

# **2009 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.” 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 2009.

Direct response	8
Further investigation	4,326
Referrals	2,042
Requests for information	<u>2,024</u>
<b>Total</b>	<b>8,400</b>

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

### Type of Coverage

Auto	663
Property and Casualty	1,432
Accident and Health	4,293
Life	466
Annuities	178

### Complaint Reasons

Underwriting	600
Marketing and Sales	686
Claim Handling	4,925
Policyholder Service	733
Other	153

### Amounts Recovered for Complainants

2009	\$4,352,365
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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 2009.

### Companies

Total Number of Actions	56
Forfeitures Demanded	\$189,750

### Agents

Licenses Denied	133
Licenses Revoked	79
Licenses Surrendered	1
Licenses Suspended	0
Total Number of Actions	238
Forfeitures Demanded	\$214,450

## Complaint Summaries

The Complaint Summaries are prepared annually by OCI to provide more information to consumers. The lists include companies with 5 or more complaints received in 2009 in relation to the premiums the company wrote in Wisconsin in 2008. 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)**



## 2009 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, 5 or more complaints in 2009, and a complaint ratio above the average. The Wisconsin average is .04 complaints/\$100,000 of written premium for all homeowners and tenants business in the state.

Ranking	Name of Insurance Company	Number of Complaints 2009	Premiums Written 2008	Ratio	Rank 2008*
1	HOMESITE INSCO	13	\$ 2,727,200	0.48	1
2	FARMERSINSEXCHANGE	12	8,004,100	0.15	2
3	STATE AUTO INSCO OF WISCONSIN	10	9,565,800	0.10	4
4	SENTRY INSA MUTUAL CO	13	13,164,800	0.10	8
5	ALLSTATE INSCO	14	15,107,400	0.09	11
6	PARTNERS MUTUAL INSCO	5	5,402,900	0.09	NL
7	AUTO CLUB INS ASSOC	14	15,462,500	0.09	7
8	BADGER MUTUAL INSCO	10	14,762,000	0.07	10
9	ALLSTATE PROPERTY & CASUALTY INS CO	7	11,391,400	0.06	18
10	WISCONSIN MUTUAL INSCO	10	16,186,200	0.06	12
11	GERMANTOWN MUTUAL INSCO	6	11,334,100	0.05	13
12	FIRE INSEXCHANGE	9	18,578,100	0.05	16
13	ERIE INSEXCHANGE	8	14,521,700	0.05	14

\* NL = Not listed in 2008.



## 2009 Complaint Summary Automobile Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 5 or more complaints in 2009, and a complaint ratio above the average. The Wisconsin average is .02 complaints/\$100,000 of written premium for all automobile business in the state.

Ranking	Name of Insurance Company	Number of Complaints 2009	Premiums Written 2008	Ratio	Rank 2008*
1	FOUNDERS INSCO	6	\$ 2,999,000	0.20	2
2	ICM INSCO	5	3,041,900	0.16	3
3	21ST NATIONAL INSCO	8	11,306,400	0.07	15 **
4	SENTRY INS A MUTUAL CO	13	17,389,400	0.07	NL
5	BRISTOL WEST INSCO	7	11,742,300	0.06	12
6	GEICO INDEMNITY CO	8	12,856,600	0.06	8
7	SAFECO INS CO OF IL	6	11,472,100	0.05	14
8	ALLSTATE INSCO	20	36,952,200	0.05	10
9	USAA CASUALTY INSCO	5	9,801,500	0.05	NL
10	GEICO GENERAL INSCO	12	22,199,000	0.05	21
11	AUTO CLUB INS ASSOC	22	45,467,300	0.05	16
12	MIDDLESEX INSCO	5	11,455,500	0.04	NL
13	GENERAL CASUALTY CO OF WI	14	38,261,700	0.04	19
14	BADGER MUTUAL INSCO	9	23,840,700	0.04	NL
15	INTEGRITY MUTUAL INSCO	8	19,047,000	0.04	NL
16	ERIE INSEXCHANGE	8	25,462,900	0.03	20
17	FARMERS INSEXCHANGE	16	46,285,500	0.03	22
18	LIBERTY MUTUAL FIRE INSCO	8	28,578,500	0.03	NL
19	PROGRESSIVE NORTHERN INSCO	11	37,843,200	0.03	NL
20	PROGRESSIVE UNIVERSAL INSCO	15	59,186,300	0.03	18

\* NL = Not listed in 2008.

\*\* Formerly AIG National Ins. Co. Inc.



## 2009 Complaint Summary Life and Annuities Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 5 or more complaints in 2009, 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.

Ranking	Name of Insurance Company	Number of Complaints 2009	Premiums Written 2008	Ratio	Rank 2008*
1	UNITED INSCO OF AMERICA	16	\$ 2,231,400	0.72	3
2	CONSECO LIFE INS CO	12	3,706,600	0.32	2
3	COLONIAL PENN LIFE INS CO	5	2,239,100	0.22	NL
4	GLOBE LIFE & ACCIDENT INS CO	15	7,179,900	0.21	4
5	TIME INS CO	6	3,339,000	0.18	NL
6	WASHINGTON NATIONAL INSCO	5	3,400,700	0.15	6
7	BANKERS LIFE & CASUALTY CO	37	47,867,600	0.08	7
8	REASSURE AMERICA LIFE INS CO	8	15,925,400	0.05	8
9	NEW YORK LIFE INS CO	10	61,821,500	0.02	22
10	NATIONAL GUARDIAN LIFE INS CO	6	25,857,300	0.02	20
11	PRUDENTIAL INSCO OF AMERICA THE	17	92,961,000	0.02	21
12	AMERICAN GENERAL LIFE INS CO	11	60,635,300	0.02	10
13	UNUM LIFE INS CO OF AMERICA	5	27,415,700	0.02	18
14	NORTH AMERICAN CO FOR LIFE & HEALTH INS	6	35,494,600	0.02	16
15	PRIMERICA LIFE INS CO	6	25,100,300	0.02	14

\* NL = Not listed in 2008.



## 2009 Complaint Summary Individual Accident and Health Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 5 or more complaints in 2009, and a complaint ratio above the average. The Wisconsin average is .03 complaints/\$100,000 of written premium for all individual accident and health business in the state.

Ranking	Name of Insurance Company	Number of Complaints 2009	Premiums Written 2008	Ratio	Rank 2008*
1	AMERICAN COMMUNITY MUTUAL INS CO	8	\$ 2,663,600	0.30	NL
2	SENIOR HEALTH INS CO OF PA	8	3,782,700	0.21	4
3	NATIONAL STATES INS CO	9	5,941,400	0.15	NL
4	WPS HEALTH PLAN INC	5	4,252,300	0.12	NL
5	BANKERS LIFE & CASUALTY CO	39	39,872,300	0.10	3
6	CONSTITUTION LIFE INSCO	9	10,752,300	0.08	8
7	UNUM LIFE INS CO OF AMERICA	5	6,339,200	0.08	NL
8	CONTINENTAL CASUALTY CO	6	8,096,400	0.07	NL
9	BLUE CROSS BLUE SHIELD OF WI	110	157,583,000	0.07	7
10	DEAN HEALTH PLAN INC	23	39,184,000	0.06	NL
11	COMBINED INS CO OF AMER	11	20,640,600	0.05	NL
12	JOHN HANCOCK LIFE INS CO	11	23,713,000	0.05	NL
13	WISCONSIN PHYSICIANS SERVICE INS CORP	55	154,909,500	0.04	NL
14	AMERICAN FAMILY LIFE ASSURANCE CO OF COLUMBUS	23	60,463,600	0.04	NL
15	AMERICAN REPUBLIC INS CO	7	19,214,100	0.04	NL

\* NL = Not listed in 2008.



## 2009 Complaint Summary Group Accident and Health Insurance

This list is comprised of all companies with a premium volume of at least \$1 million, 5 or more complaints in 2009, and a complaint ratio above the average. The Wisconsin average is .02 complaints/\$100,000 of written premium for all group accident and health business in the state.

Ranking	Name of Insurance Company	Number of Complaints 2009	Premiums Written 2008	Ratio	Rank 2008*
1	AMERICAN MEDICAL & LIFE INS CO	15	\$ 2,570,700	0.58	NL
2	MEGA LIFE & HEALTH INS CO THE	31	28,846,800	0.11	2
3	BLUE CROSS BLUE SHIELD OF WI	146	162,592,700	0.09	3
4	LIFE INS CO OF NORTH AMERICA	10	12,996,600	0.08	4
5	TIME INS CO	29	49,747,800	0.06	6
6	GOLDEN RULE INS CO	31	58,900,300	0.05	NL
7	HUMANADENTAL INS CO	6	17,098,200	0.04	NL
8	GUARDIAN LIFE INS CO OF AMER THE	6	17,038,800	0.04	7
9	STONEBRIDGE LIFE INSCO	6	16,430,100	0.04	1
10	HUMANA WISCONSIN HEALTH ORGANIZATION INS CORP	56	204,556,300	0.03	11
11	LINCOLN NATIONAL LIFE INS CO THE	7	24,516,100	0.03	NL

\* NL = Not listed in 2008.

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.