

# **2003 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.

**Office of the Commissioner of Insurance  
125 South Webster Street \* P.O. Box 7873  
Madison, Wisconsin 53707-7873  
Telephone: (608) 266-3585 \* Fax: (608) 266-9935  
E-mail: [information@oci.state.wi.us](mailto:information@oci.state.wi.us)  
Web site: [oci.wi.gov](http://oci.wi.gov)**

## Complaint Information

The Office of the Commissioner of Insurance (OCI) defines a complaint as “a written communication received by the Commissioner’s Office that indicates dissatisfaction with an insurance company or agent.” There are four categories of contacts: direct response, referrals, requests for information and further investigation complaints. Only the further investigation complaints are used to calculate the ratios used in this report. Referrals involve complaints that are regulated by another jurisdiction such as the federal government. Requests for information are general questions about insurance that do not refer to a specific company or agent. Direct response complaints involve questions that OCI can answer directly without contacting the insurer such as whether a company is licensed or a rate has been filed. Listed below is a summary of the types of complaints filed in 2003.

Direct response	3
Further investigation	7,024
Referrals	551
Requests for information	382
<b>Total</b>	<b>7,960</b>

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

### Type of Coverage

Auto	1,261
Property and Casualty	1,838
Accident and Health	4,763
Life and Annuities	816

### Complaint Reasons

Underwriting	1,654
Marketing and Sales	1,441
Claim Handling	7,014
Policyholder Service	2,058
Other	156

### Amounts Recovered for Complainants

2003	\$4,906,868
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**Note:** There may be more than one type of insurance and more than one reason involved in each complaint.

## Administrative Actions

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

The following administrative actions were taken in 2003.

### Companies

Total Number of Actions	158
Forfeitures Demanded	\$393,672

### Agents

Licenses Denied	102
Licenses Revoked	34
Licenses Surrendered	1
Licenses Suspended	12
Total Number of Actions	181
Forfeitures Demanded	\$176,472

## Complaint Summaries

The Complaint Summaries are prepared annually by OCI to provide more information to consumers. The lists include companies with 6 or more complaints received in 2003 in relation to the premiums the company wrote in Wisconsin in 2002. 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)**



## 2003 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 2003, and a complaint ratio above the average. The Wisconsin average is .09 complaints/\$100,000 of written premium for all homeowners and tenants business in the state.

Name of Insurance Company	Number of Complaints 2003	Premiums Written 2002	Ratio	Rank 2002*
1. Auto Club Ins. Assoc.	13	\$ 3,553,600	0.37	1
2. Hartford Ins. Co. of The Midwest	11	3,370,300	0.33	NL
3. Metropolitan Property & Casualty Ins. Co.	9	3,215,400	0.28	6
4. Prudential Property & Casualty Ins. Co.	11	4,073,200	0.27	2
5. Mt. Morris Mutual Ins. Co.	13	6,662,400	0.20	9
6. Integrity Mutual Ins. Co.	10	5,527,700	0.18	NL
7. Sentry Ins. A Mutual Co.	18	10,063,200	0.18	NL
8. Milwaukee Ins. Co.	6	3,475,200	0.17	3
9. Safeco Ins. Co. of America	10	6,120,000	0.16	13
10. State Auto Ins. Co. of Wisconsin	7	5,431,400	0.13	4
11. Acuity, A Mutual Ins. Co.	31	24,916,300	0.12	18
12. Standard Fire Ins. Co., The	7	6,212,100	0.11	17
13. Badger Mutual Ins. Co.	10	10,307,900	0.10	14
14. General Casualty Co. of Wisconsin	19	18,873,300	0.10	12

\* NL = Not listed in 2002.



## 2003 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 2003, and a complaint ratio above the average. The Wisconsin average is .05 complaints/\$100,000 of written premium for all automobile business in the state.

Name of Insurance Company	Number of Complaints 2003	Premiums Written 2002	Ratio	Rank 2002*
1. National General Ins. Co.	12	\$ 2,720,700	0.44	NL
2. Hawkeye Security Ins. Co.	14	3,548,400	0.39	NL
3. Minnesota Ins. Co.	12	3,702,200	0.32	7
4. Permanent General Assurance Corp.	6	1,993,300	0.30	4
5. AIU Ins. Co.	11	3,795,500	0.29	1
6. Auto Club Ins. Assoc.	40	18,251,900	0.22	6
7. Royal Ins. Co. of America	7	3,290,900	0.21	NL
8. Mendota Ins. Co.	6	2,984,800	0.20	NL
9. Alpha Property & Casualty Ins. Co.	17	8,967,400	0.19	5
10. Government Employees Ins. Co.	10	6,326,200	0.16	NL
11. Hartford Underwriters Ins. Co.	18	13,163,300	0.14	15
12. Germantown Mutual Ins. Co.	10	8,294,300	0.12	NL
13. Hastings Mutual Ins. Co.	11	12,894,200	0.09	NL
14. Sentry Ins. A Mutual Co.	35	37,754,000	0.09	NL
15. Metropolitan Property & Casualty Ins. Co.	8	10,022,900	0.08	NL
16. Mid-Century Ins. Co.	9	10,860,100	0.08	24
17. Guaranty National Ins. Co.	11	13,090,200	0.08	14
18. Economy Premier Assurance Co.	10	14,047,400	0.07	18
19. Safeco Ins. Co. of Illinois	7	9,389,800	0.07	NL
20. Safeco Ins. Co. of America	7	9,739,800	0.07	20
21. Badger Mutual Ins. Co.	17	26,823,900	0.06	NL
22. Geico General Ins. Co.	6	10,462,400	0.06	26
23. First Auto & Casualty Ins. Co.	11	17,337,300	0.06	NL
24. General Casualty Co. of Wisconsin	27	42,698,700	0.06	19
25. Progressive Northern Ins. Co.	56	93,592,400	0.06	28

\* NL = Not listed in 2002.



## 2003 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 2003, 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 2003	Premiums Written 2002	Ratio	Rank 2002*
1. United Ins. Co. of America	9	\$ 2,684,100	0.34	NL
2. Consecos Ins. Co.**	10	3,818,300	0.26	8
3. Consecos Life Ins. Co.	13	6,259,400	0.21	6
4. Globe Life & Accident Ins. Co.	10	5,027,900	0.20	NL
5. Stonebridge Life Ins. Co.	6	4,739,100	0.13	7
6. Bankers Life & Casualty Co.	30	29,889,500	0.10	10
7. American Income Life Ins. Co.	8	9,238,900	0.09	NL
8. Pennsylvania Life Ins. Co.	7	13,045,400	0.05	NL
9. American General Life Ins. Co.	9	19,008,500	0.05	NL
10. Primerica Life Ins. Co.	8	19,327,900	0.04	14
11. Prudential Ins. Co. of America, The	32	120,073,100	0.03	15
12. Standard Life Ins. Co. of Indiana	6	18,648,000	0.03	12
13. Amerus Life Ins. Co.	7	35,367,200	0.02	18

\* NL = Not listed in 2002.

\*\* Formerly Consecos Annuity Assurance Co.



## 2003 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 2003, and a complaint ratio above the average. The Wisconsin average is .07 complaints/\$100,000 of written premium for all individual accident and health business in the state.

Name of Insurance Company	Number of Complaints 2003	Premiums Written 2002	Ratio	Rank 2002*
1. Fortis Ins. Co.	73	\$19,158,900	0.38	4
2. Central States Health & Life Co. of Omaha	7	1,914,500	0.37	NL
3. Conseco Senior Health Ins. Co.	16	5,917,500	0.27	2
4. Continental Casualty Co.	22	9,299,600	0.24	NL
5. Penn Treaty Network America Ins. Co.	7	3,227,200	0.22	3
6. Pennsylvania Life Ins. Co.	7	3,901,200	0.18	11
7. Conseco Health Ins. Co.	29	18,316,800	0.16	1
8. Constitution Life Ins. Co.	23	18,360,600	0.13	NL
9. World Ins. Co.	7	6,302,900	0.11	8
10. Combined Ins. Co. of America	22	21,518,600	0.10	17
11. United Teacher Associates Ins. Co.	11	11,471,800	0.10	16
12. Wisconsin Physicians Service Ins. Corp.	49	64,899,300	0.08	15

\* NL = Not listed in 2002.



## 2003 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 2003, and a complaint ratio above the average. The Wisconsin average is .03 complaints/\$100,000 of written premium for all group accident and health business in the state.

Name of Insurance Company	Number of Complaints 2003	Premiums Written 2002	Ratio	Rank 2002*
1. Midwest National Life Ins. Co. of Tennessee	33	\$ 7,298,000	0.45	4
2. Combined Ins. Co. of America	6	1,525,400	0.39	NL
3. American National Life Ins. Co. of Texas	8	2,722,500	0.29	NL
4. Unicare Life & Health Ins. Co.	20	8,085,000	0.25	24
5. Mega Life & Health Ins. Co., The	37	18,254,500	0.20	3
6. John Alden Life Ins. Co.	14	9,930,800	0.14	17
7. Connecticut General Life Ins. Co.	17	13,240,900	0.13	5
8. Ameritas Life Ins. Corp.	8	7,988,800	0.10	12
9. Aetna Life Ins. Co.	11	12,687,000	0.09	10
10. Avemco Ins. Co.	9	10,003,500	0.09	22
11. Golden Rule Ins. Co.	49	60,173,700	0.08	11
12. Medica Health Plans of Wisconsin	7	10,390,800	0.07	NL
13. Metropolitan Life Ins. Co.	13	21,400,100	0.06	16
14. Trustmark Ins. Co.	20	35,846,400	0.06	13
15. Midwest Security Life Ins. Co.	61	110,937,500	0.05	14
16. United Wisconsin Life Ins. Co.	28	57,711,800	0.05	15
17. Humana Ins. Co.	62	141,755,700	0.04	NL
18. Continental Casualty Co.	7	17,417,200	0.04	25
19. Wisconsin Physicians Service Ins. Corp.	96	223,721,800	0.04	27
20. Fortis Benefits Ins. Co.	9	24,500,600	0.04	26
21. Compcare Health Services Ins. Corp.	145	385,468,100	0.04	NL
22. Unitedhealthcare of Wisconsin, Inc.	245	688,055,300	0.04	23

\* NL = Not listed in 2002.

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.