



**COLORADO**

**Department of  
Regulatory Agencies**

Division of Insurance

Annual Report  
on  
Complaints Against Insurers

**Fiscal Year 2021-2022**

October 1, 2022



## Complaints Against Insurers for the Fiscal Year 2021-2022

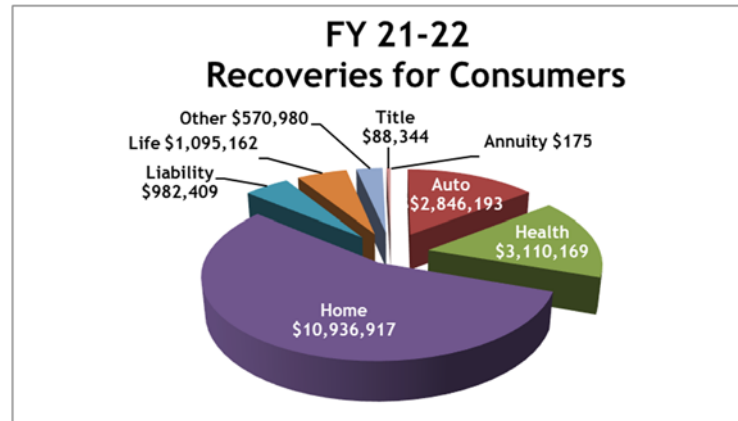
Colorado law at § 10-16-128, C.R.S., requires the Commissioner of Insurance to present an annual report on the number, nature, and outcome of complaints against insurers during the preceding twelve months to the House of Representatives Business Affairs and Labor Committee and the Senate Business, Labor and Technology Committee of the General Assembly. The following information complies with this requirement.

### Outcomes: Recoveries for Consumers

The Division of Insurance Consumer Services sections investigate individual consumer complaints against insurers. These investigations may result in financial recovery for the consumer. Recoveries come in the form of additional claim payments, overturned denials of policy benefits or other refunds due to the consumer.

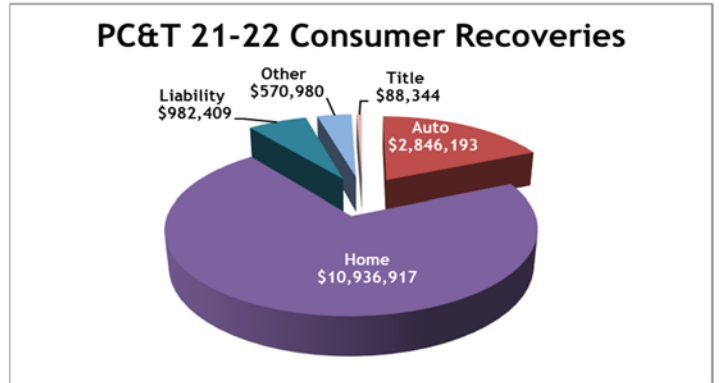
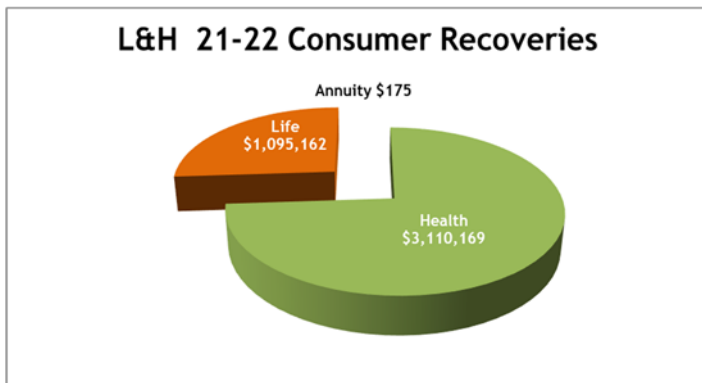
In FY 21-22 the Division recovered a total of \$19,630,350 for Colorado consumers, an increase of 93% when compared to FY 20-21 recoveries of \$10,167,360.

Consumer Services Section Property, Casualty and Title (PC&T) recovered a total of \$15,424,844. This increased amount is the result of complaints related to the East Troublesome and Marshall Fire catastrophic events.



Consumer Services Section Life and Health (L&H) recovered a total of \$4,205,506.

The charts below provide the amounts of recoveries by section and insurance type:



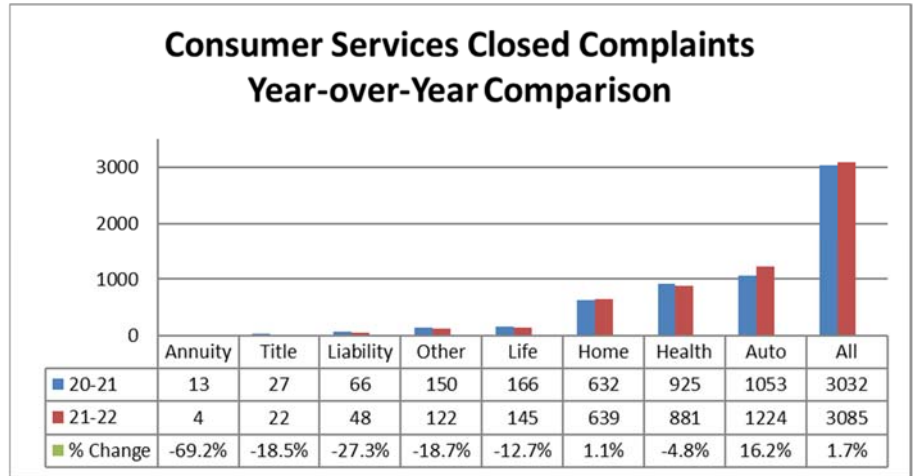
The Division's assistance in these types of insurance issues provides an invaluable service to Colorado consumers.

**Number of complaints against insurers closed in FY 21-22**

The total number of complaints closed by the Division’s Consumer Services Section increased from 3,032 to 3,085 from FY 20-21 to FY 21-22, representing a 1.7% increase.

L&H closed 6.7% fewer complaints this fiscal year, from 1,104 to 1,030. Health insurance complaint closures decreased 4.8%. Annuity complaint closures decreased by 69.2% and Life insurance complaints by 12.7%.

PC&T closed 6.6% more complaints this fiscal year, from 1,928 to 2,055. Auto complaint closures increased by 16.2%, and Homeowner complaints by 1.1%. “Other” insurance decreased by 18.7%, Title by 18.5% and Liability by 27.3%.

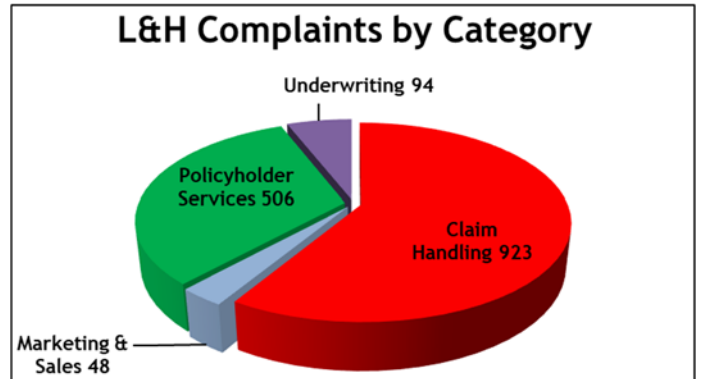
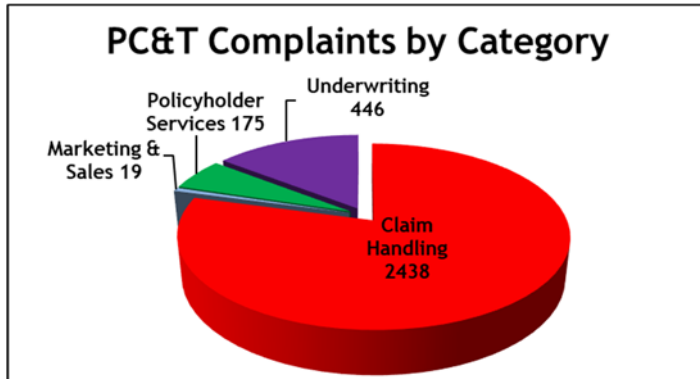


There are instances when a consumer submits a complaint which involves an easily resolved question or falls outside of our jurisdiction. These complaints require contact with the consumer to educate them on their options. We refer to these as inquiries. L&H handled 17.9% more inquiries in FY 21-22 than in FY 20-21, from 904 to 1066. PC&T handled 13.3% more inquiries, from 398 to 451.

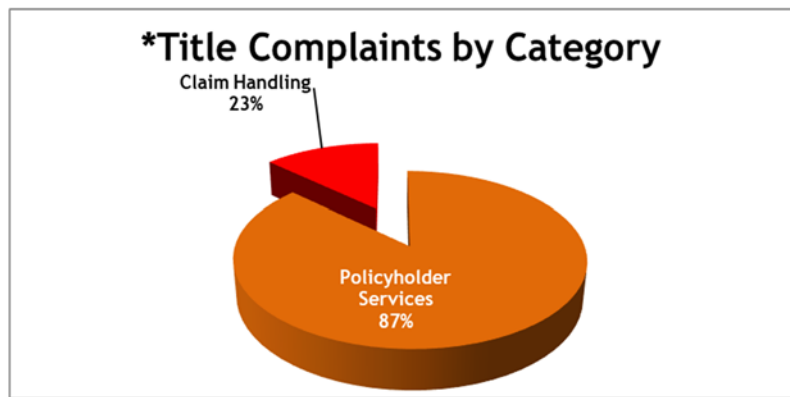
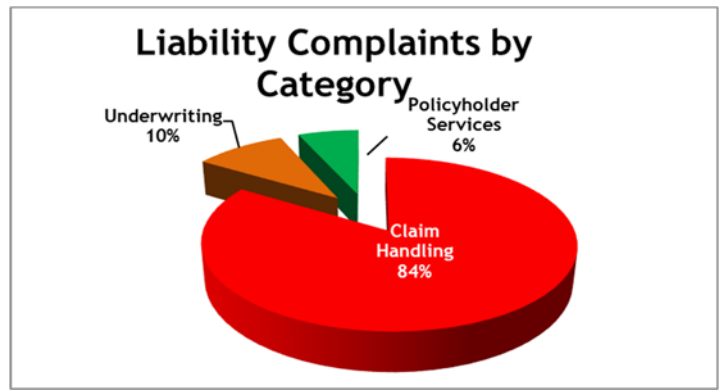
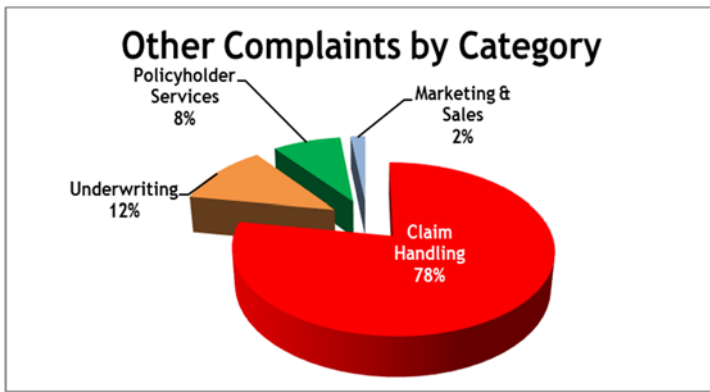
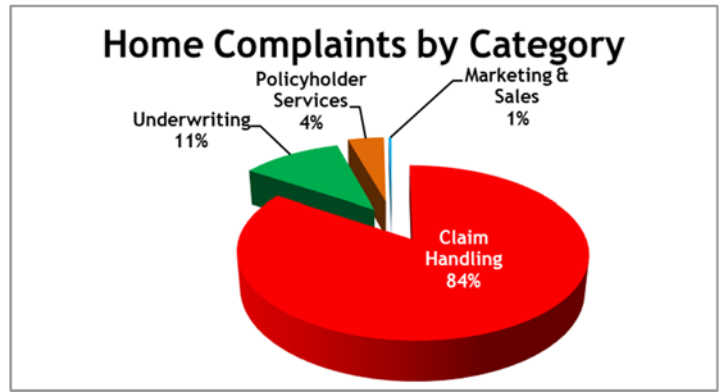
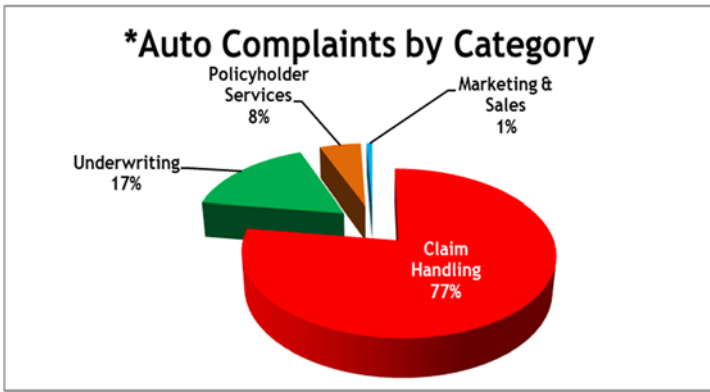
Inquiries	20-21	21-22	% change
L&H	904	1066	17.9%
PC&T	398	451	13.3%

**Nature of complaints against insurers closed during FY 21-22**

The Division categorizes complaints into four complaint categories: Claim Handling, Marketing & Sales, Policyholder Services, and Underwriting. One complaint may have more than one category. The following two charts provide the number of all complaints by category and section.

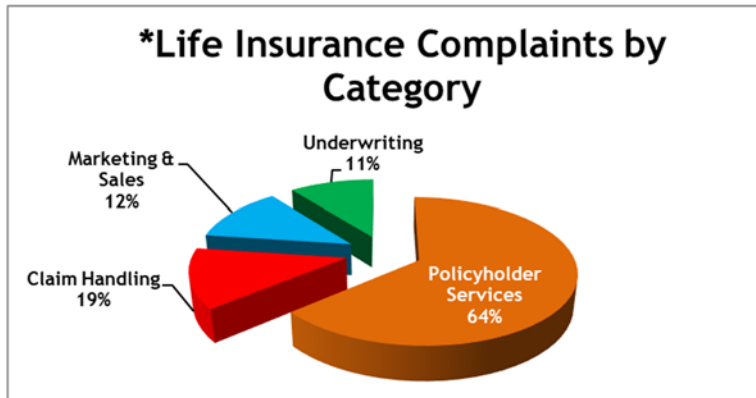
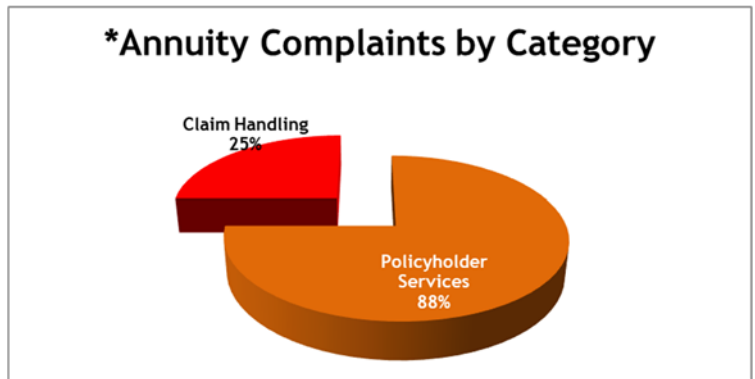
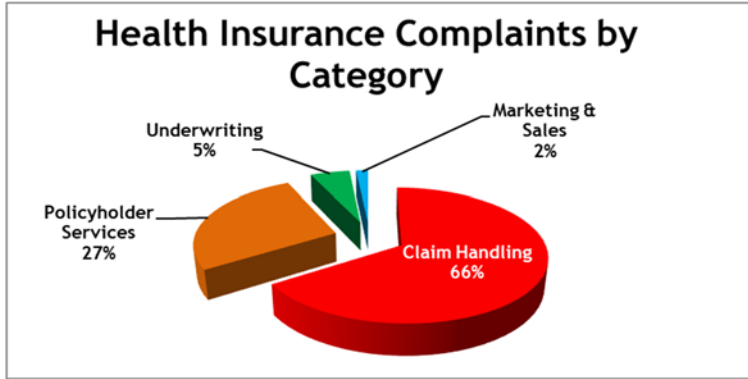


The following charts provide information on the percentage of PC&T complaints by coverage type and category:



\* Complaints can be captured in multiple categories, so the category percentages add up to more than 100%.

The following charts provide information on the percentage of L&H complaints by coverage type and category:

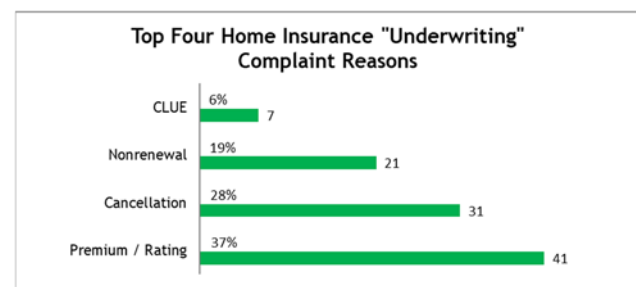
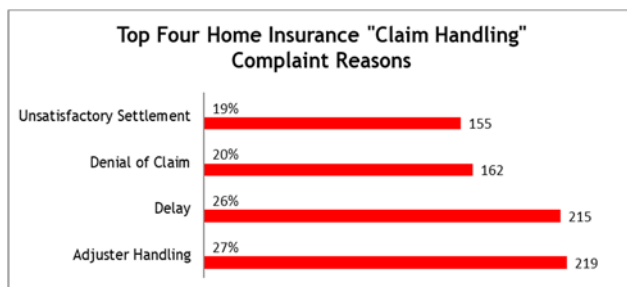
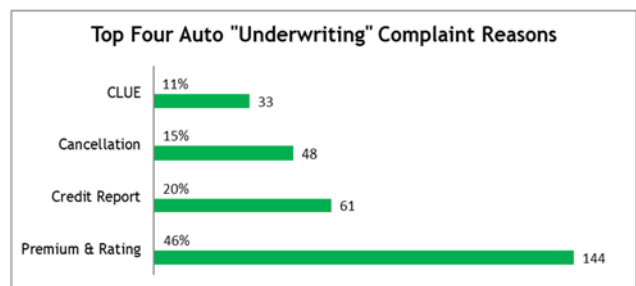
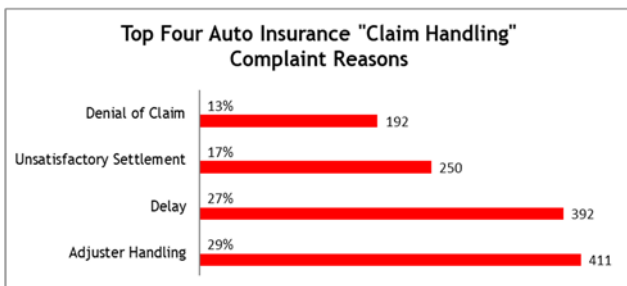


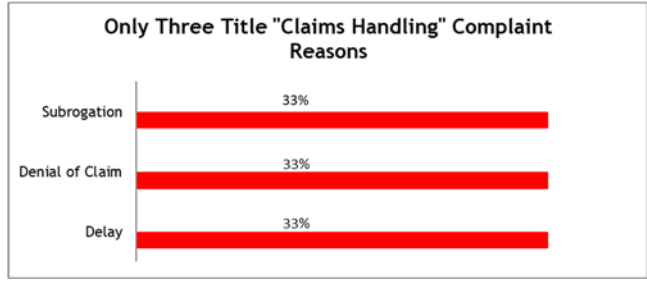
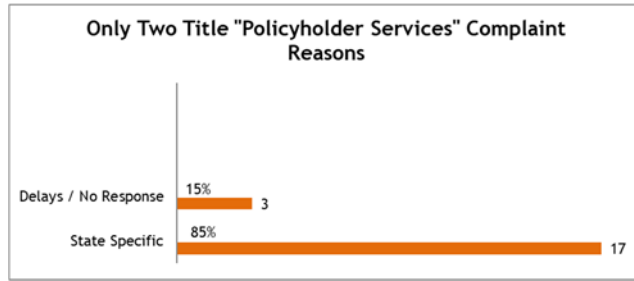
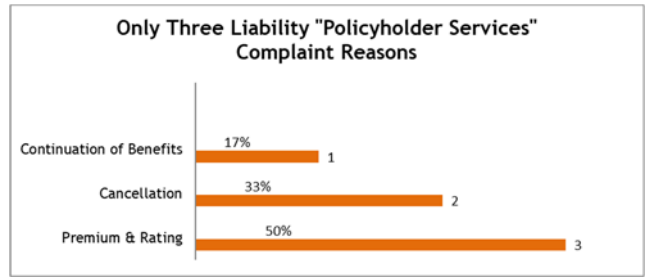
\* Complaints can be captured in multiple categories, so the category percentages add up to more than 100%.

### Complaint reasons by insurance type, category and reason

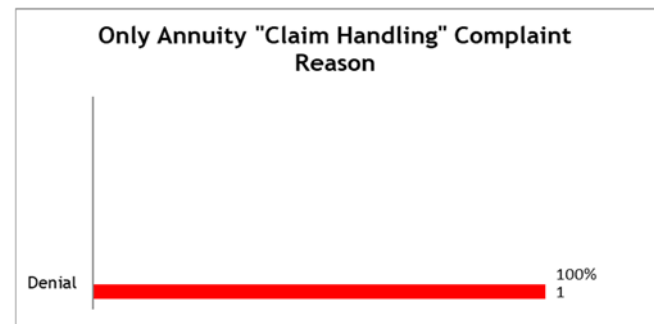
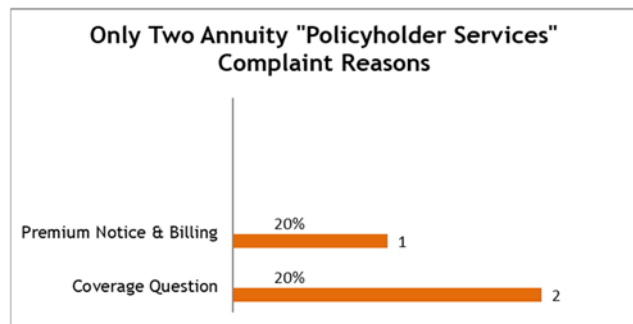
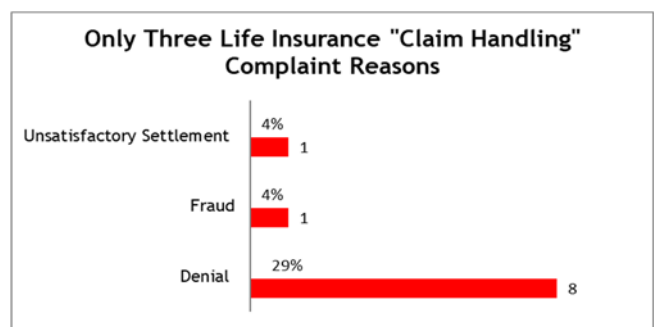
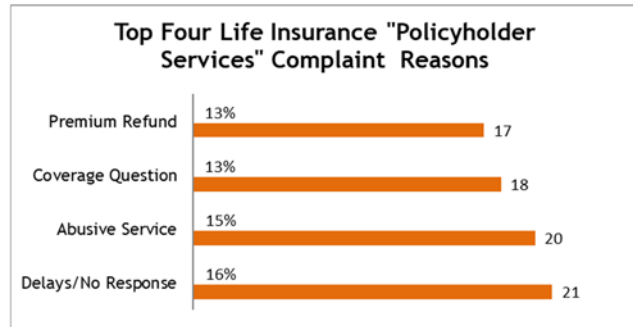
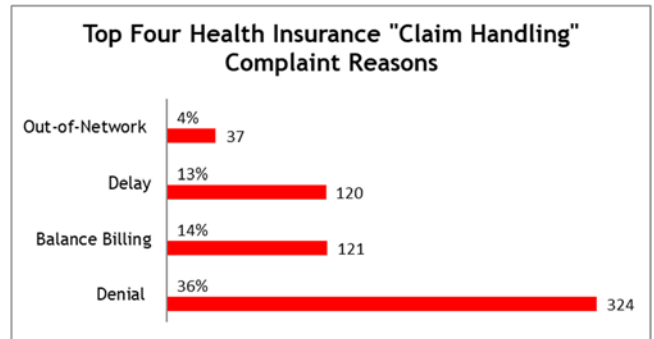
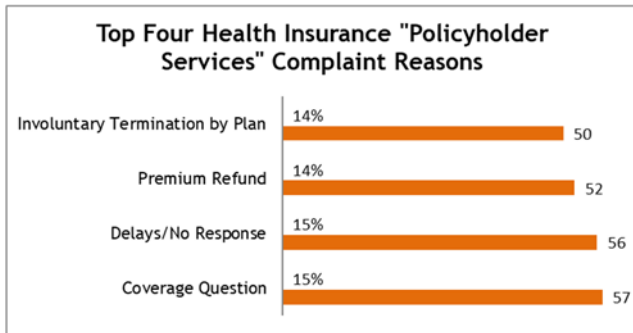
In addition to the four complaint categories explained and illustrated above, the Division identifies further detail: assigning reason codes to each complaint. One complaint may have multiple reason codes.

The charts below provide numeric detail for the top four complaint reasons for the top two categories for each P&C insurance type. The percentage displayed is that reason's portion of all reasons for that particular category:





The charts below provide numeric detail for the top four complaint reasons for the top two categories for each L&H insurance type. The percentage displayed is that reason's portion of all reasons for that particular category:



## Confirmed Complaints

A confirmed complaint is one in which the Division determined that the consumer's allegation against the company had merit. Overall, in FY 21-22, the Division found consumers' complaints confirmed, and the company in violation of law or policy provisions, 46% of the time. The L&H confirmed rate was 54.9% and the PC&T rate was 41.6%.

