioner of Insurance

John W. Hickenlooper
Governor

Barbara J. Kelley
Executive Director

October 1, 2013

Dear Friends:

Each year, the Division of Insurance compiles this report analyzing the complaints received from consumers about their insurance coverage. The data behind, and the information in, this report is used with other data and information by the Division to evaluate whether there may be a company compliance problem or a systemic issue. Complaint statistics are one data point used by the Division in determining whether to investigate a company's business processes and practices through calling a market conduct examination or take an enforcement action for violation of state laws or regulations.

The Division of Insurance is pleased to submit this Annual Report of the Commissioner of Insurance on Complaints Against Insurers for Fiscal Year 2012-2013. Submitted pursuant to § 10-16-128, C.R.S., this report provides data and analysis of the previous fiscal year and five prior years of trends in consumer complaints received by the Division regarding all types of insurance. The report on the types of insurance includes those most commonly sold to consumers: auto, health, life, homeowners, liability, annuity, and title insurance.

The report also references the 2012 Complaint Ratio and Complaint Index Reports that provide consumers with information about the number of complaints lodged against specific insurers and health carriers. The report includes the 2012 complaint ratios and index calculations for the top 10 carriers in each line of business. However, consumers and researchers should note that the complaint ratio and indices are on a calendar year basis, while most of the other statistics in this report are on a fiscal year (July 1 to June 30) basis. The Complaint Ratio and Complaint Index Reports are separately available, and can be searched by specific company name and line of business on the Division's website at www.dora.colorado.gov/insurance.

The mission of the Department of Regulatory Agencies and Division of Insurance is consumer protection. This report summarizes one area of how we approach this mission. This report on the types of questions and complaints we receive, and the trends demonstrated in the analysis of them, is an important component of our consumer protection work.

If you have any questions, please contact me at the Division.

Sincerely,

Marguerite Salazar
Commissioner of Insurance

Complaints Against Insurers for the Fiscal Year 2012-2013

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Executive Summary

Colorado law at § 10-16-128, C.R.S., requires an annual report on the number, nature, and outcome of complaints against insurers during the preceding 12 months to be presented to the General Assembly. The Division of Insurance (Division) issues this report in the fall of each year using data from the prior state fiscal year that runs July 1 to June 30, with several years of historical data to permit analysis of trends. Beyond fulfilling the statutory requirement, this report's information is useful to consumers as they shop for coverage and to the Division as we ensure compliance with state laws and regulations.

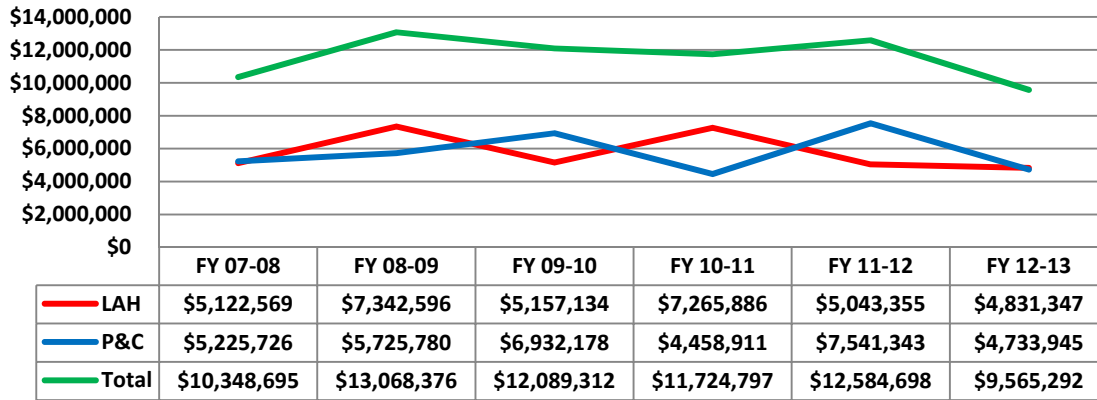
The Division has 19 staff members in its Consumer Affairs section dedicated to assist consumers with complaints against insurers and to respond to consumer questions about insurance issues. The staff is broken down into two teams handling life, health and related issues (LAH), and those dealing with issues in the property and casualty areas (P&C). With the changes coming from implementation of health care insurance reforms starting in 2014, another two or three analysts are expected to be added to the LAH team. Both the LAH and P&C teams provide in-person assistance in some circumstances such as Disaster Assistance Centers or public events highlighting insurance issues. Consumer Affairs personnel are supplemented with staff from other parts of the Division with experience in addressing issues such as premium rates or required elements of form filings.

In addition, the Consumer Affairs operations at the Division include the Compliance, Licensing and Investigations (CLI) section which is responsible for insurance producer licensing and regulation, investigations of possible illegal and unauthorized insurance activity, and the procedural aspects of rulemaking and open records requests. The Division also operates the Senior Health Insurance Program (SHIP) and Senior Medicare Patrol (SMP) programs under federal grants to counsel and advise seniors on the federal Medicare program, Medicare Advantage plans, Medicare Part D Prescription Drug Coverage, Medicare Supplement, and long-term care coverage. Statistical information about the work of the CLI and SHIP/SMP sections are not included in this report though the LAH and P&C Consumer Affairs sections work closely with these sections on complaints that fall into those bailiwicks.

In Fiscal Year 2012-2013 (FY 12-13), the LAH and P&C Insurance Consumer Affairs staff logged over 15,500 incoming consumer telephone calls, 2,000 e-mails, and hundreds of meetings with consumers with questions and issues about insurance coverage of various types. Of these communications, 3,491 became formal consumer complaints against specific insurers that were closed in FY 12-13. Formal complaints are required to be in writing or filed through the Division's website at www.dora.colorado.gov/insurance or through www.askdora.gov.

During FY 12-13, the Division recovered over \$9.5 million for consumers in additional claims payments, overturned denials of benefits, reinstatements of coverage, and cancellation of insurance policies with the return of consumers' money. These recoveries for individual consumers are in addition to the Division's review of health insurance premium rates, and restitution and recoveries ordered through investigation and examination of companies through the Market Regulation and CLI sections of the Division. The Market Regulation and CLI sections address systemic issues, while the LAH and P&C sections of the Division's Consumer Affairs operations handle individual consumer complaints and inquiries.

Division of Insurance Consumer Affairs Recoveries for Consumers



LAH includes all lines of Life and Health insurance, including health, life, disability, long term care, and annuities. P&C is Property and Casualty insurance, which includes auto, homeowners, liability and title insurance.

Denial of claims and delays are the most often cited reasons for consumer complaints when the entire insurance marketplace is evaluated. In FY 12-13, denial of claims was a reason for consumers' complaints 17 percent of the time. Delays in claims handling and other areas were a reason in 12 percent of the complaints. Premium and rating issues were the third most numerous reasons for complaints at 11 percent. These percentages are calculated across all lines of insurance, though the chart below identifies the most frequent functional area of complaints for the major lines of insurance.

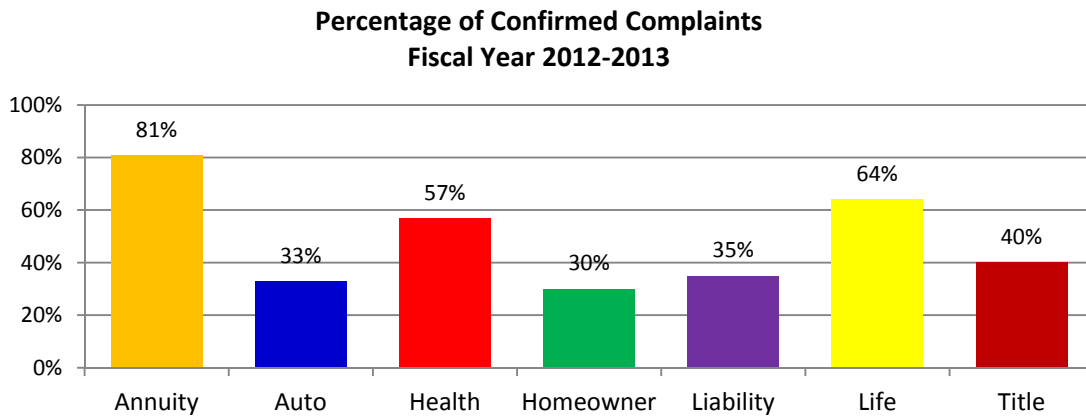
Complaint issues are broken down by the functional area – Underwriting, Claims Handling, Policyholder Services, and Marketing and Sales, and then categorized by the reason for the complaint. As shown below, the functional areas and top reasons for consumer complaints vary by the type of insurance. Following the general discussion of complaints in this report, the major types of insurance coverage are further analyzed for the functional areas and reasons for complaints specific to that type of insurance.

Top Complaint Reasons for Major Types of Insurance Fiscal Year 2012-2013

Annuities	Misleading Advertising and Misrepresentation (Marketing & Sales)
Auto Insurance	Premium and Rating (Underwriting)
Health Insurance	Denial of Claim (Claims Handling)
Homeowners Insurance	Denial of Claim (Claims Handling)
Liability	Denial of Claim (Claims Handling)
Life Insurance	Information Requested (Policyholder Service)
Title Insurance	Agent Handling (Marketing and Sales)

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales.

A “confirmed complaint” is a complaint found to involve a violation of law, regulation, or disregard for a contractual policy provision. Shown below for FY 12-13 are the percentages of confirmed complaints by type of coverage:



While many complaints result in recoveries for consumers, the Division also receives complaints and inquiries that, upon investigation, do not indicate wrongdoing by the insurance company. In these circumstances, the Division educates the consumer on the requirements of their insurance policy and state law and regulation.

Introduction

Consumer protection is the mission of the Colorado Department of Regulatory Agencies and the Division of Insurance.

Governing Statutes and Operational Goals

The Colorado Insurance Code at § 10-1-101, C.R.S., provides the guiding principles of the Division:

- Promote the public welfare by regulating insurance;
- Ensure that insurance rates are not excessive, inadequate or unfairly discriminatory;
- Give consumers the greatest choice of policies at the most reasonable cost possible; and
- Permit and encourage open competition between insurers on a sound financial basis.

To achieve the Division's mission, the operational goals of the Division of Insurance are that:

1. Consumers have as many legitimate insurance choices as possible;
2. Consumers have access to needed information to make these choices; and
3. Companies competing for consumers' business are in full compliance with the rules and laws of Colorado.

Structure of the Consumer Affairs Sections of the Division

Under the Commissioner of Insurance, appointed by the Governor and confirmed by the Colorado Senate, two Deputy Commissioners oversee the day-to-day operations of the Division. The Deputy Commissioner for Consumer Affairs manages four sections of the Division that focus on assisting consumers:

- Consumer Affairs – Life, Accident and Health (LAH)
- Consumer Affairs – Property and Casualty (P&C)
- Compliance, Licensing and Investigations (CLI)
- Senior Health Insurance Program (SHIP/SMP)

Nineteen staff members in the LAH and P&C Consumer Affairs sections answer consumer inquiries about insurance laws, policies, and practices. These staff fielded more than 15,500 incoming consumer telephone calls, 2,000 e-mails, and hundreds of meetings with consumers with questions and issues about insurance coverage of various types in the Division's office, at Disaster Assistance Centers, or in meetings or events in other parts of Colorado. Of these communications, 3,491 became formal consumer complaints against specific insurers that were closed in FY 12-13. Formal complaints are required to be in writing, against a specific carrier, and within the jurisdiction of the Division to address. Consumers can send complaints to the Division through correspondence, e-mail or the Division's online complaint form located on the Division's website at www.dora.colorado.gov/insurance or www.askdora.gov.

The Consumer Affairs staff has primary responsibility for handling consumers’ insurance complaints, questions and issues. This includes:

- Answering consumer questions about their insurance coverage and educating them about their rights and responsibilities in dealing with their insurers;
- Investigating the allegations of complaints submitted to the Division;
- Working with consumers, providers, carriers, employers and insurance producers (agents and brokers); and
- Ensuring that insurance policy provisions, and state laws and regulations are followed.

The Consumer Affairs analysts are knowledgeable about state and federal laws regulating insurance, the regulations and interpretive bulletins issued by the Colorado Insurance Commissioner, and the appropriate business practices of insurance carriers and producers.

Colorado is a member of the National Association of Insurance Commissioners (NAIC). The NAIC is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. The Division maintains records of the complaints it receives and handles through an electronic database. The Division transmits aggregate information about the complaints filed in Colorado to the NAIC complaint database system. This system provides national statistics about the performance of insurance companies and informs the collective Insurance Commissioners about emerging issues and business practices of concern to consumers. Reports with the aggregated national data are available on the Consumer Information Source page on the NAIC’s website at www.naic.org/cis.

Comparison to Other States

The NAIC publishes an annual Insurance Department Resources Report that provides information about the various states’ insurance regulators. This report permits some comparison of the operations of the Division’s Consumer Affairs sections with those of other states.

**2012 NAIC Insurance Department Resources Report¹
Colorado and Surrounding States**

State	Number of Consumer Affairs Staff	Number of Complaints	Number of Inquiries
<i>Colorado</i>	20	3,995	15,003
Arizona	12	2,152	42,280
New Mexico	14	698	3,021
Kansas	19	3,086	2,717

¹ The NAIC Insurance Department Resources Report utilizes calendar year annual data rather than the fiscal year data primarily used throughout this report. Please note that Colorado Consumer Affairs personnel reported in the NAIC Resources Report are supplemented by staff hired under a federal grant to facilitate and improve health premium rate review.

State	Number of Consumer Affairs Staff	Number of Complaints	Number of Inquiries
Nebraska	10	1,200	10,000
Wyoming	3	393	0
Utah	5	1,178	93,944

The Colorado Division's Consumer Affairs sections are very successful in obtaining recoveries for consumers. Based on news releases and NAIC data from other states, Colorado's recoveries compare as follows:

Consumer Affairs Recoveries Reported by States – 2012*

State	Number of Complaints	\$ Recoveries
<i>Colorado</i>	<i>3,995</i>	<i>\$10.8 million</i>
Connecticut	6,100	\$8.7 million
Delaware	2,291	\$0.5 million
Louisiana	3,074	\$6.4 million
Maine	862	\$3.2 million
Missouri	3,851	\$11.0 million
Nevada	1,900	\$4.0million
North Carolina	7,500	\$10.4 million
North Dakota	205	\$4.3 million
Ohio	5,503	\$18.9 million

* Calendar year data.

Overview of the Complaint Process

A primary function of the Division's Consumer Affairs section is to assist consumers with questions and issues about their insurance coverage. This assistance includes ensuring that insurance companies and carriers, producers, and consumers act in accordance with the laws, regulations, insurance policy provisions, and general business practices. Consumers contact the Division in many ways to raise concerns about how insurance companies are dealing with them: telephone calls, e-mails, and letters to the Division, filling out the Division's website complaint form, and talking with staff at public meetings and forums. The Division receives inquiries from individual consumers, employers, health care providers, insurance producers (agents and brokers), legislators on behalf of constituents, and even from insurance companies about their competitors or themselves.

Consumer Education

One of the services provided by the Consumer Affairs staff is to educate consumers about their rights and responsibilities under insurance contracts. The Division publishes a variety of materials on our website and through brochures on current topics in insurance. Among the materials are guides to purchasing insurance, frequently asked questions on specific "hot" topics, and information about legislative and regulatory changes in insurance coverage and benefits. The Division has developed a Natural Disaster Insurance Recovery kit to provide consumers with resources and information if they suffer damage or destruction to their home. During the summers of 2012 and 2013, the Division staffed the Disaster Assistance Centers set up to assist homeowners in the High Park (Larimer County), Waldo Canyon and Black Forest (El Paso County) wildfires. At the Assistance Centers, Division staff handed out the recovery kits, assisted consumers in making contact with their insurance companies, and answered questions about insurance coverage.

The Division's Consumer Affairs section logs incoming telephone calls, e-mails, walk-in visitors, and other types of communications from consumers. In FY 12-13, the Consumer Affairs staff fielded over 17,800 consumer contacts. This compares to previous years as follows:

Consumer Contacts by Fiscal Year

FY 2012-2013	17,800
FY 2011-2012	20,500
FY 2010-2011	22,500
FY 2009-2010	26,000 ²
FY 2008-2009	28,000
FY 2007-2008	25,000

Over 15,500 of the contacts in FY 12-13 started with a consumer phone call to the Division. 263 consumers came to the Division offices for assistance with their issues, and the Division received over 2,000 e-mails from consumers about issues and concerns. Division personnel staffed Disaster Assistance Centers for approximately 22 days, and attended numerous community meetings.

² During FY 09-10, the Division separated the Senior Health Insurance Program telephone call queue from the Consumer Affairs queue. This accounts for the majority of the reduction in FY 09-10 and subsequently over previous years.

While the consumer contacts are down from previous years, the Division continues to add consumer information and resources to its website to help consumers. The Consumer Affairs pages of the Division's website received tens of thousands of "hits" during FY 12-13. The Division's LAH and P&C teams have translation services available for non-English speaking consumers, and one staff member is fluent in Spanish to provide immediate assistance when needed.

Sometimes, the inquiries from consumers are a "quick question" or request for general information. These include whether a company or producer is licensed in Colorado, how to reach a company, and what options a consumer has to question an insurance company or health carrier's claim determinations. Other inquiries from consumers, producers and companies may be about a particular issue, for a reference to the insurance statutes or regulations, or about requirements of other Colorado or federal laws.

The Consumer Affairs section makes a distinction between general inquiries and formal complaints. Formal complaints are about a specific issue that a consumer is having with their insurance company or insurance coverage. Complaints are required to be in writing and the Division requests specific information about the company's name, type of coverage, policy number, claim number, description of the issues, and a statement of what resolution is desired. Consumers can file complaints electronically through the Division's website, by e-mail, or by letter. When contacted by consumers, by phone or in person, Consumer Affairs personnel will often provide consumers with general information and request that the consumer file a formal complaint for the Division to address.

Division of Insurance Jurisdiction

On the Property and Casualty side, the Division cannot determine the dollar value of a particular loss, the percentage of liability, or adjudicate fault where disputed, e.g. which vehicle caused an auto accident, or how much a person contributed to situations leading to damage or injury. Questions about workers' compensation claims are under the Division of Workers' Compensation in the Colorado Division of Labor and Employment, while questions of an employer's classification for workers' compensation coverage do come to the Division.

On the Life and Health side, not all insurance plans or issues are within the Division's jurisdiction. Particularly in the health coverage area, several types of plans do not fall within the Division's regulatory authority. These include: health benefit plans covering federal employees; Medicare, Medicaid; the Child Health Plus plan; employer provided policies written outside the state of Colorado; self-funded employer health plans and labor-management trust plans. A self-funded health plan is one where the employer provides the funds for providing health care benefits and determines the plan's benefit levels. Between one quarter and one third of Colorado consumers have health coverage under an employer self-funded health plan that the Division does not have jurisdiction over. One quick way for most consumers to identify whether their health coverage comes under the Division of Insurance is whether there is a notation of CO-DOI on the front of their health insurance card.³

If the Division does not have jurisdiction to address a particular complaint, the Division will refer the consumer to the federal or state agency best able to assist the consumer on the particular

³ CRS § 10-16-135 and Insurance Regulation 4-2-29.

issue or provide the consumer with information about where to go to access other information or assistance.

Steps in the Complaint Process

If the Division has jurisdiction over a complaint, the complaint process proceeds:

- The complaint is assigned to an analyst from the Consumer Affairs section to review and conduct an investigation.
- The assigned analyst sends a letter to the company on behalf of the consumer, enclosing a copy of the consumer's complaint. The Division requests the company respond directly to the consumer about the complaint with a copy of the response to the Division. The complaint analyst may also request additional information from the company be sent to the Division to assist in our investigation of the consumer's complaint.
- Consumers receive copies of all correspondence between the company and the Division pertinent to the specific complaint.
- The company is usually given 20 days to research and respond to the consumer's complaint forwarded by the Division. The company may request an extension and, if warranted, it may be granted. However, the Division's emphasis is always on getting the consumer's concerns resolved promptly.

Upon receipt of the company's response, the assigned analyst reviews the company's response, ensures that the consumer's questions and issues are addressed, and determines whether a law, regulation or insurance policy provision have been violated. In most cases, the issue is resolved through this initial correspondence. However, if the consumer's concern is not resolved, the analyst may conduct further investigation and inquiry.

If the analyst finds that the insurance company has violated state law or regulation or breached a provision of the insurance policy, the Division may:

- Suggest a course to remedy the consumer's complaint, including having the company act, or not act, in a certain manner;
- Require payment to the consumer or on the consumer's behalf for wrongfully denied or withheld benefits, refund of premiums paid, or reinstatement of insurance coverage; or
- Pursue enforcement of statutory, regulatory or policy provisions through administrative action, including imposing a civil penalty on the company or licensed producer, referring the matter for further examination or action against a license, or, in some instances, criminal prosecution.

The Commissioner can order a company or producer to comply with the laws, regulations and/or policy provisions in the matter at hand, and in all future transactions pertaining to the subject matter of the complaint. The Division may require the company to conduct a self-audit and pay restitution to the complainant and other consumers who have the same issue but may not realize it. The Division monitors consumer complaints to determine if a company or producer has a pattern of complaints or wrongdoing. If the investigation of the complaint indicates possible producer violations or unlicensed activity, the Consumer Affairs staff sends the matter to the Division's CLI section for an administrative action, i.e. license revocation, or to the Attorney General's office for civil or criminal prosecution.

When the Division finds the insurance company or producer acted appropriately and within the requirements of law and the insurance policy, the Consumer Affairs staff works to educate the consumer on provisions of the law and their rights and responsibilities under the insurance policy. This educational role focuses on helping consumers to understand their insurance coverage, the requirements of the law, and the applicable principles of insurance coverage.

Consumer Feedback on the Complaint Process

The Division strives to resolve consumer complaints as quickly as possible. The Division’s goal is to have 85 percent of complaints resolved in 90 days. In FY 12-13, 84 percent of complaints were resolved within 90 days and 94 percent were resolved within 120 days. Overall, complaints are closed in an average of 56 days. There is a substantial difference in the resolution and complaint closure time by the various types of insurance.

**Average Days to Closure
Fiscal Year 2012-2013**

Annuities	40 days
Auto	53days
Health	63 days
Homeowners	57 days
Liability	54 days
Life	51 days
Title	41 days

The Division continues to work on timely closure of complaints and has significantly reduced the time complaints are open. In FY 2010-11, health complaints were open on average 148 days. In FY 2011-2012, this was reduced to 74 days. In FY 2012-2013, this was further reduced to 63 days for health complaints.

Once a matter has been resolved or the Division’s investigation completed, the Division informs the consumer of the outcome of the complaint and the closure of the Division’s file. For quality control purposes, the Division sends consumers a postcard when the file is closed, asking for an evaluation of the Consumer Affairs staffs’ handling of the complaint. In FY 12-13, 32 percent of consumers receiving the postcard returned it. Of those returned, 65 percent rated the Division’s work as “excellent” in at least one category, and 32 percent as satisfactory. Overall, consumers rated the Division staff’s work as excellent in 59 percent of the cases and satisfactory in 21 percent. On about ten percent of the returned cards, the consumer did not utilize the excellent-satisfactory-unsatisfactory scale. To determine if the Division can improve the handling of any matter, the analyst and their supervisor review all cards expressing any dissatisfaction.

Division staff regularly analyzes complaint statistics and trends to determine whether a pattern or practice is developing in a single company or within a segment of the industry. This analysis may lead in one of several directions – clarification of the Division’s interpretation of a law or regulation, amendment of a regulation to strengthen a requirement, or a recommendation for a change in state law. The Division also reviews trends and analysis of complaint statistics in scheduled “market conduct” examinations of companies, or consumer complaints may trigger a special investigation, desk audit, or compliance enforcement action.

The Division also uses complaint trend information to determine if additional education for consumers and insurance producers should be available. We develop new and revised consumer education materials, alerts and tips, Frequently Asked Questions (FAQs), and other publications to respond to these information needs.

Complaint Analysis and Trends

Numbers of Complaints

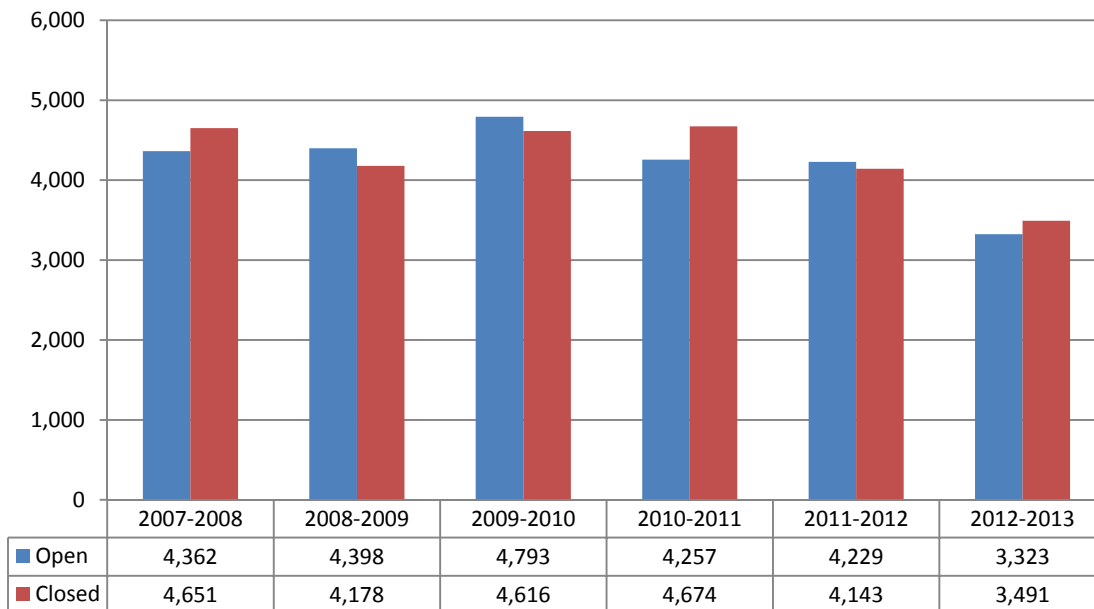
In FY 12-13, the Division’s Consumer Affairs section handled complaint files as follows:

Fiscal Year 2012-2013 Complaint Totals

	Life, Accident and Health	Property and Casualty	Total
Opened Complaints	845	2,478	3,323
Closed Complaints	865	2,626	3,491

Compared to prior years, the number of complaints is down. Much of the reduction is attributed to the elimination of the auto protest process. The auto protest process permitted consumers to file a “protest” of their auto carriers’ imposition of surcharges, changes in classification resulting in a premium increase, reductions in coverage, or cancellation or non-renewal of a policy. While the statutes underlying the auto protest process were repealed in 2012, “protests” received after the repeal’s effective date are handled as complaints.

Complaints – Year-to-Year Comparison

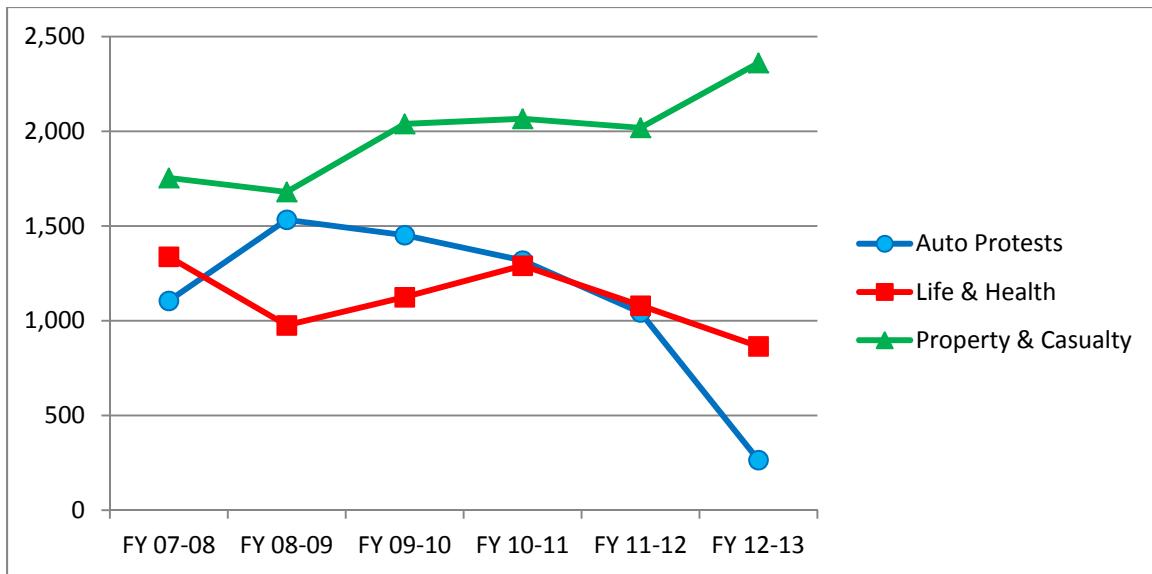


Until this year, the number of complaints fluctuated around an average of 4,200 per year with certain external factors causing variations from year to year. Nationally, insurance consumer complaints are tending to decline, though natural disasters causing damage and destruction, federal and state legislation, and increased media focus on some insurance business practices can cause an escalation in the number and types of complaints. In FY 12-13, both Life & Health, complaints were down from the prior year, and from their five-year average levels, while P&C

complaints increased probably due, in part, to losses due to the natural disasters which occurred during the year.

Volume of Complaints by Area

Fiscal Year 2012-2013



The number of complaints by policy type, i.e. auto, health, homeowner, title, etc., are generally stable from year to year, though the proportion of complaints for homeowners coverage has more than doubled in five years. Changes in the proportion of annuity and title complaints are due to the relatively small number of complaints the Division receives involving these types of policies.

Proportion of Complaints by Policy Type

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Annuity	1.6%	0.8%	1.1%	0.5%	0.7%	0.5%
Auto Protests	25.6%	36.7%	31.4%	28.2%	25.2%	7.6%*
Auto	26.9%	24.6%	23.4%	22.5%	25.4%	39.7%
Health	26.1%	18.0%	19.5%	21.7%	21.4%	19.8%
Homeowner	9.3%	9.5%	15.0%	16.2%	17.6%	21.6%
Liability	1.7%	2.1%	2.0%	1.7%	1.4%	1.5%
Life	5.0%	4.4%	3.8%	5.5%	3.9%	4.6%
Other (combined)	2.4%	2.5%	2.7%	3.0%	3.5%	3.8%
Title	1.3%	1.4%	1.2%	0.9%	0.9%	1.1%

Percentages may not total to 100% because of rounding.

*Auto protest process repealed effective August 8, 2012.

Auto insurance complaints had been decreasing slightly from year to year; however, with the repeal of the protest process the auto complaints have increased. Included in complaints about auto insurance are issues under various auto coverages: mandatory liability, medical payments, collision and comprehensive, uninsured and underinsured motorist.

Consumer complaints about health insurance comprise about 20 percent of the complaints lodged with the Division. The Division expects this is because it regulates only about 35 percent of Coloradans' health coverage. As reported in the 2012 Annual Report on Health Care Costs published by the Division, approximately 57 percent of Coloradans get their health coverage

through their (or a family member's) employer. Of this, 35 percent of the coverage is through employer self-funded health plans not regulated by Colorado but subject to federal law.

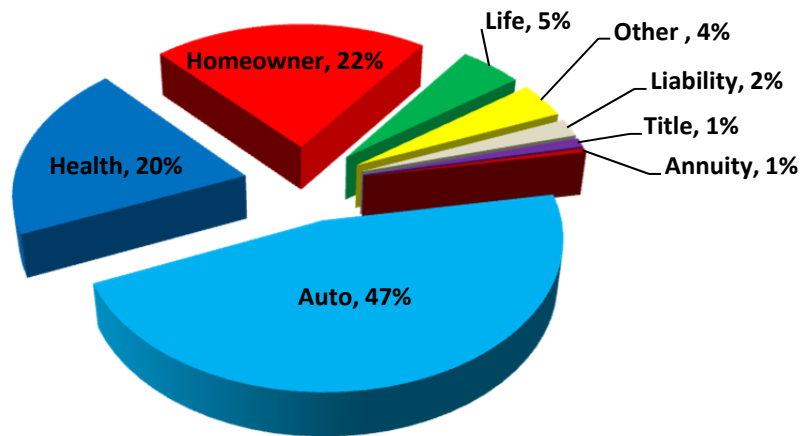
We anticipate that the proportion of health complaints subject to the Division's jurisdiction will increase as the federal health care reforms enacted in 2010 take effect through and beyond 2014. The Division's workload in addressing and resolving complaints about health coverage and benefits is expected to increase with the establishment of the health exchange, Connect for Health Colorado, to provide more Coloradans access to health insurance through qualified health plans in the individual and small group markets.

Homeowners' insurance complaints have substantially increased in the past four fiscal years. This increase is most likely due to the increase in the number of weather-related losses, including the severe hail and thunderstorms in the summers of 2009 to 2013, the wildfires of 2010 to 2013, and economic conditions where consumers repair damage to homes covered under insurance to support continued property appreciation.

Life insurance complaints and complaints about annuity products often sold through life insurance companies remain relatively stable at approximately five percent of the complaints the Division receives.

The "Other" category includes several types of insurance where the Division receives few complaints. Under Property and Casualty, it includes pet insurance with two complaints and travel or trip insurance with 13 complaints. Other Property and Casualty insurance types under "Other" include commercial multi-peril policies with 68 complaints, dwelling fire insurance with five complaints, and federal crop insurance with four complaints. Service warranties are not insurance products in Colorado and are not included in these statistics.

Proportion of Complaints By Type of Coverage in Fiscal Year 2012-2013

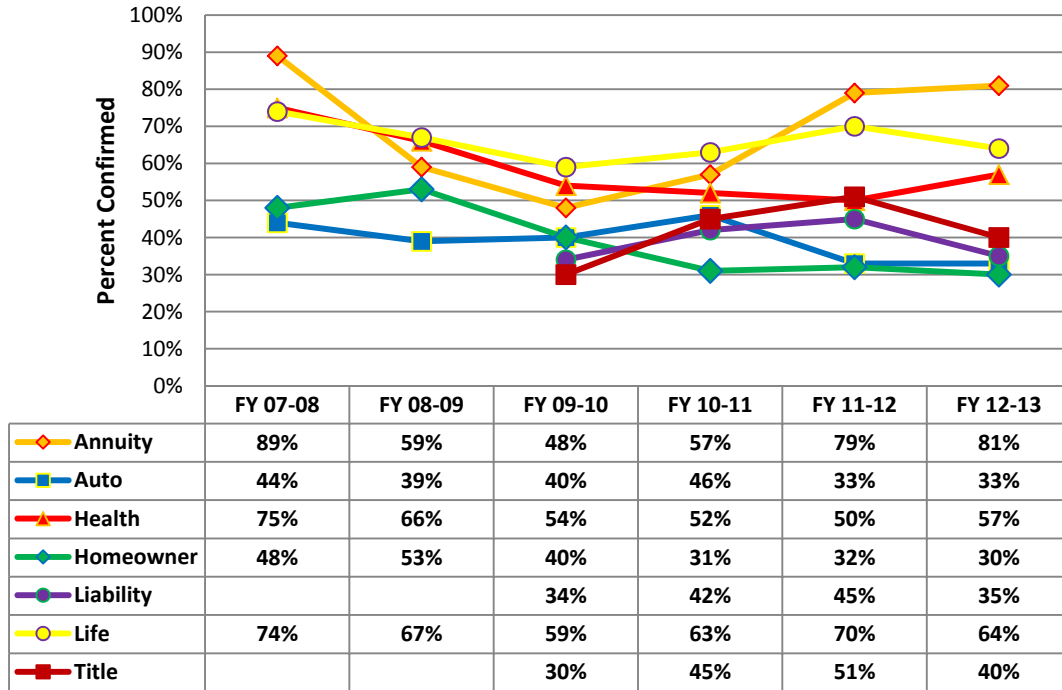


Complaints Where the Company is Found to be in the Wrong

The Division of Insurance calculates the percentage of complaints where it finds the insurance company to be wholly or partially in violation of the law or the policy provisions. A confirmed

complaint is one in which the Division found that the company had not complied with law, regulation or the insurance policy contract and upheld the consumer's position.

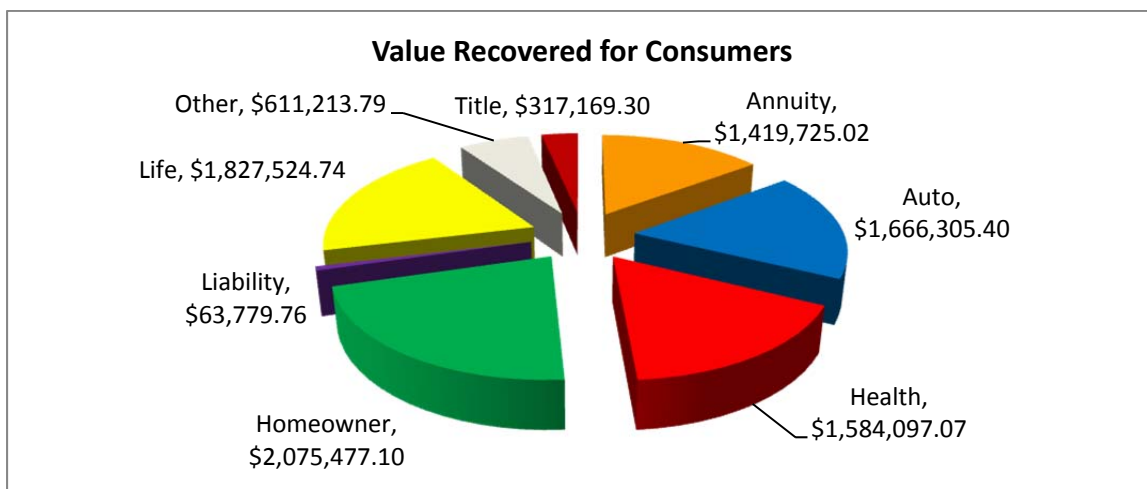
Confirmed Complaint Trends



Note that for life, health and annuity complaints, the Division finds the complaint confirmed and the company in violation of law or policy provisions 59 percent of the time. For auto and homeowners, confirmed complaints are approximately 1 out of 3. Of concern are the high percentages of confirmed complaints for annuities and life insurance.

Recoveries for Consumers

In FY 12-13, the work of the Division's Consumer Affairs sections resulted in recovered or additional benefits to consumers of more than \$9.5 million. This includes additional claims payments, overturned denials of benefits, reinstatements of coverage and in cancellation of policies with the return of consumers' money. By line of insurance, the recoveries in FY 12-13 were:



Comparison of complaints by type of coverage and proportions of total complaints, confirmed complaints and recoveries shows substantial differences between lines of insurance. In FY 12-13, as in many prior years, substantial large dollar recoveries in the life insurance and annuities arenas, despite relatively few numbers of complaints, is the norm.

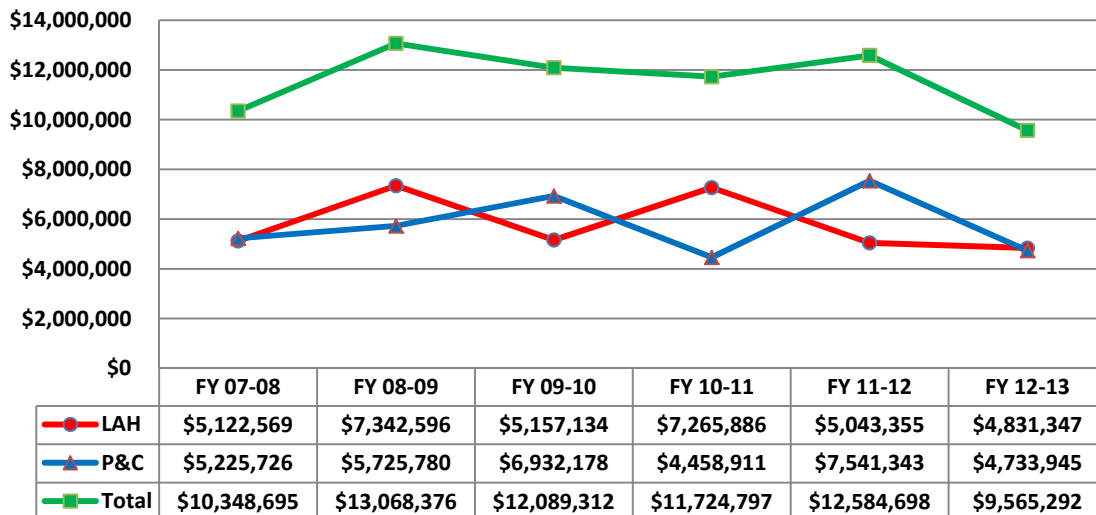
Average Dollar Recoveries by Type of Coverage and Confirmed Status

	% Complaints	% Confirmed	\$ Recovered on Confirmed Complaints	\$ Recovery per Confirmed Complaint
Annuity	0.5%	81%	\$1,419,725	\$109,210
Auto	47%	32%	\$1,656,260	\$3,084
Health	20%	57%	\$897,695	\$2,278
Homeowners	22%	30%	\$2,003,655	\$8,866
Liability	1.5%	35%	\$63,780	\$3,543
Life	5%	64%	\$1,457,037	\$14,285
Title	1%	40%	\$317,169	\$21,145

Please note that the Division recovered \$847,085 for consumers on unconfirmed complaints and inquiries.

In the previous five years, the Division’s Consumer Affairs staff returned almost \$60 million dollars to consumers. Recoveries obtained for consumers by the Division’s Consumer Affairs staff based on complaints have averaged \$11,963,176 over the last five years. In FY 12-13, the total recoveries were slightly down from this average at \$9,565,292.

Division of Insurance Consumer Affairs Recoveries for Consumers



LAH includes all lines of Life and Health insurance, including health, life and annuities.

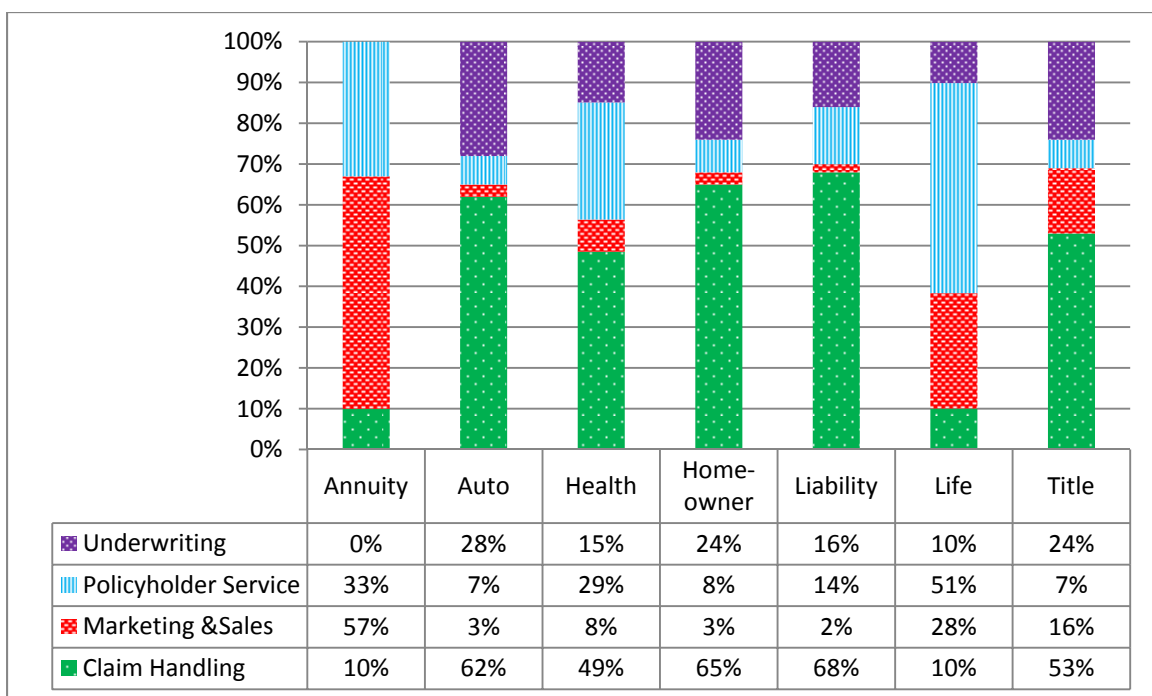
P&C is Property and Casualty insurance, which includes auto, homeowners, liability and title insurance.

Complaint Reasons by Category and Type of Insurance

The issues or reasons that consumers file complaints against insurers are categorized into four areas of insurance company operations: Claims Handling (CH), Marketing and Sales (MS), Policyholder Services (PS) and Underwriting (UW). The proportion of complaints in any category varies by the type of insurance. For most types of insurance, Claims Handling generates the most complaints. However, for life insurance, Policyholder Services is the most significant source of complaints. For annuities, Marketing and Sales takes over from Claims Handling as the largest category of complaint reasons.

The following chart shows the breakdown by type of insurance for the four reason categories:

Reason Categories by Type of Insurance



As noted previously, the most frequent complaint reasons overall are in Claim Handling, and are half or more of the total reasons for auto, homeowner, liability and title. For annuity and life insurance, Marketing and Sales and Policyholder Service issues are the primary complaint reasons. For health, homeowners, and title coverage, Underwriting is a complaint reason in more than one fifth of the complaints.

Annuities

FAST FACTS – ANNUITIES

- Total Colorado Premiums in 2012 \$4.9 B
- Number of Carriers Comprising 90% of Market 4 Ind./10 Group
- Number of Closed Complaints in FY 2012-2013 16
- Percent of Confirmed Complaints 81.3%
- Dollars Recovered for Consumers \$1,419,725

An annuity is a contract in which an insurance company makes a series of payments at regular intervals in return for a premium or premiums paid to the insurance company. Life insurance companies sell most annuity contracts. Consumers often purchase annuities for future retirement income.

Once a consumer chooses to annuitize, or take payments out, that decision cannot be changed. Electing to annuitize a contract means no longer being able to change the terms of the payments. Consumers no longer have access to money they paid to the insurance company outside of the payment plan elected when they annuitize.

According to the 2012 Colorado Insurance Industry Statistical Report, by premium volume, 80% of annuities sold to Coloradans are individual annuities. Group annuities in Colorado are 20%. These percentages track relatively closely with the proportion of complaints. The vast majority of annuity complaints are about individual annuities at 94%, while group annuity complaints represent 6% of the total.

For purposes of complaint analysis, individual and group annuities are combined. The following table shows the reasons logged on annuity complaints for FY 12-13, and the five prior fiscal years.

Top Five Annuity Complaint Reasons

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Misleading Advertising (MS)	*	*	4%	9%	2%	13%
2.	Misrepresentation (MS)	31%	20%	19%	23%	20%	13%
3.	Suitability (MS)	24%	18%	17%	14%	16%	10%
	Claim Delay (CH)	*	*	*	3%	4%	10%
	Delays/No Response (PS)	6%	10%	7%	6%	2%	10%
	Information Requested (PS)	*	6%	2%	14%	6%	10%
4.	Agent Handling (MS)	3%	10%	4%	6%	12%	7%
	Churning (MS)	*	*	*	*	2%	7%
	High Pressure Tactics (MS)	*	*	*	*	*	7%

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
5.	Abusive Service (PS)	*	*	*	*	*	3%
	Surrender Problems (PS)	*	*	*	*	6%	3%
	Coverage Question (PS)	*	*	*	*	2%	3%
	Payment Not Credited (PS)	*	*	*	*	*	3%
	PERCENT OF TOTAL REASONS	64%	64%	53%	75%	72%	99%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Reasons are ranked by the most current year. (*) denotes a reason that was not included in that year's top reasons. Totals may not total to 100% due to rounding.

Several of the complaint reasons for annuities involve insurance producer (agent or broker) actions. Misleading advertising and misrepresentation complaints often involve failure to disclose, or adequately explain, surrender charges for cancelling a policy. Suitability complaints usually contain concerns about consumers' understanding of the product they are being sold and whether it is appropriate for their needs and goals. Complaints in the Policyholder Services area concern company and producer business practices. While among the smallest overall number of complaints, annuities have the highest rate of confirmed complaints at 81 percent. While annuity complaints may only be 16 (though several had multiple complaint reasons), the confirmed rate is high and the dollars recovered for consumers is also quite high. Consequently, the Division has modified several regulations on annuities to address common concerns of consumers when they have purchased an annuity and has looked at several annuity companies through market conduct exams to correct these practices.

Annuity Complaint Reports

Each year the Division publishes complaint ratios and indices based on insurance companies' market share, premium, total complaints and confirmed complaints. The full standard and interactive reports can be found on the Division's website at <http://www.dora.colorado.gov/insurance> and clicking on "Consumer Information" and then on "Complaint Index & Reports."

The consumer complaint ratio illustrates how some companies generate more complaints per \$1 million of premium than others. The ratio provides helpful information to consumers interested in evaluating their insurance companies and/or health carriers, and to state regulators in identifying companies requiring closer review.

The column entitled "Complaint Index" provides a calculation of the number of a specific company's complaints compared to the industry average. The index is calculated by dividing a company's share of complaints by its share of premium. An index higher than 1.0 indicates that a company's complaint counts are higher than average, and an index lower than 1.0 indicates that a company's complaint counts are lower (better) than average. An index of 0.0 (zero) indicates that no complaints were received for the company, which is always better than average.

A company's complaint index is generally considered to be more informative than the complaint ratio, because it adds at-a-glance information indicating how each insurer compares to the rest of the marketplace. Consumers are cautioned against relying **only** on the Complaint Ratio and/or the Complaint Index when evaluating companies. Premiums, benefits, financial condition, and level of service should all be considered.

In the chart below, the complaint ratios and indices for the top twenty largest (by premium volume) companies writing annuities in Colorado are listed. Please note that this information is calculated on a calendar year basis.

**Complaint Ratios and Indices – 2012
Top Twenty Annuity Companies**

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
Pacific Life Insurance Company	Pacific Life Ins. Co.	0.09%	\$514.69M	0	0	0.00	0.00
Jackson National Life Insurance Company	Jackson National Group	0.07%	\$391.91M	0	0	0.00	0.00
Pruco Life Insurance Company	Prudential Of America	0.06%	\$359.11M	0	0	0.00	0.00
Lincoln National Life Insurance Company, The	Lincoln National	0.05%	\$298.11M	0	0	0.00	0.00
Prudential Insurance Company of America, The	Prudential Of America	0.05%	\$275.12M	0	0	0.00	0.00
Great-West Life & Annuity Insurance Company	Great West Life Assurance	0.04%	\$242.80M	0	0	0.00	0.00
MetLife Investors USA Insurance Company (MetLife)	Metropolitan Group	0.04%	\$202.63M	1	0	0.00	1.17
Transamerica Life Insurance Company	Aegon US Holding Group	0.04%	\$201.09M	0	0	0.00	0.00
AXA Equitable Life Insurance Company	Axa Ins. Group	0.03%	\$179.54M	1	1	0.01	1.32
John Hancock Life Insurance Company (U.S.A.)	John Hancock Group	0.03%	\$176.99M	0	0	0.00	0.00
Teachers Insurance and Annuity Association of America	TIAA Family Of Co.	0.03%	\$162.25M	1	1	0.01	1.46
Allianz Life Insurance Company of North America	Allianz Ins. Group	0.03%	\$160.42M	2	1	0.01	2.96
New York Life Insurance and Annuity Corporation	New York Life Group	0.02%	\$122.62M	0	0	0.00	0.00
Aviva Life and Annuity Company	Amerus Group	0.02%	\$111.45M	1	1	0.01	2.13
American United Life Insurance Company	OneAmerica Financial Partners Group	0.02%	\$111.01M	0	0	0.00	0.00

<u>Company Name</u>	<u>Industry Group</u>	<u>Market Share</u>	<u>Premium (\$Millions)</u>	<u>Total Complaints</u>	<u>Confirmed Complaints</u>	<u>Complaint Ratio</u>	<u>Complaint Index</u>
<u>American Equity Investment Life Insurance Company</u>	<u>American Equity Investment Group</u>	0.02%	\$109.72M	2	2	0.02	4.33
<u>Massachusetts Mutual Life Insurance Company</u>	<u>Mass. Mut. Life Ins. Co.</u>	0.02%	\$109.72M	0	0	0.00	0.00
<u>Security Benefit Life Insurance Company</u>	<u>Security Benefit</u>	0.02%	\$102.80M	0	0	0.00	0.00
<u>Nationwide Life Insurance Company</u>	<u>Nationwide Corp.</u>	0.02%	\$102.50M	0	0	0.00	0.00
<u>American General Life Insurance Company (AIG)</u>	<u>American International Group</u>	0.02%	\$96.17M	0	0	0.00	0.00

Auto Insurance Complaints

FAST FACTS – AUTO

- Total Colorado Premiums in 2012 \$2.9 B
- Number of Carriers Comprising 90% of Market 41
- Number of Closed Complaints in FY 2012-2013 1,651
- Percent of Confirmed Complaints 32.5%
- Dollars Recovered for Consumers \$1,666,305

Auto insurance complaints are the single highest volume of complaints received by the Division of Insurance. Of auto complaints, over 95 percent involve private passenger auto coverage, three percent concern commercial auto, with the remaining two percent spread among motorcycle, motor homes/recreational vehicles and motor sport, and rental policies.

Complaints often involve more than one issue and the major issues are categorized by the area of concern and the reason it was raised. The following table shows top reasons for auto complaints for FY 12-13 and as compared to previous years.

Top Ten Auto Complaint Reasons

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Premium and Rating (UW)	36%	33%	33%	33%	31%	23%
2.	Surcharge (UW)	30%	15%	21%	22%	22%	12%
	Denial of Claim (CH)	7%	5%	5%	6%	8%	12%
3.	Delay (CH)	9%	6%	6%	6%	7%	12%
4.	Unsatisfactory Settlement Offer (CH)	7%	4%	4%	4%	4%	6%
5.	Credit Scoring (UW)	*	11%	8%	8%	7%	5%
6.	Adjuster Handling (CH)	*	*	*	*	2%	5%
7.	Liability Dispute (CH)	*	*	*	*	*	3%
8.	Liability Dispute / Property Damage (CH)	*	*	1%	2%	2%	3%
9.	Comparative Negligence (CH)	*	*	*	*	2%	2%
10.	Cancellation (UW)	*	*	*	*	*	2%
	PERCENT OF TOTAL REASONS	89%	74%	78%	81%	85%	85%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Please note the top ten reasons are listed for this year, and an asterisk for a reason in a prior year denotes that the reason was not included in the top ten reasons in that year.

When investigating complaints against insurance companies, the Division cannot make determinations in individual cases as to liability disputes and comparative negligence other than to ensure that the insurance company has performed a reasonable investigation and has followed its claims handling procedures. Determination of liability and the application of comparative negligence ultimately require a judicial determination when disputed.

Auto Complaint Reports

Each year the Division publishes complaint ratios and indices based on insurance companies' market share, premium, total complaints and confirmed complaints. The full standard and interactive reports can be found on the Division's website at

<http://www.dora.colorado.gov/insurance> and clicking on “Consumer Information” and then on “Complaint Index & Reports.”

The consumer Complaint Ratio illustrates how some companies generate more complaints per \$1 million of premium than other companies. The ratio provides helpful information to consumers interested in evaluating their insurance companies and/or health carriers, and to state regulators in identifying companies requiring closer review.

The column entitled Complaint Index provides a calculation of the number of a specific company’s complaints compared to the industry average. The index is calculated by dividing a company’s share of complaints by its share of premium. An index higher than 1.0 indicates that a company’s complaint counts are higher than average, and an index lower than 1.0 indicates that a company’s complaint counts are lower (better) than average. An index of 0.0 (zero) indicates that no complaints were received for the company, which is always better than average.

A company’s complaint index is generally considered to be more informative than the complaint ratio, because it adds at-a-glance information indicating how each insurer compares to the rest of the marketplace. Consumers are cautioned against relying **only** on the Complaint Ratio and/or the Complaint Index when evaluating companies. Premiums, benefits, financial condition, and level of service should all be considered.

In the chart following, the complaint ratios and indices for the top twenty largest (by premium volume) auto carriers in Colorado are listed. Please note that this information is calculated on a calendar year basis.

Complaint Ratios and Indices - 2012 Top Twenty Auto Carriers

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
State Farm Mutual Automobile Insurance Company	State Farm	17.80%	\$515.00M	133	47	0.26	0.38
Farmers Insurance Exchange (Farmers)	Zurich Ins. Group	9.68%	\$279.95M	187	50	0.67	0.97
American Family Mutual Insurance Company	American Family Ins. Group	7.23%	\$209.21M	180	51	0.86	1.25
Progressive Direct Insurance Company (Halcyon)	Progressive Group	5.56%	\$160.96M	168	33	1.04	1.52
Progressive Preferred Insurance Company	Progressive Group	4.52%	\$130.85M	121	34	0.92	1.34
Allstate Fire and Casualty Insurance Company	Allstate Ins. Group	4.18%	\$121.03M	56	25	0.46	0.67
Geico Casualty Company (GEICO)	Berkshire Hathaway	4.14%	\$119.72M	51	14	0.43	0.62

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
United Services Automobile Association (USAA)	United Services Automobile Assn . Group	3.87%	\$112.09M	76	18	0.68	0.98
Equity Insurance Company	Home State Ins. Group	0.00%	-\$0.02M	2	0	103.51	150.32
Western Agricultural Insurance Company	Iowa Farm Bureau	0.00%	-\$0.02M	0	0	0.00	0.00
Colorado Casualty Insurance Company (Liberty Mutual)	Liberty Mut. Group	0.00%	-\$0.01M	4	3	369.45	536.51
USAA Casualty Insurance Company (USAA)	United Services Automobile Assn . Group	3.35%	\$96.97M	60	24	0.62	0.90
Safeco Insurance Company of America	Safeco Ins. Group	2.70%	\$78.07M	67	19	0.86	1.25
Bristol West Insurance Company	Bristol West Ins. Group	1.87%	\$54.12M	65	17	1.20	1.74
GEICO General Insurance Company (GEICO)	Berkshire Hathaway	1.78%	\$51.39M	32	11	0.62	0.90
Allstate Insurance Company	Allstate Ins. Group	1.69%	\$48.78M	15	8	0.31	0.45
Travelers Home and Marine Insurance Company, The	St Paul Travelers Group	1.40%	\$40.36M	32	5	0.79	1.15
Viking Insurance Company of Wisconsin	Sentry Ins. Group	1.35%	\$39.03M	51	22	1.31	1.90
Allstate Property and Casualty Insurance Company	Allstate Ins. Group	1.23%	\$35.65M	23	12	0.65	0.94
Liberty Mutual Fire Insurance Company (Liberty Mutual)	Liberty Mut. Group	1.18%	\$34.20M	46	12	1.34	1.95

Health Insurance

FAST FACTS – HEALTH

- Total Colorado Premiums in 2012 \$6.4 B
- Number of Carriers Comprising 90% of Market 45 Ind./23 Group
- Number of Closed Complaints in FY 12-13 690
- Percent of Confirmed Complaints 57.1%
- Amount of Dollars Recovered for Consumers \$1,584,097

Beginning in 2014, health insurance and how Coloradans purchase health coverage will be substantially different. As a result of the federal health reform law enacted in 2010, individual coverage will no longer be denied to an individual because of a pre-existing health condition (guaranteed issue) nor can it be more expensive than for others of the same age, geography, family size and tobacco use (adjusted community rating). For individual, small group, and large group, a standardized set of benefits has been established (known as the Essential Benefit Package). Many Coloradans without employer coverage will qualify for an “advance premium tax credit” (or subsidy) to purchase coverage through a new marketplace called Connect for Health Colorado. Small employers will also be able to use the SHOP portion of the Connect for Health Colorado marketplace for their employees.

Health insurance complaints within the Division’s purview comprise about 20 percent of the complaints lodged with the Division. Of the broad category of health insurance complaints submitted to the Division in FY 12-13, 38 percent concern group insurance, and 61 percent involve health insurance in the individual marketplace. Dental insurance coverage logged 10 complaints, and long-term care insurance had 51 complaints.

For health insurance, the top complaint reasons this year and over the past few years have been:

Top Ten Health Complaint Reasons

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Denial of Claim (CH)	21%	26%	24%	25%	20%	20%
2.	Premium & Rating (UW)	7%	6%	10%	15%	14%	8%
3.	Claim Delay (CH)	17%	13%	10%	9%	9%	8%
4.	Information Requested (PS)	*	*	*	*	*	6%
5.	Premium Notice & Billing (PS)	2%	7%	10%	12%	9%	6%
6.	Coverage Question (PS)	5%	5%	5%	4%	4%	5%
7.	Co-pay Issues (CH)	*	*	*	*	*	4%
8.	Delays/No Response (PS)	*	*	*	*	3%	3%
9.	Other (CH)	5%	3%	2%	2%	2%	3%
10.	Misrepresentation (MS)	*	*	*	3%	3%	2%
	PERCENT OF TOTAL REASONS	57%	60%	61%	70%	64%	65%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Please note the top ten reasons are listed for the most recent year. An * means a reason was not in the top reasons in a prior year.

There is wide variety in types of health insurance products, i.e. Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), High Deductible Health Plans (HDHPs), etc., in the Colorado health insurance marketplace. With this variety, there is also a wide array of health conditions, services and providers covered by the various policy types outside what is mandated to be covered under state law. CRS 10-16-104 contains the majority of benefits where coverage is required by Colorado health insurance plans.

With a substantial proportion of Coloradans getting their health coverage through a plan not regulated by Colorado – usually an employer self-funded plan, the Division refers many consumers to their employer’s Human Resources office and the U.S. Department of Labor. Federal ERISA⁴ law governs most employer self-funded plans, and the Colorado Division of Insurance does not have jurisdiction to address complaints under these types of plans. Consequently, not reflected in the statistics above is where the Division has referred a consumer with a complaint about an ERISA self-funded plan.

We note that in FY 12-13, delays/no response in the Policyholder Services area was again in the top ten. For a third year, misrepresentation was the highest Marketing and Sales reason, and the only marketing reason in the top ten. The top three reasons – denial of claim, premium and rating, and claim delay continued to represent almost a third of complaints, but not in as high a proportion as in previous years.

With the enactment and implementation of federal health care reform between 2010 and 2014, the market structure of health coverage is significantly changing. It is likely that there will be a substantial shift in the reasons for consumer complaints about their health coverage as this change occurs. This will likely mean that comparing complaint reason trends over this time period and into the next couple of years will not provide useful analysis.

Health Complaint Reports

Each year the Division publishes complaint ratios and indices based on health insurance carriers’ market share, premium, total complaints and confirmed complaints. The full standard and interactive reports can be found on the Division’s website at <http://www.dora.colorado.gov/insurance> and clicking on “Consumer Information” and then on “Complaint Index & Reports.”

The consumer Complaint Ratio illustrates how some carriers generate more complaints per \$1 million of premium than others. The ratio provides helpful information to consumers interested in evaluating their insurance carriers, and to State regulators in targeting companies requiring closer review.

The column entitled Complaint Index provides a calculation of the number of a specific carrier’s complaints compared to the industry average. The index is calculated by dividing a company’s share of complaints by its share of premium. An index higher than 1.0 indicates that a company’s complaint counts are higher than average, and an index lower than 1.0 indicates that a company’s complaint counts are lower (better) than average. An index of 0.0 (zero) indicates that no complaints were received for the company, which is always better than average.

⁴ An ERISA health plan that is self-funded is one where the employer provides the funds for health care benefits and determines benefit levels. ERISA stands for the federal Employee Retirement Income Security Act which covers a wide range of employee benefits, including health coverage.

A company's complaint index is generally considered to be more informative than the complaint ratio, because it adds at-a-glance information indicating how each insurer compares to the rest of the marketplace. Consumers are cautioned against relying **only** on the Complaint Ratio and/or the Complaint Index when evaluating companies. Premiums, benefits, financial condition, and level of service should all be considered.

In the chart following, the complaint ratios and indices for the top twenty largest (by premium volume) health carriers in Colorado are listed. Please note that this information is calculated on a calendar year basis.

Complaint Ratios and Indices - 2012
Top Twenty Health Carriers -- Includes HMO, Accident, Dental and Long-Term Care

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
Kaiser Foundation Health Plan of Colorado	Kaiser Foundation	0.22%	\$1660.41M	146	108	0.09	0.77
UnitedHealthcare Insurance Company (United Healthcare)	UnitedHealth Group	0.15%	\$1081.51M	70	48	0.06	0.57
Rocky Mountain Hospital and Medical Service, Inc. (Anthem Blue Cross and Blue Shield)	Wellpoint Inc. Group	0.11%	\$843.21M	135	60	0.16	1.40
Humana Insurance Company	Humana Inc.	0.05%	\$341.62M	44	26	0.13	1.13
Aetna Life Insurance Company	Aetna	0.03%	\$212.35M	38	24	0.18	1.57
CIGNA Health and Life Insurance Company	Great West Life Assurance	0.03%	\$222.46M	0	0	0.00	0.00
Connecticut General Life Insurance Company	Cigna Health Group	0.03%	\$203.94M	22	13	0.11	0.95
Colorado Dental Service, Inc.		0.02%	\$138.71M	5	3	0.04	0.32
HMO Colorado, Inc. (Hmo Blue)	Wellpoint Inc. Group	0.02%	\$125.96M	0	0	0.00	0.00
Rocky Mountain Health Maintenance Organization, Incorporated (Rocky Mountain Health Plans, Rocky Mountain HMO)	Rocky Mountain Health Plans	0.02%	\$119.30M	3	2	0.03	0.22
Rocky Mountain Healthcare Options, Inc. (HealthCare Options, Inc., Rocky Mountain HCO, Rocky Mountain Health Plans)	Rocky Mountain Health Plans	0.02%	\$169.17M	28	14	0.17	1.45
Aetna Health, Inc.	Aetna	0.01%	\$78.57M	2	1	0.03	0.22

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
American Family Life Assurance Company of Columbus (AFLAC)	American Family Corp.	0.01%	\$54.83M	7	5	0.13	1.12
Colorado Access		0.01%	\$79.36M	0	0	0.00	0.00
Denver Health Medical Plan, Inc.		0.01%	\$57.78M	0	0	0.00	0.00
Genworth Life Insurance Company	GE Global Group	0.01%	\$48.85M	13	2	0.27	2.33
Golden Rule Insurance Company (United Healthcare)	UnitedHealth Group	0.01%	\$74.03M	35	7	0.47	4.15
Humana Health Plan, Inc.	Humana Inc.	0.01%	\$71.60M	12	6	0.17	1.47
John Hancock Life Insurance Company	John Hancock Group	0.01%	\$42.79M	57	9	1.33	11.68
Metropolitan Life Insurance Company (MetLife)	Metropolitan Group	0.01%	94.03M	6	2	0.06	0.56

It should also be noted that Aetna Life Insurance Company left the Colorado individual and small group markets during 2010 and 2011. There is a twelve to eighteen month transition period from the time the Division is notified that a company is withdrawing from a market segment during which consumers may still be covered by the carrier. The Division has continued to receive complaints from Aetna consumers in this situation and may until they transition off coverage provided by Aetna.

Homeowners' Insurance

FAST FACTS – Homeowners

• Total Colorado Premiums in 2012	\$1.5 B
• Number of Carriers Comprising 90% of Market	37
• Number of Closed Complaints in FY 2012-2013	754
• Percent of Confirmed Complaints	30.0%
• Amount of Dollars Recovered for Consumers	\$2,075,477

Ninety percent of complaints filed with the Division on homeowners' insurance involve regular homeowners', four percent for rental, and three percent for condo/townhouse coverage. Mobile home and farm/ranch each represent one percent of the complaints filed under the homeowners line of insurance.

The past several years in Colorado have had a series of catastrophic events, led by wildfires but also including hail storms and tornados. In September 2010, a wildfire outside of Boulder, Colorado destroyed approximately 150 residences. In June, 2012, another wildfire in the mountainous area west of Fort Collins (the High Park fire) and a flash fire in Estes Park in Larimer County, together destroyed almost 300 homes. Just before the High Park fire in the Larimer County mountains was extinguished, the Waldo Canyon fire in Colorado Springs erupted and ultimately destroyed almost 350 homes. In June, 2013, the Black Forest fire (northeast from the Waldo Canyon burn area) resulted in over 500 homes being destroyed. The Division staffed Disaster Assistance Centers for most of these fires. The Division developed a Natural Disaster Recovery kit and published a variety of resources and information for consumers to use when faced with a natural disaster. This information is available on the Division's website at: <http://www.dora.colorado.gov/insurance> on the Disasters, Severe Weather and Insurance Claims page.

For FY 12-13, homeowners' complaint reasons to the Division were:

Top Ten Homeowners' Complaint Reasons

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Denial of claim (CH)	24%	18%	25%	26%	29%	20%
2.	Unsatisfactory Settlement Offer (CH)	11%	15%	16%	19%	18%	19%
3.	Claim Delay (CH)	15%	11%	9%	10%	10%	10%
4.	Nonrenewal (UW)	3%	3%	7%	5%	5%	9%
5.	Premium & Rating (UW)	6%	5%	5%	7%	6%	8%
6.	Adjuster Handling (CH)	*	14%	6%	8%	6%	6%
7.	Liability Dispute – Property Damage (CH)	*	*	*	*	4%	4%
8.	Agent Handling (MS)	*	*	*	2%	3%	3%
9.	Cancellation (UW)	5%	4%	4%	2%	3%	2%
10.	Premium Refund (PS)	*	*	*	*	2%	2%
	Other (CH)	*	*	*	*	*	2%
	PERCENT OF TOTAL REASONS	64%	70%	72%	79%	86%	85%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Note the top ten reasons are listed for the most recent year, and an * for a reason in a prior year denotes that the reason may not have been included in the top ten reasons in that year.

Denial of claim continues as the top reason for homeowners' insurance complaints. This is followed by concerns about how insurance companies reach the dollar value of a loss as encompassed by the Unsatisfactory Settlement Offer, Claim Delay, and Adjuster Handling reasons. Premium and Rating and Premium Refund, indicate consumers' concerns about what they are paying and what coverage they are getting. Cancellation and Nonrenewal are consistent consumer concerns across the years.

Homeowners' Complaint Reports

Complaint ratios and indices based on homeowners' carriers' market share, premium, total complaints and confirmed complaints are listed below. As for other lines of insurance, the full standard and interactive reports can be found on the Division's website at <http://www.dora.colorado.gov/insurance> and clicking on "Consumer Information" and then on "Complaint Index & Reports."

Complaint Ratios illustrate how some carriers generate more complaints per \$1 million of premium than others. The ratio provides helpful information to consumers interested in evaluating their insurance carriers, and to State regulators in targeting companies requiring closer review. Complaint Indices provides a calculation of the number of a specific carrier's complaints compared to the industry average. Calculated by dividing a company's share of complaints by its share of premium, an index higher than 1.0 indicates that a company's complaint counts are higher than average, and an index lower than 1.0 indicates that a company's complaint counts are lower (better) than average.

Consumers should not rely **only** on the Complaint Ratio and/or the Complaint Index when evaluating companies. Other things to be considered include: premiums, benefits, carriers' financial condition, and level of service.

Complaint Ratio and Indices – 2012 Top Twenty Homeowners' Insurers

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
State Farm Fire and Casualty Company	State Farm	21.96%	\$355.15M	84	18	0.24	0.55
American Family Mutual Insurance Company	American Family Ins. Group	9.59%	\$155.16M	92	32	0.59	1.38
Farmers Insurance Exchange (Farmers)	Zurich Ins. Group	6.51%	\$105.26M	44	13	0.42	0.97
Fire Insurance Exchange (Farmers)	Zurich Ins. Group	5.46%	\$88.24M	44	5	0.50	1.16
United Services Automobile Association (USAA)	United Services Automobile Assn. Group	4.35%	\$70.43M	0	0	0.00	0.00
Allstate Fire and Casualty Insurance Company	Allstate Ins. Group	3.50%	\$56.68M	38	14	0.67	1.56

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
USAA Casualty Insurance Company (USAA)	United Services Automobile Assn. Group	3.36%	\$54.38M	0	0	0.00	0.00
Safeco Insurance Company of America	Safeco Ins. Group	3.26%	\$52.77M	26	12	0.49	1.14
Travelers Home and Marine Insurance Company, The	St. Paul Travelers Group	3.06%	\$49.44M	31	9	0.63	1.46
Allstate Insurance Company	Allstate Ins. Group	2.04%	\$32.95M	16	3	0.49	1.13
Great Northern Insurance Company	Chubb & Son Inc.	1.95%	\$31.49M	1	0	0.03	0.07
Colorado Farm Bureau Mutual Insurance Co		1.50%	\$24.21M	8	2	0.33	0.77
Standard Fire Insurance Company, The	St. Paul Travelers Group	1.49%	\$24.03M	8	3	0.33	0.77
Allstate Property and Casualty Insurance Company	Allstate Ins. Group	1.46%	\$23.63M	16	5	0.68	1.57
Property and Casualty Insurance Company of Hartford	Hartford Fire & Casualty Group	1.34%	\$21.60M	19	4	0.88	2.04
Liberty Mutual Fire Insurance Company (Liberty Mutual)	Liberty Mutual Group	1.17%	\$18.85M	7	3	0.37	0.86
Country Mutual Insurance Company	Country Ins. & Financial Services Group	1.15%	\$18.58M	12	2	0.65	1.50
Allstate Indemnity Company	Allstate Ins. Group	1.05%	\$16.92M	14	6	0.83	1.92
Metropolitan Property and Casualty Insurance Company (MetLife)	Metropolitan Group	1.05%	\$17.05M	2	1	0.12	0.27
American Strategic Insurance Corporation	Arx Holding Corp. Group	1.03%	\$16.60M	7	4	0.42	0.98

Liability Insurance

FAST FACTS – Liability

- Total Colorado Premiums in 2012
 - Med. Mal. - \$165,411,000
 - Other Liability - \$880,007
 - Products Liability - \$59,322,000
- Number of Carriers Comprising 90% of Market
 - Med. Mal. – 21
 - Other Liability – 159
 - Products Liability -- 55
- Number of Closed Complaints in FY 2012-13 51
- Percent of Confirmed Complaints 35.3%
- Amount of Dollars Recovered for Consumers \$63,780

Under the liability type of insurance coverage, 67 percent of the complaints involve general liability, while 14 percent were specific to professional errors and omissions coverage including medical, legal, accounting and other professional malpractice coverages.

Top Liability Complaint Reasons

		FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Denial of Claim (CH)	21%	22%	26%	23%	26%
2.	Delay (CH)	15%	15%	9%	11%	16%
3.	Unsatisfactory Settlement Offer (CH)	7%	6%	6%	7%	9%
	Premium Refund (PS)	*	*	3%	5%	9%
	Nonrenewal (UW)	*	*	*	*	9%
4.	Adjuster Not Responding (CH)	2%	5%	4%	7%	7%
5.	Liability Dispute (CH)	5%	3%	3%	3%	4%
	Premium & Rating (UW)	10%	12%	8%	4%	4%
	PERCENT OF TOTAL REASONS	60%	63%	59%	60%	84%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Please note the top ten reasons are listed for each year, and an asterisk for a reason in a prior year denotes that the reason was not included in the top ten reasons in that year.

Denial and delay of claims comprised more than 40 percent of the complaints for liability insurance. As for other types of insurance, the Division cannot make determinations in individual cases as to whether an insured is liable for another party's damages. The Division reviews the insurance company's claim handling to ensure it has performed a reasonable investigation and has followed its claims handling procedures. Determination of liability and application of negligence ultimately require a judicial determination when disputed. Much of the value of liability insurance coverage is for providing coverage for defense attorney and trial expenses, and in covering a civil judgment entered against an insured.

Complaint ratios and indices are not prepared for liability insurance because the total number of complaints for this line of insurance is so small (2% of total complaints) that these are not particularly useful tools for consumers in choosing liability insurance coverage.

Life Insurance

FAST FACTS – Life

• Total Colorado Premiums in 2012	\$2,229,979,000
• Number of Carriers Comprising 90% of Market	83
• Number of Closed Complaints in FY 2012-13	159
• Percent of Confirmed Complaints	64.2%
• Amount of Dollars Recovered for Consumers	\$1,827,525

The primary purpose of life insurance is to provide for dependents should the family provider die. However, there are differences in types of insurance that allow different benefits and risks.

The three main categories of life insurance are term life, whole life, and universal life, although there are options within each category.

Term life insurance is the simplest and least expensive type of policy, with no cash value. A term life policy has only one function: to pay a specific lump sum to the beneficiary that has been designated, upon a specific event: the death of the insured person. The death benefit and the policy limit are the same — for example, a \$200,000 policy pays a \$200,000 death benefit. The policy protects the insured’s family by providing money to replace their salary, income or other contributions, as well as covering final expenses incurred at death. If the insured person is still alive at the end of the term, money is not refunded. A term insurance policy is over unless the policy can be renewed for another term.

Whole life insurance is designed to provide protection for dependents while building cash value. The policy pays a death benefit if the insured person dies. However, there is also a savings component (called cash value), which builds over time. In addition to paying a death benefit, a whole life policy allows accumulation of cash value that the policy owner receives if the policy is surrendered. The premium is fixed and won’t increase during the lifetime of the insured person as long as premiums are paid as agreed, for the entire time the policy is in force. The policy pays upon the death of the insured or when the insured person reaches a specific age stated in the policy. Whole life policies cost more than term insurance, but have the benefit that the policy builds cash value.

Universal life insurance gives the policyholder more control over premiums, provides permanent protection for dependents and is more flexible than a whole life policy. It pays a death benefit to the named beneficiary, and allows the ability to accumulate cash value. Generally, a universal life policy provides flexibility by allowing the policy owner to change the death benefit at certain times, or to vary the amount or timing of premium payments.

While life insurance complaints represent only about five percent of complaints filed with the Division of Insurance, they are the area in which the company is most often found to have violated state law or regulation, or a provision in the insurance policy. With a confirmed

complaint rate approaching two out of every three complaints at 64 percent, and larger dollar recoveries for consumers at over \$14,000 per confirmed complaint, life insurance practices are a significant concern for the Division.

Reasons for life insurance complaints, in order of frequency, for FY1213 and previous years were:

Top Ten Life Insurance Complaint Reasons

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Information Requested (PS)	11%	10%	14%	5%	10%	15%
2.	Premium Notice & Billing (PS)	*	8%	9%	8%	6%	9%
3.	Misrepresentation (MS)	11%	7%	12%	24%	9%	9%
4.	Coverage Question (PS)	*	*	*	*	7%	8%
5.	Suitability (MS)	4%	5%	5%	4%	3%	5%
6.	Delay (CH)	*	*	*	*	5%	5%
	Premium Refund (PS)	8%	4%	5%	5%	8%	5%
7.	Delays/No Response (PS)	5%	7%	6%	3%	5%	4%
8.	Agent Handling (MS)	*	4%	6%	13%	4%	4%
	Denial of Claim (CH)	*	*	*	*	4%	4%
9.	Cancellation (UW)	*	*	*	*	*	4%
10.	Misleading Advertising (MS)	*	*	*	*	*	3%
	Cash Value (PS)	*	*	*	*	*	3%
	PERCENT OF TOTAL REASONS	39%	45%	57%	62%	61%	78%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Please note the top ten reasons for the current year are listed, and an asterisk for a reason in a prior year denotes that the reason may not have been included in the top ten reasons previously.

Life Insurance Complaint Reports

Complaint ratios and indices based on life insurance carriers' market share, premium, total complaints and confirmed complaints are listed below. As for other lines of insurance, the full standard and interactive reports can be found on the Division's website at <http://www.dora.colorado.gov/insurance> and clicking on "Consumer Information" and then on "Complaint Index & Reports."

Complaint Ratios illustrate how some carriers generate more complaints per \$1 million of premium than others. The ratio provides helpful information to consumers interested in evaluating their insurance carriers, and to State regulators in targeting companies requiring closer review. In contrast, complaint indices provide a calculation of the number of a specific carrier's complaints compared to the industry average. They are calculated by dividing a company's share of complaints by its share of premium. An index higher than 1.0 indicates that a company's complaint counts are higher than average, while an index lower than 1.0 indicates that a company's complaint counts are lower (better) than average.

Consumers should not rely **only** on the Complaint Ratio and/or the Complaint Index when evaluating companies. Other things to be considered include: premiums, benefits, carriers' financial condition, and level of service.

**Complaint Ratios and Indices – 2012
Top Twenty Life Insurance Companies**

Company Name	Industry Group	Market Share	Premium (\$Millions)	Total Complaints	Confirmed Complaints	Complaint Ratio	Complaint Index
Northwestern Mutual Life Insurance Company, The	Northwestern Mutual	0.09%	\$209.26M	2	1	0.01	0.15
John Hancock Life Insurance Company (U.S.A.)	John Hancock Group	0.04%	\$84.60M	1	0	0.01	0.18
Metropolitan Life Insurance Company (MetLife)	Metropolitan Group	0.04%	\$82.60M	5	3	0.06	0.95
New York Life Insurance Company	New York Life Group	0.04%	\$86.14M	0	0	0.00	0.00
State Farm Life Insurance Company	State Farm	0.04%	\$81.85M	1	0	0.01	0.19
Lincoln National Life Insurance Company, The	Lincoln National	0.03%	\$73.34M	0	0	0.00	0.00
Prudential Insurance Company of America, The	Prudential Of America	0.03%	\$70.09M	6	2	0.09	1.34
American General Life Insurance Company (AIG)	American International Group	0.02%	\$39.61M	1	1	0.03	0.39
Farmers New World Life Insurance Company (Farmers)	Zurich Ins. Group	0.02%	\$34.55M	3	2	0.09	1.36
Guardian Life Insurance Company of America, The	Guardian Life Group	0.02%	\$35.20M	1	1	0.03	0.44
Massachusetts Mutual Life Insurance Company	Mass Mut. Life Ins. Co.	0.02%	\$48.94M	0	0	0.00	0.00
Minnesota Life Insurance Company	Minnesota Mutual	0.02%	\$51.34M	3	1	0.06	0.91
New York Life Insurance and Annuity Corporation	New York Life Group	0.02%	\$37.02M	2	1	0.05	0.84
Pacific Life Insurance Company	Pacific Life Ins Co.	0.02%	\$49.86M	0	0	0.00	0.00
Pruco Life Insurance Company	Prudential Of America	0.02%	\$40.63M	1	1	0.02	0.38
ReliaStar Life Insurance Company	ING America Ins. Holding Group	0.02%	\$34.89M	1	1	0.03	0.45

<u>Company Name</u>	<u>Industry Group</u>	<u>Market Share</u>	<u>Premium (\$Millions)</u>	<u>Total Complaints</u>	<u>Confirmed Complaints</u>	<u>Complaint Ratio</u>	<u>Complaint Index</u>
<u>Thrivent Financial for Lutherans</u>	<u>Thrivent Financial For Lutherans</u>	0.02%	\$37.88M	0	0	0.00	0.00
<u>Transamerica Life Insurance Company</u>	<u>Aegon US Holding Group</u>	0.02%	\$39.53M	3	3	0.08	1.19
<u>Allianz Life Insurance Company of North America</u>	<u>Allianz Ins. Group</u>	0.01%	\$11.36M	1	1	0.09	1.38
<u>American Family Life Insurance Company</u>	<u>American Family Ins. Group</u>	0.01%	\$27.33M	2	2	0.07	1.14

Title Insurance

FAST FACTS – Title

- Total Colorado Premiums in 2012 \$287,586,000
- Number of Carriers Comprising 90% of Market 159
- Number of Closed Complaints in FY 2012-13 38
- Percent of Confirmed Complaints 39.5%
- Amount of Dollars Recovered for Consumers \$317,169

When a house, building or other property is bought and sold, all the parties involved want to be sure the “title” or transfer of ownership is clear. Title insurance protects the owner and the lender against loss arising from problems connected to the title to the property.

Consumer complaints on title insurance comprise about one percent of the total complaints lodged with the Division. In FY 12-13, for consumer title complaints, the major issues were:

Top Title Insurance Complaint Reasons

		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
1.	Agent Handling (MS)	*	*	*	10%	22%	51%
2.	Delay (MS)	*	*	*	*	8%	19%
3.	Delay of Claim (CH)	7%	4%	21%	10%	14%	11%
4.	Denial of Claim (CH)	4%	13%	15%	26%	8%	9%
5.	Adjuster Not Responding (CH)	*	*	*	6%	4%	4%
6.	Fiduciary (MS)	*	3%	13%	4%	18%	2%
	Misappropriations (MS)	*	*	*	*	*	2%
	Policy Delivery (UW)	*	*	*	*	2%	2%
	PERCENT TOTAL OF REASONS	11%	20%	49%	56%	76%	100%

Note: Color signifies the functional area the reason falls under: Underwriting, Claims Handling, Policyholder Services, Marketing and Sales. Please note the top ten reasons are listed for the most recent year, and an asterisk for a reason in a prior year denotes that the reason was not included in the top ten reasons in that year.

As can be seen from the chart above, the reasons for title complaints are volatile from year to year. Title insurance is a unique line of business, and because of this, the issues raised in title insurance complaints are not as easily categorized into the coding scheme as for other lines of insurance. One of the categories is new this year, and two appeared in each of FY 11-12 and FY 10-11. Compared to five years ago, only two of the current reasons were included in the top reasons in FY 07-08.

Because title insurance represents only one percent of complaints filed with the Division, complaint ratios and indices are not prepared for this line of insurance.

2012 Complaint Ratio and Complaint Index Reports

For this year, we have included the 2012 Complaint Ratio and Complaint Index reports for the major lines of insurance – annuity, auto, health, homeowners, and life insurance. The complete online and interactive 2012 Complaint Ratio and Complaint Index Reports are available on the Division’s website at www.dora.colorado.gov/insurance through the Site Index, or directly at http://www.dora.state.co.us/pls/real/Ins_Comp_Ratio_Report.Home.

Consumers can use the Complaint Ratio and Complaint Index reports when looking to compare insurance companies and carriers. The 2012 Complaint Ratio and Index Reports provide consumers with information about the number of complaints and questions lodged against the various insurance companies and health carriers. These reports are provided on a calendar year basis.

Standard reports are available for the major consumer lines noted above and list all carriers with at least five complaints or a market share of at least 0.10 percent.

The interactive reports provide information on the same lines of insurance, but include carriers with fewer than five complaints and less than 0.10 percent market share. These interactive reports permit searches by line of business or company name. The results can be sorted on the web by premium written, market share, total complaints, confirmed complaints, complaint ratio and complaint index, and the results may be downloaded into a spreadsheet.

Additional Consumer Materials

Also available on the Division’s website are a wide variety of information and materials for consumers to use in identifying insurance coverage needs, selecting types of insurance coverage, comparing insurance companies and carriers, some comparative information about insurance premiums, and Tips, Tools, and Frequently Asked Questions (FAQs) on current insurance issues. Please see the Division’s website at www.dora.colorado.gov/insurance and click on the Consumer button for access to this information.

A complaint about an insurance company, health carrier or producer may be filed by completing the online complaint form at http://www.dora.state.co.us/pls/real/Ins_Complaint.Submit_Form. You can find whether an insurance company or producer (agent or broker) is licensed to conduct business in Colorado through www.dora.colorado.gov/insurance and use the “Find a licensed company or producer (agent)” tool in the Quick Links.

The Colorado Division of Insurance is located in the Colorado Department of Regulatory Agencies (DORA) and is charged with regulation of the state's insurance industry, as well as assisting consumers and other stakeholders with insurance issues.

Division of Insurance staff respond to telephone calls, e-mails, letters, on-line complaint submissions, and walk-in visits from consumers, providing information and education, and investigating consumer complaints.

The Division performs both market conduct and financial examinations on insurance companies licensed to conduct business in the state. The examinations determine compliance with Colorado insurance laws by identifying violations and ensuring company solvency.

The Division also licenses individual insurance producers (agents and brokers) and insurance agencies. In licensing these professionals, the Division requires pre-licensure education and continuing education and compliance with business competency requirements.

Available from the Division are tips, statistics, comparison guides and other informational/educational materials to help consumers compare companies and options, and make informed decisions about insurance purchases.

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado.

Consumer protection is our mission.

Consumer protection is our mission

