



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
Phone: (608) 266-3585 • Fax: (608) 266-9935
E-Mail: ocioci@mail.state.wi.us
http://badger.state.wi.us/agencies/oci/oci_home.htm

1998

INSURANCE COMPLAINTS

and

ADMINISTRATIVE ACTIONS

**The mission of the
Office of the
Commissioner of Insurance . . .**

**Leading the way in
informing and protecting the public
and
responding to their insurance needs.**

The Office of the Commissioner of Insurance does not discriminate on the basis of race, color, national origin, sex, religion, age, or disability in employment or the provision of services.

COMPLAINT INFORMATION

The Office of the Commissioner of Insurance defines a complaint as "a written communication received by the Commissioner's Office that indicates dissatisfaction with an insurance company or agent." In 1998, the office received 8,834 complaints.

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

Complaints for 1998 are summarized below.

Type of Coverage

Auto	1,351
Property and Casualty	1,976
Accident and Health	4,810
Life and Annuities	867

Complaint Reason

Underwriting	1,249
Marketing and Sales	1,269
Claim Handling	5,689
Policyholder Service	1,367
Other	395

Note: There may be more than one type of insurance and more than one reason involved in each complaint.

ADMINISTRATIVE ACTIONS

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

The following administrative actions were taken in 1998.

Companies

Total Number of Actions	214
Forfeitures Demanded	\$426,707

Agents

Licenses Denied	66
Licenses Revoked	11
Licenses Surrendered	6
Licenses Suspended	13
Total Number of Actions	125
Forfeitures Demanded	\$26,125

COMPLAINT SUMMARIES

The following complaint summaries are prepared annually by the Office of the Commissioner of Insurance. They measure insurance complaints by company for 1998 in relation to the premiums the company wrote in Wisconsin in 1997. Only companies with above average complaint ratios are shown on the summary. Complaints against agents are assigned to the company that the agent represents.

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

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

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

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

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

For information on how to file an insurance complaint call:

**Telephone Message System
INSURANCE COMPLAINT HOTLINE**

1-800-236-8517 (Outside Madison)

266-0103 (Madison)

HOMEOWNERS AND TENANTS INSURANCE COMPLAINT SUMMARY

1998

This list is comprised of all companies with 10 or more complaints in 1998 and a complaint ratio above the average. The Wisconsin average is .16 complaints/\$100,000 of written premium for all homeowners and tenants insurance business in the state.

Name of Insurance Company	Number of Complaints 1998	Premiums Written 1997	Ratio	Rank 1997*
1. Mt. Morris Mutual Ins. Co.	11	\$1,349,900	.81	NL
2. Lake States Ins. Co.	11	1,515,100	.73	NL
3. Germantown Mutual Ins. Co.	20	5,401,000	.37	NL
4. Badger Mutual Ins. Co.	14	5,849,600	.24	4
5. West Bend Mutual Ins. Co.	17	7,217,000	.24	6
6. Wilson Mutual Ins. Co.	11	4,676,300	.24	3
7. Heritage Mutual Ins. Co.	35	16,035,000	.22	5
8. Fire Ins. Exchange	23	11,127,300	.21	7
9. Economy Preferred Ins. Co.	10	5,390,700	.19	NL
10. Rural Mutual Ins. Co.	10	5,337,600	.19	NL
11. Allstate Ins. Co.	29	17,393,700	.17	NL

* NL = Not listed in 1997

AUTOMOBILE INSURANCE COMPLAINT SUMMARY

1998

This list is comprised of all companies with 10 or more complaints in 1998 and a complaint ratio above the average. The Wisconsin average is .06 complaints/\$100,000 of written premium for all automobile insurance business in the state.

Name of Insurance Company	Number of Complaints 1998	Premiums Written 1997	Ratio	Rank 1997*
1. Leader Ins. Co.**	14	\$ 2,562,500	.55	3
2. Hartford Underwriters Ins. Co.	24	11,425,200	.21	10
3. Geico General Ins. Co.	10	5,282,900	.19	NL
4. Globe American Casualty Co.	27	15,964,600	.17	4
5. Metropolitan Property and Casualty Ins. Co.	12	7,338,400	.16	8
6. Partners Mutual Ins. Co.	17	10,725,400	.16	NL
7. Victoria Fire & Casualty Co.	10	6,136,600	.16	NL
8. Dairyland Ins. Co.	27	18,881,300	.14	9
9. Allstate Indemnity Co.	25	17,476,100	.14	12
10. Lake States Ins. Co.	11	8,076,200	.14	NL
11. Greatway Ins. Co.	11	8,569,200	.13	NL
12. Progressive Northern Ins. Co.	40	39,691,000	.10	17
13. Western National Mutual Ins. Co.	10	10,227,900	.10	NL
14. Mid-Century Ins. Co.	11	10,645,100	.10	NL
15. Allstate Ins. Co.	54	68,020,000	.08	NL
16. Milwaukee Guardian Ins. Inc.	17	21,542,300	.08	NL
17. Badger Mutual Ins. Co.	19	24,071,400	.08	NL
18. Sentry Insurance a Mutual Company	26	34,883,600	.07	11

* NL = Not listed in 1997

** Formerly known as Leader National Ins. Co.

LIFE AND ANNUITIES INSURANCE COMPLAINT SUMMARY

1998

This list is comprised of all companies with 10 or more complaints in 1998 and a complaint ratio above the average. The Wisconsin average is .03 complaints/\$100,000 of written premium for all life and annuities insurance business in the state.

Name of Insurance Company	Number of Complaints 1998	Premiums Written 1997	Ratio	Rank 1997*
1. Northern Life Ins. Co.	10	\$ 2,225,900	.45	NL
2. Combined Ins. Co. of America	10	2,797,500	.36	1
3. Bankers Life & Casualty Co.	20	13,053,100	.15	5
4. Amerus Life Ins. Co.	22	17,806,700	.12	9
5. Old Line Life Ins. Co. of America, The	10	11,555,600	.09	NL
6. John Hancock Mutual Life Ins. Co.	12	14,240,200	.08	12
7. Prudential Ins. Co. of America, The	62	106,207,800	.06	7
8. LifeUSA Ins. Co.	15	30,993,400	.05	NL
9. Metropolitan Life Ins. Co.	44	86,961,100	.05	10
10. New York Life Ins. Co.	19	42,765,600	.04	NL

* NL = Not listed in 1997

INDIVIDUAL ACCIDENT AND HEALTH INSURANCE COMPLAINT SUMMARY

1998

This list is comprised of all companies with 10 or more complaints in 1998 and a complaint ratio above the average. The Wisconsin average is .13 complaints/\$100,000 of written premium for all individual accident and health insurance business in the state.

Name of Insurance Company	Number of Complaints 1998	Premiums Written 1997	Ratio	Rank 1997*
1. Guarantee Trust Life Ins. Co.	15	\$ 2,692,800	.56	2
2. World Ins. Co.	42	10,620,600	.40	NL
3. Pennsylvania Life Ins. Co.	14	5,789,600	.24	4
4. Fortis Ins. Co.**	53	26,567,800	.20	NL
5. Combined Ins. Co. of America	33	17,986,400	.18	5
6. Conseco Senior Health Ins. Co.***	10	5,408,000	.18	NL
7. United American Ins. Co.	11	5,973,000	.18	NL
8. Mutual of Omaha Ins. Co.	28	16,605,500	.17	1
9. Continental General Ins. Co.	10	6,753,000	.15	NL

* NL = Not listed in 1997

** Formerly known as Time Ins. Co.

*** Formerly known as American Travellers Life Ins. Co.

GROUP ACCIDENT AND HEALTH INSURANCE COMPLAINT SUMMARY

1998

This list is comprised of all companies with 10 or more complaints in 1998 and a complaint ratio above the average. The Wisconsin average is .06 complaints/\$100,000 of written premium for all group accident and health insurance business in the state.

Name of Insurance Company	Number of Complaints 1998	Premiums Written 1997	Ratio	Rank 1997*
1. American National Life Ins. Co. of TX	19	\$ 1,814,100	1.05	NL
2. Mega Life & Health Ins. Co., The	46	5,834,900	.79	1
3. Conseco Medical Ins. Co.**	14	2,647,800	.53	NL
4. Pioneer Life Ins. Co.	17	3,544,300	.48	2
5. Prevea Health Ins. Plan Inc.	16	4,293,800	.37	NL
6. Continental Life & Accident Co.	18	5,565,100	.32	4
7. PFL Life Ins. Co.	13	4,262,900	.30	NL
8. Washington National Ins. Co.	20	7,630,200	.26	5
9. Connecticut General Life Ins. Co.	13	5,255,900	.25	13
10. Golden Rule Ins. Co.	52	22,611,500	.23	9
11. United Wisconsin Life Ins. Co.	123	62,185,100	.20	8
12. Continental Casualty Co.	36	19,113,600	.19	11
13. Midwest Security Life Ins. Co.	81	51,334,200	.16	7
14. Aetna Life Ins. Co.	22	17,200,900	.13	15
15. John Alden Life Ins. Co.	19	16,256,800	.12	16
16. Fortis Ins. Co.***	14	11,291,400	.12	17
17. Blue Cross & Blue Shield United of Wisconsin	282	255,240,200	.11	20
18. Trustmark Ins. Co.	19	20,521,000	.09	NL
19. United Wisconsin Ins. Co.	16	20,810,800	.08	24
20. Central Benefits National Life Ins. Co.	11	14,082,300	.08	12
21. United Healthcare Ins. Co.	40	54,009,400	.07	14
22. Coordinated Care Health Plan of WI****	17	24,550,000	.07	NL
23. Wisconsin Physicians Service Ins. Corp.	138	208,121,900	.07	18
24. EmpheSys Wisconsin Ins. Co.	40	57,735,800	.07	23

* NL = Not listed in 1997

** Formerly known as Connecticut National Life Ins. Co.

*** Formerly known as Time Ins. Co.

**** Formerly known as Maxicare Health Ins. Co.