

Reasons Why Closed Confirmed Consumer Complaints Were Reported As of May 30, 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 - Unsatisfactory Settlement/Offer	4,314	17.39%
Claim Handling - Delays	4,074	16.42%
Claim Handling - Denial of Claim	3,487	14.05%
Claim Handling - Prompt Pay	1,179	4.75%
Underwriting - Cancellation	829	3.34%
PolicyHolder Service - Delays/No Response	732	2.95%
PolicyHolder Service - Coverage Question	709	2.86%
Claim Handling - Adjuster Handling	700	2.82%
PolicyHolder Service - Inadequate Reimbursement	663	2.67%
PolicyHolder Service - Premium Refund	642	2.59%

2018		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	12,411	17.77%
Claim Handling - Unsatisfactory Settlement/Offer	11,498	16.46%
Claim Handling - Denial of Claim	9,566	13.70%
Claim Handling - Prompt Pay	4,811	6.89%
PolicyHolder Service - Coverage Question	2,354	3.37%
Underwriting - Cancellation	2,219	3.18%
PolicyHolder Service - Inadequate Reimbursement	2,052	2.94%
PolicyHolder Service - Delays/No Response	2,010	2.88%
PolicyHolder Service - Premium Notice/Billing	1,789	2.56%
PolicyHolder Service - Premium Refund	1,747	2.50%

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2017		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	11,916	17.14%
Claim Handling - Denial of Claim	10,216	14.69%
Claim Handling - Unsatisfactory Settlement/Offer	8,355	12.02%
Claim Handling - Prompt Pay	3,243	4.66%
Underwriting - Cancellation	3,070	4.42%
PolicyHolder Service - Coverage Question	2,961	4.26%
PolicyHolder Service - Delays/No Response	2,699	3.88%
PolicyHolder Service - Premium Notice/Billing	2,557	3.68%
PolicyHolder Service - Premium Refund	2,289	3.29%
Claim Handling - Adjuster Handling	2,272	3.27%

2016		
Reason for Complaint	Count	% of All Reasons
Claim Handling - Delays	12,754	15.16%
Claim Handling - Denial of Claim	11,399	13.55%
Underwriting - Surcharge	8,443	10.03%
Claim Handling - Unsatisfactory Settlement/Offer	7,992	9.50%
PolicyHolder Service - Coverage Question	3,948	4.69%
PolicyHolder Service - Premium Notice/Billing	3,624	4.31%
Underwriting - Cancellation	3,598	4.28%
PolicyHolder Service - Delays/No Response	3,161	3.76%
PolicyHolder Service - Premium Refund	2,888	3.43%
Claim Handling - Prompt Pay	2,570	3.05%

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Reasons Why Closed Confirmed Consumer Complaints Were Reported As of May 30, 2019

All Reasons

Code	Reason for Reporting Complaint		2019	2018	2017	2016
805	Underwriting	Premium & Rating	484	1,372	1,571	1,863
807	Underwriting	Dependent Age	3	3	5	7
808	Underwriting	Pre-existing Condition	1	19	21	19
809	Underwriting	Waiting Periods	3	7	10	10
810	Underwriting	Refusal to Insure	47	119	164	180
815	Underwriting	Cancellation	829	2,219	3,070	3,598
816	Underwriting	Nonrenewal	450	1,057	946	927
818	Underwriting	Credit Report	5	22	24	25
819	Underwriting	Redlining	0	1	1	1
820	Underwriting	Delays	72	186	227	361
821	Underwriting	Forced Placement	3	26	24	30
822	Underwriting	Audit Dispute	30	72	85	111
825	Underwriting	Unfair Discrimination	5	14	22	15
828	Underwriting	Rescission	16	38	42	44
829	Underwriting	Surcharge	288	592	700	8,443
830	Underwriting	Endorsement/Rider	16	45	62	73
835	Underwriting	Group Conversion	4	54	17	10
836	Underwriting	CLUE Reports	35	80	58	50
837	Underwriting	MIB Reports	0	5	16	3
840	Underwriting	Continuation of Benefits	33	62	94	81
845	Underwriting	State Specific	168	390	398	411
1101	PolicyHolder Service	Inadequate Provider Network	14	29	42	78
1103	PolicyHolder Service	Class Action	1	4	2	8
1104	PolicyHolder Service	1035 Exchange	11	31	24	46
1105	PolicyHolder Service	Premium Notice/Billing	601	1,789	2,557	3,624
1107	PolicyHolder Service	Surrender Problems	84	205	265	333
1110	PolicyHolder Service	Cash Value	90	233	265	251
1113	PolicyHolder Service	Accelerated Benefits	0	7	5	6
1115	PolicyHolder Service	Delays/No Response	732	2,010	2,699	3,161
1118	PolicyHolder Service	Policy Delivery	52	223	218	316
1120	PolicyHolder Service	Premium Refund	642	1,747	2,289	2,888
1121	PolicyHolder Service	Nonforfeiture	2	11	11	6
1122	PolicyHolder Service	Viatical Settlement	0	0	1	1
1123	PolicyHolder Service	Payment Not Credited	92	324	649	1,052
1125	PolicyHolder Service	Coverage Question	709	2,354	2,961	3,948
1126	PolicyHolder Service	Access to Care	93	161	207	295
1129	PolicyHolder Service	Abusive Service	68	237	312	416
1130	PolicyHolder Service	State Specific	560	1,647	1,658	1,773
1131	PolicyHolder Service	Credentialing Delay	14	52	37	93
1132	PolicyHolder Service	Involuntary Termination by Plan	28	97	158	260
1133	PolicyHolder Service	Provider Listing Dispute	32	72	74	97
1134	PolicyHolder Service	Delayed Appeal Consideration	4	24	22	22
1135	PolicyHolder Service	Delayed Authorization Decision	20	45	49	79
1136	PolicyHolder Service	Access to Fee Schedule/Rates	1	9	11	17
1137	PolicyHolder Service	Inadequate Reimbursement Rates	663	2,052	1,475	560
1138	PolicyHolder Service	Unfair Negotiation	11	19	15	25
1139	PolicyHolder Service	Premium Subsidy	6	24	65	151
1140	PolicyHolder Service	Wellness Program	2	3	7	8
1141	PolicyHolder Service	Essential Community Provider	0	0	0	7
1142	PolicyHolder Service	Choice of PCP (Primary Care Provider)	1	6	16	22
1143	PolicyHolder Service	Disabled Individuals' Access	0	4	3	5
1144	PolicyHolder Service	MLR (Medical Loss Ratio) Rebate	1	0	0	0
1145	PolicyHolder Service	Language Access	0	1	2	2
1146	PolicyHolder Service	Notice Requirements	60	134	279	278
1147	PolicyHolder Service	Continuity of Care	7	25	28	44



Reasons Why Closed Confirmed Consumer Complaints Were Reported As of May 30, 2019

All Reasons

Code	Reason for Reporting Complaint	2019	2018	2017	2016
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Reasons Why Closed Confirmed Consumer Complaints Were Reported As of May 30, 2019

All Reasons

Code	Reason for Reporting Complaint		2019	2018	2017	2016
1001	Claim Handling	Adjuster Handling	700	1,739	2,272	2,375
1002	Claim Handling	Prompt Pay	1,179	4,811	3,243	2,570
1003	Claim Handling	Willing Provider	1	5	9	8
1004	Claim Handling	Provider Availability	37	73	96	123
1005	Claim Handling	Unsatisfactory Settlement/Offer	4,314	11,498	8,355	7,992
1006	Claim Handling	Preexisting Condition	22	56	73	58
1007	Claim Handling	Medical Necessity	361	851	707	574
1009	Claim Handling	Fraud	19	58	69	58
1010	Claim Handling	PostClaim Underwriting	19	62	42	50
1012	Claim Handling	Subrogation	25	85	89	111
1013	Claim Handling	Comparative Negligence	134	296	293	284
1015	Claim Handling	Denial of Claim	3,487	9,566	10,216	11,399
1017	Claim Handling	Usual, Customary, Reasonable Charges	222	301	243	304
1018	Claim Handling	Out-of-Network Benefits	372	808	842	976
1019	Claim Handling	Co-pay Issues	211	494	558	702
1020	Claim Handling	Coordination of Benefits	108	279	308	295
1021	Claim Handling	No Preauthorization	137	493	388	486
1022	Claim Handling	PCP Referrals	8	15	33	117
1025	Claim Handling	Delays	4,074	12,411	11,916	12,754
1028	Claim Handling	Assignment of Benefits	23	92	97	113
1030	Claim Handling	Cost Containment	20	82	86	104
1035	Claim Handling	State Specific	567	1,437	1,492	1,618
1036	Claim Handling	Appeal Non-Compliance	31	94	82	96
1037	Claim Handling	Claim Recoding/Bundling	23	98	60	86
1038	Claim Handling	Recoupment	144	407	525	426
1039	Claim Handling	Annual Limit	3	18	13	28
1040	Claim Handling	Essential Health Benefit	7	19	17	41
1041	Claim Handling	External Review	17	63	58	40
1042	Claim Handling	Internal Appeal	58	151	84	103
1043	Claim Handling	Lifetime Limit	0	4	1	0
1044	Claim Handling	Preventive Care	59	163	205	200
1045	Claim Handling	Pharmacy Benefits	102	283	331	521
1046	Claim Handling	Maternity and Newborn Care	15	52	47	66
1047	Claim Handling	Emergency Services	169	409	341	326
1048	Claim Handling	Mental Health Parity	15	111	31	32
1049	Claim Handling	Maximum Out of Pocket	18	48	70	88
1050	Claim Handling	Ambulatory Patient Services	11	25	49	41
1051	Claim Handling	Hospitalization	26	77	42	40
1052	Claim Handling	Rehabilitative/habilitative Care	245	389	53	40
1053	Claim Handling	Pediatric Care	22	73	23	31
1054	Claim Handling	Laboratory Services	41	99	62	65
902	Marketing & Sales	Unfair Discrimination	2	2	9	7
903	Marketing & Sales	Suitability	23	77	101	161
904	Marketing & Sales	Financial Privacy	0	7	3	4
905	Marketing & Sales	Misleading Advertising	22	71	68	90
906	Marketing & Sales	Health Privacy	5	10	11	11
908	Marketing & Sales	Replacement	14	42	55	100
911	Marketing & Sales	Unauthorized Entity	4	9	10	10
913	Marketing & Sales	Fiduciary/Theft	7	29	32	46
915	Marketing & Sales	Misrepresentation	173	414	522	764
918	Marketing & Sales	Misappropriation of Premium	8	36	59	53
919	Marketing & Sales	Not Appointed w/Company	4	12	14	20
922	Marketing & Sales	High Pressure Tactics	29	88	78	84
923	Marketing & Sales	Duplication of Coverage	21	60	47	94
924	Marketing & Sales	Rebating	4	4	12	7
926	Marketing & Sales	Misstatement on Application	10	42	49	90
929	Marketing & Sales	Fraud/Forgery	34	73	76	104
930	Marketing & Sales	State Specific	232	644	724	792
931	Marketing & Sales	Excess Compensation Without Agreement	3	7	20	23
933	Marketing & Sales	Failure to Submit Application	7	24	46	66

**Reasons Why Closed Confirmed Consumer Complaints Were Reported
As of May 30, 2019**

All Reasons

Code	Reason for Reporting Complaint		2019	2018	2017	2016
934	Marketing & Sales	Premiums Misquoted	21	45	42	63
935	Marketing & Sales	Other Violation of Insurance Law/Regulation	46	79	50	56
936	Marketing & Sales	Adjuster Working for a Company Not Licensed	0	0	1	1
937	Marketing & Sales	Using an Unlicensed Name	1	1	1	2
938	Marketing & Sales	Summary of Benefits	3	4	11	14

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