

# **2002 Insurance Complaints and Administrative Actions**

**Office of the Commissioner of Insurance  
State of Wisconsin**

The OCI mission:

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

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## Complaint Information

The Office of the Commissioner of Insurance (OCI) defines a complaint as “a written communication received by the Commissioner’s Office that indicates dissatisfaction with an insurance company or agent.” In 2002, OCI changed the way it identified the type of complaint that appears in this report. There are now four categories of contacts: direct response, referrals, requests for information and further investigation complaints. Only the further investigation complaints are used to calculate the ratios used in this report. Referrals involve complaints that are regulated by another jurisdiction such as the federal government. Requests for information are general questions about insurance that do not refer to a specific company or agent. Direct response complaints involve questions that OCI can answer directly without contacting the insurer such as whether a company is licensed or a rate has been filed. Listed below is a summary of the types of complaints filed in 2002.

Direct response	85
Further investigation	8,131
Referrals	576
Requests for information	372
<b>Total</b>	<b>9,164</b>

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

### Type of Coverage

Auto	1,403
Property and Casualty	2,105
Accident and Health	5,070
Life and Annuities	762

### Complaint Reasons

Underwriting	1,838
Marketing and Sales	1,379
Claim Handling	7,865
Policyholder Service	2,436
Other	180

**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 2002.

### Companies

Total Number of Actions	96
Forfeitures Demanded	\$197,173

### Agents

Licenses Denied	65
Licenses Revoked	68
Licenses Surrendered	2
Licenses Suspended	6
Total Number of Actions	152
Forfeitures Demanded	\$15,950

## Complaint Summaries

This year, OCI has changed the complaint summaries to provide more information to consumers. We have decreased the number of complaints from 10 to 6. The lists now include companies with 6 or more complaints received in 2002 in relation to the premiums the company wrote in Wisconsin in 2001. Only companies with an above-average ratio of complaints per \$100,000 of premium volume appear on the list. 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)**

**or visit the OCI Web site at:  
[oci.wi.gov](http://oci.wi.gov)**



## 2002 Complaint Summary Homeowner's, Farmowner's and Tenant's Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 6 or more complaints in 2002, and a complaint ratio above the average. The Wisconsin average is .12 complaints/\$100,000 of written premium for all homeowners and tenants business in the state.

Name of Insurance Company	Number of Complaints 2002	Premiums Written 2001	Ratio
1 Auto Club Ins. Assoc.	12	\$ 1,637,800	0.73
2 Prudential Property & Casualty Ins. Co.	16	3,474,800	0.46
3 Milwaukee Ins. Co.	13	4,162,000	0.31
4 State Auto Ins. Co. of Wisconsin	11	3,705,100	0.30
5 Manitowoc Mutual Ins. Co.	8	2,990,500	0.27
6 Metropolitan Property & Casualty Ins. Co.	8	2,949,300	0.27
7 Fire Ins. Exchange	37	14,703,900	0.25
8 Liberty Mutual Fire Ins. Co.	6	2,584,800	0.23
9 Mt. Morris Mutual Ins. Co.	13	5,751,000	0.23
10 West Bend Mutual Ins. Co.	25	12,593,400	0.20
11 Farmers Automobile Ins. Assn., The	9	4,601,600	0.20
12 General Casualty Co. of Wisconsin	29	16,442,600	0.18
13 Safeco Ins. Co. of America	12	6,593,200	0.18
14 Badger Mutual Ins. Co.	16	8,681,800	0.18
15 Germantown Mutual Ins. Co.	14	8,571,700	0.16
16 Allstate Ins. Co.	30	18,201,600	0.16
17 Standard Fire Ins. Co., The	8	5,058,800	0.16
18 ACUITY, A Mutual Ins. Co.	33	21,398,700	0.15
19 Wisconsin Mutual Ins. Co.	10	6,995,600	0.14
20 Wisconsin American Mutual Ins. Co.	6	4,255,200	0.14
21 SECURA Ins., A Mutual Co.	25	19,409,700	0.13
22 Cincinnati Ins. Co., The	8	6,149,000	0.13



## 2002 Complaint Summary Automobile Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 6 or more complaints in 2002, and a complaint ratio above the average. The Wisconsin average is .06 complaints/\$100,000 of written premium for all automobile business in the state.

	Name of Insurance Company	Number of Complaints 2002	Premiums Written 2001	Ratio
1	AIU Ins. Co.	23	\$3,670,000	0.63
2	Hartford Accident & Indemnity Co.	7	1,167,500	0.60
3	Indiana Ins. Co.	6	1,709,300	0.35
4	Permanent General Assurance Corp.	6	2,121,200	0.28
5	Alpha Property & Casualty Ins. Co.	10	4,077,800	0.25
6	Auto Club Ins. Assoc.	21	9,610,700	0.22
7	Minnesota Ins. Co.	8	3,829,000	0.21
8	Illinois National Ins. Co.	6	2,804,700	0.21
9	Victoria Automobile Ins. Co.	6	3,144,000	0.19
10	Viking Ins. Co. of Wisconsin	13	7,303,000	0.18
11	Dairyland Ins. Co.	27	18,059,700	0.15
12	Omaha Property & Casualty Ins. Co.	8	5,337,100	0.15
13	Lumbermens Mutual Casualty Co.	10	7,037,000	0.14
14	Guaranty National Ins. Co.	12	8,940,000	0.13
15	Hartford Underwriters Ins. Co.	16	13,754,000	0.12
16	Depositors Ins. Co.	10	8,405,800	0.12
17	Globe American Casualty Co.	11	9,599,100	0.11
18	Economy Premier Assurance Co.	8	7,162,600	0.11
19	General Casualty Co. of Wisconsin	48	46,426,600	0.10
20	Safeco Ins. Co. of America	19	18,741,500	0.10
21	Integrity Mutual Ins. Co.	12	11,642,500	0.10
22	Economy Preferred Ins. Co.	6	6,121,400	0.10
23	Liberty Mutual Fire Ins. Co.	11	10,798,800	0.10
24	Mid-Century Ins. Co.	10	11,189,700	0.09
25	Metropolitan Group Property & Casualty Ins. Co.	6	6,413,800	0.09
26	GEICO General Ins. Co.	8	9,848,400	0.08
27	State Auto Ins. Co. of Wisconsin	11	13,850,600	0.08
28	Progressive Northern Ins. Co.	52	69,005,600	0.08
29	Farmers Ins. Exchange	29	42,500,300	0.07
30	Allstate Ins. Co.	47	63,550,200	0.07
31	Wisconsin American Mutual Ins. Co.	7	9,647,600	0.07



## 2002 Complaint Summary Life and Annuities Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 6 or more complaints in 2002, and a complaint ratio above the average. The Wisconsin average is .01 complaints/\$100,000 of written premium for all life and annuities business in the state.

Name of Insurance Company	Number of Complaints 2002	Premiums Written 2001	Ratio
1 Combined Ins. Co. of America	8	\$ 2,447,700	0.33
2 Manhattan National Life Ins. Co.	8	2,470,400	0.32
3 Reassure America Life Ins. Co.	8	2,595,300	0.31
4 All American Life Ins. Co.	7	2,980,100	0.23
5 Provident Life & Accident Ins. Co.	6	4,297,900	0.14
6 Conseco Life Ins. Co.	10	7,055,600	0.14
7 Stonebridge Life Ins. Co.	7	4,973,000	0.14
8 Conseco Annuity Assurance Co.	12	10,678,400	0.11
9 Fortis Ins. Co.	7	6,525,600	0.11
10 Bankers Life and Casualty Co.	12	17,953,000	0.07
11 Hartford Life and Accident Ins. Co.	11	17,209,600	0.06
12 Standard Life Ins. Co. of Indiana	6	14,952,900	0.04
13 CUNA Mutual Ins. Society	10	24,233,500	0.04
14 Primerica Life Ins. Co.	6	18,788,700	0.03
15 Prudential Ins. Co. of America, The	39	138,503,700	0.03
16 Western Reserve Life Assurance Co. of Ohio	9	39,514,600	0.02
17 New York Life Ins. Co.	8	40,123,200	0.02
18 AmerUs Life Ins. Co.	8	34,970,900	0.02



## 2002 Complaint Summary Individual Accident and Health Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 6 or more complaints in 2002, and a complaint ratio above the average. The Wisconsin average is .10 complaints/\$100,000 of written premium for all individual accident and health business in the state.

Name of Insurance Company	Number of Complaints 2002	Premiums Written 2001	Ratio
1 Conseco Health Ins. Co.	42	4,886,500	0.86
2 Conseco Senior Health Ins. Co.	25	6,165,800	0.41
3 Penn Treaty Network America Ins. Co.	14	3,776,200	0.37
4 Fortis Ins. Co.	66	19,185,300	0.34
5 Guarantee Trust Life Ins. Co.	22	7,104,200	0.31
6 Pioneer Life Ins. Co.	11	3,600,300	0.31
7 Continental General Ins. Co.	23	8,279,100	0.28
8 World Ins. Co.	22	8,095,300	0.27
9 American Income Life Ins. Co.	6	2,525,600	0.24
10 Unity Health Plans Ins. Corp.	6	3,119,400	0.19
11 Pennsylvania Life Ins. Co.	7	4,169,700	0.17
12 Physicians Plus Ins. Corp.	8	4,708,200	0.17
13 National States Ins. Co.	16	11,099,500	0.14
14 Pekin Life Ins. Co.	6	4,175,100	0.14
15 Wisconsin Physicians Service Ins. Corp.	82	58,211,900	0.14
16 United Teacher Associates Ins. Co.	17	14,250,300	0.12
17 Combined Ins. Co. of America	24	21,300,500	0.11



## 2002 Complaint Summary Group Accident and Health Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 6 or more complaints in 2002, and a complaint ratio above the average. The Wisconsin average is .04 complaints/\$100,000 of written premium for all group accident and health business in the state.

Name of Insurance Company	Number of Complaints 2002	Premiums Written 2001	Ratio
1 Continental Assurance Co.	11	\$ 1,680,100	0.65
2 Central Reserve Life Ins. Co.	22	4,884,700	0.45
3 MEGA Life and Health Ins. Co., The	41	10,081,000	0.41
4 Midwest National Life Ins. Co. of Tennessee	15	4,461,700	0.34
5 Connecticut General Life Ins. Co.	18	5,368,800	0.34
6 Life Ins. Co. of North America	8	3,207,000	0.25
7 National Health Ins. Co.	13	6,684,800	0.19
8 Conseco Medical Ins. Co.	12	7,708,200	0.16
9 Jefferson Pilot Financial Ins. Co.	11	7,345,700	0.15
10 Aetna Life Ins. Co.	20	14,625,200	0.14
11 Golden Rule Ins. Co.	56	42,600,700	0.13
12 Ameritas Life Ins. Corp.	6	5,006,600	0.12
13 Trustmark Ins. Co.	24	21,123,700	0.11
14 Midwest Security Life Ins. Co.	88	97,985,700	0.09
15 United Wisconsin Life Ins. Co.	50	61,696,900	0.08
16 Metropolitan Life Ins. Co.	12	15,786,800	0.08
17 John Alden Life Ins. Co.	11	13,062,600	0.08
18 Fortis Ins. Co.	20	26,951,000	0.07
19 Stonebridge Life Ins. Co.	6	8,389,500	0.07
20 Federated Mutual Ins. Co.	18	25,804,100	0.07
21 Blue Cross & Blue Shield United of Wisconsin	207	301,183,800	0.07
22 Avemco Ins. Co.	17	26,970,900	0.06
23 UnitedHealthcare of Wisconsin, Inc.	284	467,304,200	0.06
24 UniCARE Life & Health Ins. Co.	6	9,963,900	0.06
25 Continental Casualty Co.	10	17,651,100	0.06
26 Fortis Benefits Ins. Co.	12	24,223,000	0.05
27 Wisconsin Physicians Service Ins. Corp.	111	202,852,100	0.05
28 United Wisconsin Ins. Co.	17	36,461,300	0.05

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