

## Reasons Why Closed Confirmed Consumer Complaints Were Reported As of October 31, 2018

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**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

2018		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	12,419	19.54%
Claim Handling - Unsatisfactory Settlement/Offer	9,965	15.68%
Claim Handling - Denial of Claim	8,908	14.02%
Claim Handling - Prompt Pay	4,312	6.78%
PolicyHolder Service - Coverage Question	2,276	3.58%
Underwriting - Cancellation	2,145	3.38%
PolicyHolder Service - Inadequate Reimbursement	1,794	2.82%
PolicyHolder Service - Delays/No Response	1,784	2.81%
PolicyHolder Service - Premium Refund	1,684	2.65%
PolicyHolder Service - Premium Notice/Billing	1,579	2.48%

2017		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	14,066	17.93%
Claim Handling - Denial of Claim	12,104	15.43%
Claim Handling - Unsatisfactory Settlement/Offer	9,098	11.60%
Underwriting - Cancellation	3,631	4.63%
PolicyHolder Service - Coverage Question	3,581	4.57%
Claim Handling - Prompt Pay	3,267	4.16%
PolicyHolder Service - Delays/No Response	3,062	3.90%
PolicyHolder Service - Premium Notice/Billing	3,025	3.86%
PolicyHolder Service - Premium Refund	2,635	3.36%
Claim Handling - Adjuster Handling	2,221	2.83%

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<b>2016</b>		
<b>Reason for Complaint</b>	<b>Count</b>	<b>% of All Reasons</b>
Claim Handling - Delays	14,480	15.64%
Claim Handling - Denial of Claim	13,394	14.46%
Claim Handling - Unsatisfactory Settlement/Offer	8,619	9.31%
Underwriting - Surcharge	8,457	9.13%
PolicyHolder Service - Coverage Question	4,347	4.69%
Underwriting - Cancellation	4,218	4.55%
PolicyHolder Service - Premium Notice/Billing	3,948	4.26%
PolicyHolder Service - Delays/No Response	3,496	3.78%
PolicyHolder Service - Premium Refund	3,325	3.59%
Claim Handling - Prompt Pay	2,575	2.78%

<b>2015</b>		
<b>Reason for Complaint</b>	<b>Count</b>	<b>% of All Reasons</b>
Claim Handling - Delays	14,269	17.65%
Claim Handling - Denial of Claim	12,878	15.93%
Claim Handling - Unsatisfactory Settlement/Offer	8,275	10.24%
Underwriting - Surcharge	5,451	6.74%
Underwriting - Cancellation	4,029	4.98%
PolicyHolder Service - Premium Refund	3,238	4.01%
PolicyHolder Service - Coverage Question	3,209	3.97%
PolicyHolder Service - Premium Notice/Billing	2,854	3.53%
Claim Handling - State Specific	2,775	3.43%
PolicyHolder Service - Delays/No Response	2,556	3.16%

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**All Reasons**

Code	Reason for Reporting Complaint		2018	2017	2016	2015
805	Underwriting	Premium & Rating	1,412	2,001	2,314	2,292
807	Underwriting	Dependent Age	3	5	7	10
808	Underwriting	Pre-existing Condition	14	21	21	21
809	Underwriting	Waiting Periods	3	6	12	19
810	Underwriting	Refusal to Insure	96	174	190	186
815	Underwriting	Cancellation	2,145	3,631	4,218	4,029
816	Underwriting	Nonrenewal	924	1,086	1,065	831
818	Underwriting	Credit Report	19	28	28	25
819	Underwriting	Redlining	1	1	1	1
820	Underwriting	Delays	130	227	368	345
821	Underwriting	Forced Placement	8	21	33	29
822	Underwriting	Audit Dispute	61	88	113	123
825	Underwriting	Unfair Discrimination	2	22	16	17
828	Underwriting	Rescission	47	54	56	32
829	Underwriting	Surcharge	474	709	8,457	5,451
830	Underwriting	Endorsement/Rider	62	98	109	84
835	Underwriting	Group Conversion	49	18	11	10
836	Underwriting	CLUE Reports	81	70	62	82
837	Underwriting	MIB Reports	7	32	12	11
840	Underwriting	Continuation of Benefits	64	122	111	144
845	Underwriting	State Specific	318	416	432	352
<b>PolicyHolder Service</b>						
1101	PolicyHolder Service	Inadequate Provider Network	27	47	79	78
1103	PolicyHolder Service	Class Action	2	2	8	7
1104	PolicyHolder Service	1035 Exchange	24	24	48	23
1105	PolicyHolder Service	Premium Notice/Billing	1,579	3,025	3,948	2,854
1107	PolicyHolder Service	Surrender Problems	162	269	345	306
1110	PolicyHolder Service	Cash Value	212	310	312	253
1113	PolicyHolder Service	Accelerated Benefits	5	5	8	7
1115	PolicyHolder Service	Delays/No Response	1,784	3,062	3,496	2,556
1118	PolicyHolder Service	Policy Delivery	150	243	347	375
1120	PolicyHolder Service	Premium Refund	1,684	2,635	3,325	3,238
1121	PolicyHolder Service	Nonforfeiture	13	17	12	15
1122	PolicyHolder Service	Viatical Settlement	0	1	1	0
1123	PolicyHolder Service	Payment Not Credited	312	727	1,118	750
1125	PolicyHolder Service	Coverage Question	2,276	3,581	4,347	3,209
1126	PolicyHolder Service	Access to Care	139	230	309	357
1129	PolicyHolder Service	Abusive Service	208	319	421	296
1130	PolicyHolder Service	State Specific	1,401	1,682	1,792	1,514
1131	PolicyHolder Service	Credentialing Delay	44	37	93	41
1132	PolicyHolder Service	Involuntary Termination by Plan	83	159	265	225
1133	PolicyHolder Service	Provider Listing Dispute	82	100	123	94
1134	PolicyHolder Service	Delayed Appeal Consideration	21	24	23	24
1135	PolicyHolder Service	Delayed Authorization Decision	40	51	82	62
1136	PolicyHolder Service	Access to Fee Schedule/Rates	8	11	17	20
1137	PolicyHolder Service	Inadequate Reimbursement Rates	1,794	1,476	559	149
1138	PolicyHolder Service	Unfair Negotiation	12	15	25	14
1139	PolicyHolder Service	Premium Subsidy	28	81	171	145
1140	PolicyHolder Service	Wellness Program	3	7	8	1
1141	PolicyHolder Service	Essential Community Provider	0	0	7	0
1142	PolicyHolder Service	Choice of PCP (Primary Care Provider)	8	19	26	28
1143	PolicyHolder Service	Disabled Individuals' Access	3	3	5	2
1144	PolicyHolder Service	MLR (Medical Loss Ratio) Rebate	0	0	0	0
1145	PolicyHolder Service	Language Access	1	2	2	1
1146	PolicyHolder Service	Notice Requirements	117	280	278	99
1147	PolicyHolder Service	Continuity of Care	22	30	48	50



## Reasons Why Closed Confirmed Consumer Complaints Were Reported As of October 31, 2018

### All Reasons

Code	Reason for Reporting Complaint	2018	2017	2016	2015
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**All Reasons**

Code	Reason for Reporting Complaint		2018	2017	2016	2015
1001	Claim Handling	Adjuster Handling	1,251	2,221	2,386	2,036
1002	Claim Handling	Prompt Pay	4,312	3,267	2,575	1,266
1003	Claim Handling	Willing Provider	3	9	8	5
1004	Claim Handling	Provider Availability	87	131	154	135
1005	Claim Handling	Unsatisfactory Settlement/Offer	9,965	9,098	8,619	8,275
1006	Claim Handling	Preexisting Condition	51	76	60	106
1007	Claim Handling	Medical Necessity	704	718	593	620
1009	Claim Handling	Fraud	42	79	64	50
1010	Claim Handling	PostClaim Underwriting	58	48	81	53
1012	Claim Handling	Subrogation	89	103	133	105
1013	Claim Handling	Comparative Negligence	282	352	351	346
1015	Claim Handling	Denial of Claim	8,908	12,104	13,394	12,878
1017	Claim Handling	Usual, Customary, Reasonable Charges	267	284	325	102
1018	Claim Handling	Out-of-Network Benefits	670	887	1,015	866
1019	Claim Handling	Co-pay Issues	546	752	862	831
1020	Claim Handling	Coordination of Benefits	197	323	308	288
1021	Claim Handling	No Preauthorization	317	393	512	301
1022	Claim Handling	PCP Referrals	12	33	117	68
1025	Claim Handling	Delays	12,419	14,066	14,480	14,269
1028	Claim Handling	Assignment of Benefits	74	101	124	149
1030	Claim Handling	Cost Containment	77	88	138	156
1035	Claim Handling	State Specific	1,320	1,643	1,810	2,775
1036	Claim Handling	Appeal Non-Compliance	79	84	99	72
1037	Claim Handling	Claim Recoding/Bundling	79	60	87	51
1038	Claim Handling	Recoupment	361	541	446	238
1039	Claim Handling	Annual Limit	16	13	28	28
1040	Claim Handling	Essential Health Benefit	14	17	40	25
1041	Claim Handling	External Review	56	59	41	26
1042	Claim Handling	Internal Appeal	128	84	106	43
1043	Claim Handling	Lifetime Limit	4	1	0	3
1044	Claim Handling	Preventive Care	133	208	198	125
1045	Claim Handling	Pharmacy Benefits	273	412	578	423
1046	Claim Handling	Maternity and Newborn Care	48	50	66	56
1047	Claim Handling	Emergency Services	345	357	336	221
1048	Claim Handling	Mental Health Parity	86	32	33	31
1049	Claim Handling	Maximum Out of Pocket	41	71	88	103
1050	Claim Handling	Ambulatory Patient Services	24	51	44	17
1051	Claim Handling	Hospitalization	64	43	42	54
1052	Claim Handling	Rehabilitative/habilitative Care	302	54	40	41
1053	Claim Handling	Pediatric Care	59	24	31	34
1054	Claim Handling	Laboratory Services	76	63	65	56
<b>Marketing &amp; Sales</b>						
902	Marketing & Sales	Unfair Discrimination	1	11	7	9
903	Marketing & Sales	Suitability	78	111	184	156
904	Marketing & Sales	Financial Privacy	6	3	4	15
905	Marketing & Sales	Misleading Advertising	62	73	93	93
906	Marketing & Sales	Health Privacy	12	14	17	13
908	Marketing & Sales	Replacement	45	64	112	88
911	Marketing & Sales	Unauthorized Entity	8	10	11	19
913	Marketing & Sales	Fiduciary/Theft	25	31	46	40
915	Marketing & Sales	Misrepresentation	357	526	777	657
918	Marketing & Sales	Misappropriation of Premium	32	61	55	72
919	Marketing & Sales	Not Appointed w/Company	12	14	20	10
922	Marketing & Sales	High Pressure Tactics	76	81	89	109
923	Marketing & Sales	Duplication of Coverage	65	62	114	76
924	Marketing & Sales	Rebating	4	12	7	10
926	Marketing & Sales	Misstatement on Application	40	55	108	45
929	Marketing & Sales	Fraud/Forgery	64	81	108	88
930	Marketing & Sales	State Specific	534	734	800	815
931	Marketing & Sales	Excess Compensation Without Agreement	15	29	44	56
933	Marketing & Sales	Failure to Submit Application	18	46	67	36

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934	Marketing & Sales	Premiums Misquoted	46	50	83	104
935	Marketing & Sales	Other Violation of Insurance Law/Regulation	47	55	76	57
936	Marketing & Sales	Adjuster Working for a Company Not Licensed	0	1	1	1
937	Marketing & Sales	Using an Unlicensed Name	0	1	2	1
938	Marketing & Sales	Summary of Benefits	4	15	16	40

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