



K a n s a s I n s u r a n c e D e p a r t m e n t

Sandy Praeger COMMISSIONER OF INSURANCE

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2003 GUIDE REVIEWS INSURANCE COMPLAINTS *Commissioner Praeger Issues Complaint Ratio Report*

Kansas Insurance Commissioner Sandy Praeger today released the 2003 Consumer Complaint Ratio Report that monitors insurance companies doing business in Kansas. During 2003, the Kansas Insurance Department closed 5,219 complaints involving insurance companies.

“Each year, the Insurance Department receives thousands of complaints and questions about insurance companies,” Commissioner Praeger said. “Complaints and inquiries from the public are an indication of the kind of service companies are providing to their customers and they help us identify insurance companies or agents that may need to be investigated for violation of Kansas insurance laws or rules.”

The Kansas Insurance Department also uses the information to focus public education efforts on issues that most affect Kansas insurance consumers.

Seven major types of insurance are shown in this report: Accident and Health, Annuity, Auto, Health Maintenance Organizations (HMO), Homeowner, Life and Long Term Care. These are chosen for this report because they affect the most consumers.

The report lists any company that had a minimum of 10 “closed” complaints against them and wrote at least 1% of the total written premium for that type of insurance during the calendar year, unless noted otherwise. The only exception to this is the ratios for HMOs. Since there are so few companies writing premium for HMO’s, all HMOs are represented in the report. A complaint is “closed” when the complaint process is concluded.

The following listing shows that Auto complaints were the highest, followed closely by accident and health.

- Auto 38%
- Health 29%
- Homeowners 18%
- Life 7%
- HMO 5%
- Long Term Care 2%
- Annuity 2%

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Sixty-four percent (64%) of the total complaints dealt with problems relating to claims handling. Other problem areas were underwriting (17%), policyholder services (15%) and marketing and sales (4%). Claims handling problems were identified as unsatisfactory claim settlement/offer (43%); denial of the claim (26%); and claim delays (24%).

A copy of the Complaint Ratio Report can be downloaded by visiting the Insurance Department website at www.ksinsurance.org or by calling 1-800-432-2484.

Consumers are encouraged to contact the Insurance Department toll free at 1-800-432-2484 or e-mail commissioner@ksinsurance.org if they need assistance resolving a problem with an insurance company.

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