

NAIC CITES TOP INSURANCE COMPLAINTS FOR 2008

WASHINGTON, D.C. (March 6, 2009) - According to data released today by the National Association of Insurance Commissioners (NAIC), the top three reasons consumers filed formal complaints against their insurance companies in 2008 were delays, denials of claims and unsatisfactory settlement offers. Premium/insurance rating and policy cancellation issues completed the top five.

The NAIC collected the data through its centralized electronic Complaint Database System (CDS), through which states voluntarily report "closed" complaints. A closed complaint is a complaint that has been investigated and resolved to the satisfaction of the state or jurisdiction in which it is filed. First established in 1990, the CDS was significantly expanded in 1998 and now houses data on more than 2 million complaints.

A total of 195,669 confirmed consumer complaints on insurance companies were reported to the CDS in the 2008 calendar year. This information is based on the submission of data to the NAIC from the state insurance departments. The CDS is continually updated, as new information is received from the states on an ongoing basis. The NAIC does not collect all complaint data from all states.

Aggregate data compiled from the CDS can be accessed on the NAIC's Web site through the [Consumer Information Source](#). By accessing this program, consumers can obtain company-specific complaint ratios (the ratio of the company's market share of complaints compared to the company's market share of premiums for a specific policy type), as well as aggregate counts of complaints by state and by type of coverage for specific companies.

Below are charts detailing the top five types of complaints and the top five complained about types of insurance coverage for 2008. The charts include the total number of complaints (for complaint type and line of coverage), followed by the percentage of overall complaints each type represents. (For example, "denial of claim" comprised 18.4 percent of all complaints received by the NAIC in 2008.)

Top Five Reasons for Complaints in 2008

	Total No.	Percentage
Delays	26,844	19.1%
Denial of Claim	25,851	18.4%
Unsatisfactory Settlement/Offer	20,021	14.2%
Premium and Rating	6,644	4.7%
Cancellation	5,618	4.0%

Top Five Complaints by Type of Coverage in 2008

	Total No.	Percentage
Accident and Health	72,351	36.9%
Auto	71,967	36.7%
Homeowners	23,212	11.8%
Life and Annuity	18,594	9.5%
Commercial Multi-Peril	3,741	1.9%

Complaint Trend Reports (2006 - 2009)

In addition, the NAIC posts monthly trend reports on the CIS home page that provide historical data about complaints by reason and type of insurance, as well as by how the complaints were resolved. The reports include:

- **[Most Common Complaints by Reason for Complaint](#)**
This report provides a three-year trend regarding the reasons consumers file complaints.
- **[Most Common Complaints by Type of Insurance](#)**
This report provides a three-year trend regarding which types of coverage receive a higher or lower number of complaints.
- **[Most Common Complaints by Disposition](#)**
This report provides a three-year trend regarding how complaints are ultimately resolved.

For more information, visit <https://eapps.naic.org/cis>.

Source: http://www.naic.org/Releases/2009_docs/complaints_2008.htm