

Reasons Why Closed Confirmed Consumer Complaints Were Reported As of January 31, 2019

Data reflected in this report is voluntarily submitted to the NAIC proprietary Complaints Database System (CDS) by state insurance departments. Not all states provide all of their complaint data to the NAIC. Aggregate report data retrieved is specific only to risk bearing entities within the database and does not include information on specific agents/brokers. Complaints retrieved are those states deemed confirmed. The NAIC does not guarantee the truth, accuracy, quality or completeness of the data and is not responsible for errors, omissions or for results of further use.

Report Description: The Reasons Why Closed Confirmed Consumer Complaints Were Reported report provides the counts and percentages of the reasons consumers complain about their coverage (claim delays, claim denials, cancellation, premium increases, etc.). The Top 10 Reasons section of the report provides a listing of the top 10 reasons with counts and percentages of total counts. The All Reasons section provides the counts for all reasons from the NAIC's Complaint Database System. The data codes identified are based on the NAIC Standard Complaint Data Form.

A **Closed Complaint** is a complaint that has been investigated by the state insurance department, and given a resolution code.

A **Confirmed complaint** is a complaint in which the state department of insurance determines:

- a) The insurer, licensee, producer, or other regulated entity committed any violation of:
 - 1) an applicable state insurance law or regulation;
 - 2) a federal requirement that the state department of insurance has the authority to enforce; or
 - 3) the term/condition of an insurance policy or certificate; or
- b) The complaint and entity's response, considered together, indicate that the entity was in error.

Top 10 Reasons

2019		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Denial of Claim	388	14.34%
Claim Handling - Delays	354	13.08%
Claim Handling - Unsatisfactory Settlement/Offer	305	11.27%
Claim Handling - Prompt Pay	221	8.17%
PolicyHolder Service - Delays/No Response	108	3.99%
Claim Handling - Adjuster Handling	107	3.95%
Underwriting - Cancellation	100	3.70%
PolicyHolder Service - Inadequate Reimbursement	92	3.40%
PolicyHolder Service - Coverage Question	86	3.18%
PolicyHolder Service - State Specific	83	3.07%

2018		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	12,165	17.45%
Claim Handling - Unsatisfactory Settlement/Offer	11,497	16.49%
Claim Handling - Denial of Claim	9,596	13.76%
Claim Handling - Prompt Pay	4,857	6.97%
PolicyHolder Service - Coverage Question	2,371	3.40%
Underwriting - Cancellation	2,224	3.19%
PolicyHolder Service - Inadequate Reimbursement	2,056	2.95%
PolicyHolder Service - Delays/No Response	2,012	2.89%
PolicyHolder Service - Premium Notice/Billing	1,798	2.58%
PolicyHolder Service - Premium Refund	1,747	2.51%

Recipient agrees not to market, sell or distribute this data/report without the prior written consent of the NAIC. For reprint permission please see www.naic.org/jsp/legal_reprints.jsp.

Report reflects data reported from the state insurance departments to the NAIC as of 1/31/2019.



Reasons Why Closed Confirmed Consumer Complaints Were Reported As of January 31, 2019

2017		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	11,947	17.13%
Claim Handling - Denial of Claim	10,244	14.69%
Claim Handling - Unsatisfactory Settlement/Offer	8,358	11.98%
Claim Handling - Prompt Pay	3,267	4.68%
Underwriting - Cancellation	3,074	4.41%
PolicyHolder Service - Coverage Question	3,034	4.35%
PolicyHolder Service - Delays/No Response	2,712	3.89%
PolicyHolder Service - Premium Notice/Billing	2,558	3.67%
PolicyHolder Service - Premium Refund	2,288	3.28%
Claim Handling - Adjuster Handling	2,274	3.26%

2016		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	12,760	15.15%
Claim Handling - Denial of Claim	11,411	13.55%
Underwriting - Surcharge	8,444	10.03%
Claim Handling - Unsatisfactory Settlement/Offer	7,993	9.49%
PolicyHolder Service - Coverage Question	3,978	4.72%
PolicyHolder Service - Premium Notice/Billing	3,628	4.31%
Underwriting - Cancellation	3,604	4.28%
PolicyHolder Service - Delays/No Response	3,161	3.75%
PolicyHolder Service - Premium Refund	2,893	3.43%
Claim Handling - Prompt Pay	2,569	3.05%

Recipient agrees not to market, sell or distribute this data/report without the prior written consent of the NAIC. For reprint permission please see www.naic.org/jsp/legal_reprints.jsp.

Report reflects data reported from the state insurance departments to the NAIC as of 1/31/2019.

Reasons Why Closed Confirmed Consumer Complaints Were Reported As of January 31, 2019

All Reasons

Code	Reason for Reporting Complaint		2019	2018	2017	2016
805	Underwriting	Premium & Rating	49	1,385	1,575	1,869
807	Underwriting	Dependent Age	0	3	5	7
808	Underwriting	Pre-existing Condition	0	19	21	19
809	Underwriting	Waiting Periods	1	7	10	10
810	Underwriting	Refusal to Insure	5	121	164	179
815	Underwriting	Cancellation	100	2,224	3,074	3,604
816	Underwriting	Nonrenewal	41	1,055	948	928
818	Underwriting	Credit Report	1	22	24	25
819	Underwriting	Redlining	0	1	1	1
820	Underwriting	Delays	10	157	227	361
821	Underwriting	Forced Placement	0	25	24	30
822	Underwriting	Audit Dispute	2	72	85	110
825	Underwriting	Unfair Discrimination	2	14	22	15
828	Underwriting	Rescission	0	38	42	44
829	Underwriting	Surcharge	50	590	700	8,444
830	Underwriting	Endorsement/Rider	4	46	62	73
835	Underwriting	Group Conversion	0	54	17	10
836	Underwriting	CLUE Reports	2	81	59	50
837	Underwriting	MIB Reports	0	5	16	3
840	Underwriting	Continuation of Benefits	6	62	94	81
845	Underwriting	State Specific	20	385	399	411
1101	PolicyHolder Service	Inadequate Provider Network	2	29	42	76
1103	PolicyHolder Service	Class Action	0	4	2	8
1104	PolicyHolder Service	1035 Exchange	1	31	25	46
1105	PolicyHolder Service	Premium Notice/Billing	67	1,798	2,558	3,628
1107	PolicyHolder Service	Surrender Problems	12	205	265	333
1110	PolicyHolder Service	Cash Value	17	232	264	252
1113	PolicyHolder Service	Accelerated Benefits	0	7	5	6
1115	PolicyHolder Service	Delays/No Response	108	2,012	2,712	3,161
1118	PolicyHolder Service	Policy Delivery	10	225	222	317
1120	PolicyHolder Service	Premium Refund	60	1,747	2,288	2,893
1121	PolicyHolder Service	Nonforfeiture	0	11	11	6
1122	PolicyHolder Service	Viatical Settlement	0	0	1	1
1123	PolicyHolder Service	Payment Not Credited	10	324	651	1,057
1125	PolicyHolder Service	Coverage Question	86	2,371	3,034	3,978
1126	PolicyHolder Service	Access to Care	8	162	212	296
1129	PolicyHolder Service	Abusive Service	17	235	315	416
1130	PolicyHolder Service	State Specific	83	1,647	1,659	1,775
1131	PolicyHolder Service	Credentialing Delay	1	52	37	92
1132	PolicyHolder Service	Involuntary Termination by Plan	4	98	157	260
1133	PolicyHolder Service	Provider Listing Dispute	5	73	74	97
1134	PolicyHolder Service	Delayed Appeal Consideration	1	24	23	22
1135	PolicyHolder Service	Delayed Authorization Decision	2	45	49	79
1136	PolicyHolder Service	Access to Fee Schedule/Rates	0	10	11	17
1137	PolicyHolder Service	Inadequate Reimbursement Rates	92	2,056	1,477	559
1138	PolicyHolder Service	Unfair Negotiation	2	19	15	25
1139	PolicyHolder Service	Premium Subsidy	0	25	65	151
1140	PolicyHolder Service	Wellness Program	0	3	7	8
1141	PolicyHolder Service	Essential Community Provider	0	0	0	7
1142	PolicyHolder Service	Choice of PCP (Primary Care Provider)	0	6	16	22
1143	PolicyHolder Service	Disabled Individuals' Access	0	4	3	5
1144	PolicyHolder Service	MLR (Medical Loss Ratio) Rebate	0	0	0	0
1145	PolicyHolder Service	Language Access	0	1	2	2
1146	PolicyHolder Service	Notice Requirements	13	137	279	278
1147	PolicyHolder Service	Continuity of Care	1	25	28	44



Reasons Why Closed Confirmed Consumer Complaints Were Reported As of January 31, 2019

All Reasons

Code	Reason for Reporting Complaint	2019	2018	2017	2016
------	--------------------------------	------	------	------	------

Recipient agrees not to market, sell or distribute this data/report without the prior written consent of the NAIC. For reprint permission please see www.naic.org/jsp/legal_reprints.jsp

Report reflects data reported from the state insurance departments to the NAIC as of 1/31/2019.

Reasons Why Closed Confirmed Consumer Complaints Were Reported As of January 31, 2019

All Reasons

Code	Reason for Reporting Complaint		2019	2018	2017	2016
1001	Claim Handling	Adjuster Handling	107	1,741	2,274	2,374
1002	Claim Handling	Prompt Pay	221	4,857	3,267	2,569
1003	Claim Handling	Willing Provider	0	5	9	8
1004	Claim Handling	Provider Availability	0	76	98	123
1005	Claim Handling	Unsatisfactory Settlement/Offer	305	11,497	8,358	7,993
1006	Claim Handling	Preexisting Condition	1	55	73	58
1007	Claim Handling	Medical Necessity	50	857	707	576
1009	Claim Handling	Fraud	3	58	69	58
1010	Claim Handling	PostClaim Underwriting	5	62	42	50
1012	Claim Handling	Subrogation	6	85	89	111
1013	Claim Handling	Comparative Negligence	24	296	293	284
1015	Claim Handling	Denial of Claim	388	9,596	10,244	11,411
1017	Claim Handling	Usual, Customary, Reasonable Charges	9	302	244	304
1018	Claim Handling	Out-of-Network Benefits	46	817	848	982
1019	Claim Handling	Co-pay Issues	24	496	560	705
1020	Claim Handling	Coordination of Benefits	15	280	310	294
1021	Claim Handling	No Preauthorization	14	489	391	488
1022	Claim Handling	PCP Referrals	0	15	33	117
1025	Claim Handling	Delays	354	12,165	11,947	12,760
1028	Claim Handling	Assignment of Benefits	3	94	96	114
1030	Claim Handling	Cost Containment	2	82	86	105
1035	Claim Handling	State Specific	70	1,440	1,494	1,623
1036	Claim Handling	Appeal Non-Compliance	5	96	82	96
1037	Claim Handling	Claim Recoding/Bundling	4	98	60	87
1038	Claim Handling	Recoupment	14	410	524	426
1039	Claim Handling	Annual Limit	0	18	13	28
1040	Claim Handling	Essential Health Benefit	2	20	17	40
1041	Claim Handling	External Review	1	62	58	41
1042	Claim Handling	Internal Appeal	10	152	84	104
1043	Claim Handling	Lifetime Limit	0	4	1	0
1044	Claim Handling	Preventive Care	3	166	205	196
1045	Claim Handling	Pharmacy Benefits	15	283	332	525
1046	Claim Handling	Maternity and Newborn Care	2	52	47	64
1047	Claim Handling	Emergency Services	19	419	341	326
1048	Claim Handling	Mental Health Parity	1	109	31	32
1049	Claim Handling	Maximum Out of Pocket	4	48	70	88
1050	Claim Handling	Ambulatory Patient Services	0	24	49	41
1051	Claim Handling	Hospitalization	4	79	42	38
1052	Claim Handling	Rehabilitative/habilitative Care	1	390	53	40
1053	Claim Handling	Pediatric Care	1	73	23	29
1054	Claim Handling	Laboratory Services	4	98	62	65
Marketing & Sales						
902	Marketing & Sales	Unfair Discrimination	0	2	9	7
903	Marketing & Sales	Suitability	1	78	101	161
904	Marketing & Sales	Financial Privacy	0	7	3	4
905	Marketing & Sales	Misleading Advertising	1	70	68	90
906	Marketing & Sales	Health Privacy	0	10	11	11
908	Marketing & Sales	Replacement	1	42	55	100
911	Marketing & Sales	Unauthorized Entity	0	9	10	10
913	Marketing & Sales	Fiduciary/Theft	1	29	32	46
915	Marketing & Sales	Misrepresentation	21	415	521	766
918	Marketing & Sales	Misappropriation of Premium	2	36	58	53
919	Marketing & Sales	Not Appointed w/Company	0	12	14	20
922	Marketing & Sales	High Pressure Tactics	5	89	78	84
923	Marketing & Sales	Duplication of Coverage	1	60	47	94
924	Marketing & Sales	Rebating	0	4	12	7
926	Marketing & Sales	Misstatement on Application	1	42	49	90
929	Marketing & Sales	Fraud/Forgery	2	73	76	104
930	Marketing & Sales	State Specific	26	641	722	791
931	Marketing & Sales	Excess Compensation Without Agreement	2	7	20	23
933	Marketing & Sales	Failure to Submit Application	0	24	46	66

**Reasons Why Closed Confirmed Consumer Complaints Were Reported
As of January 31, 2019**

All Reasons

Code	Reason for Reporting Complaint		2019	2018	2017	2016
934	Marketing & Sales	Premiums Misquoted	6	45	42	62
935	Marketing & Sales	Other Violation of Insurance Law/Regulation	2	79	50	56
936	Marketing & Sales	Adjuster Working for a Company Not Licensed	0	0	1	1
937	Marketing & Sales	Using an Unlicensed Name	0	1	1	2
938	Marketing & Sales	Summary of Benefits	2	4	11	14

Recipient agrees not to market, sell or distribute this data/report without the prior written consent of the NAIC. For reprint permission please see www.naic.org/jsp/legal_reprints.jsp

Report reflects data reported from the state insurance departments to the NAIC as of 1/31/2019.