

— **Consumer Services Section** —

The overall goal for this section is timely and accurate complaint resolution for Alaska insurance consumers. Complaints and inquiries are initially filed online, received in person, by telephone, e-mail, or written letters. Consumer Service Specialists investigate complaints, gather and evaluate data, research insurance laws, and take appropriate action to bring the complaint to a proper resolution.

Specialists report violations of the Alaska Insurance Code and negative industry trends to the director. Administrative actions such as license suspensions, revocations, market examinations, and financial examinations may be undertaken as a result of a complaint investigation.

During the past year, Consumer Service Specialists resolved complaints that netted consumers additional benefit payments in excess of \$520,072.81 for Calendar Year 2006.

Total Complaints		
Year	Opened	Closed
2002	501	501
2003	460	459
2004	459	459
2005	397	397
2006	339	333

Table I - Comparison of complaint activity over the past five years.

Complaints by Line of Coverage Closed Files 01/01/2006 – 12/31/2006
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AUTO	
Private Passenger Auto	97
Commercial Auto	3
Motorhome/Recreational Vehicle	3
HOMEOWNERS	
Homeowners	18
Farmowner/Ranchowner	1
Renters/Tenants	2
LIFE & ANNUITY	
Individual Life	10
Individual Annuities	1
Credit Life	1
ACCIDENT & HEALTH	
Individual	24
Group	123
Credit	1
Other Accident & Health	4
LIABILITY	
General	9
Professional/E & O	1
MISCELLANEOUS	
Workers' Compensation	38
Bail Bonds	1
Other Miscellaneous	1
OTHER — NO STATE JURISDICTION	
ERISA Plans	52
COBRA Plans	3
All Other	18

Table II - Complaints by Line of Coverage

Reason for Complaints
Closed Files 01/01/2006 – 12/31/2006

UNDERWRITING		POLICY HOLDER SERVICES	
Premium Rating	16	Inadequate Provider Network	3
Refusal to Insure	3	Class Action	1
Cancellation	10	Premium Notice/Billing	4
Non-Renewal	1	Cash Value	2
Forced Placement	1	Delays/No Response	7
Audit Dispute	1	Information Requested	5
Rate Classification	2	Payment Not Credited	2
Surcharge	1	Coverage Question	15
COBRA	1	Abusive Service	1
CLUE Report	1	Other	17
Medicare Supplement: Refusal to Insure During Open Enrollment	1		
	TOTAL		68
	41		
 CLAIM HANDLING		 MARKETING/SALES	
Adverse Benefit Determination	24	Unfair Discrimination	1
Adjuster Handling	19	Suitability	1
Prompt Pay	2	Misleading Advertisement	1
Provider Availability	1	Agent Handling	4
Unsatisfactory Settlement/Offer	25	Not Licensed	1
Preexisting Condition	2	Misappropriation or Premium	1
Medical Necessity Provision	5		
Post Claim Underwriting	1	TOTAL	9
Subrogation	3		
Comparative Negligence	3		
Denial of Claim	35		
Usual, Customary, and Reasonable (UCR) Charges	24		
Out-of-Network Benefits	3		
Co-Pay Issues	2		
Coordination of Benefits	1		
Delays	63		
Assignment of Benefits	1		
Value Dispute	5		
Adjuster Not Responding	4		
Timeliness	2		
Other	17		
	TOTAL		
	243		

Table III - Reflects the reason the complaint was filed