

— **Consumer Services Section** —

The overall goal for this section is timely and accurate complaint resolution for Alaska insurance consumers. Complaints and inquiries are initially 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 \$634,227.84 for Calendar Year 2007.

Total Complaints		
Year	Opened	Closed
2003	460	459
2004	459	459
2005	397	397
2006	339	333
2007	331	331

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

Complaints by Line of Coverage Closed Files 01/01/2007 – 12/31/2007
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AUTO	
Private Passenger Auto	96
Commercial Auto	2
Rental Vehicle	3
FIRE, ALLIED LINES & CMP	
Fire, Allied Lines	1
Commercial MP (Multi-Peril coverage)	4
Dwelling Fire	1
HOMEOWNERS	
Homeowners	25
Mobile Homeowner	1
Condo/Townhouse	1
Renter/Tenants	2
LIFE & ANNUITY	
Individual Life	11
Group Life	2
Individual Annuities	1
Group Annuities	1
Other	1
ACCIDENT & HEALTH	
Individual	25
Group	109
Credit Accident Health	2
LIABILITY	
General	6
Professional/E & O	1
MISCELLANEOUS	
Workers' Compensation	25
Ocean Marine	1
Title	3
Watercraft	1
Extended Warranty Service Contracts	4
Other Miscellaneous	2
OTHER — NO STATE JURISDICTION	
ERISA Plans	64

Table II - Complaints by Line of Coverage

Reason for Complaints
Closed Files 01/01/2007 – 12/31/2007

UNDERWRITING

Premium Rating	12
Refusal to Insure	3
Cancellation	10
Non-Renewal	3
Delays	2
Audit Dispute	1
Unfair Discrimination	1
Rate Classification	2
Continuation of Benefits	1
Other	1

TOTAL 36

POLICY HOLDER SERVICES

Inadequate Provider Network	2
Premium Notice/Billing	10
Surrender Problem	1
Cash Value	1
Delays/No Response	3
Information Requested	7
Premium Refund	4
Payment not Credited	1
Coverage Question	11
Access to Care	1
Abusive Service	2
Other	1

TOTAL 44

CLAIM HANDLING

Adverse Benefit Determination	38
Adjuster Handling	23
Prompt Pay	2
Provider Availability	1
Unsatisfactory Settlement/Offer	23
Medical Necessity Provision	1
Fraud	3
Subrogation	3
Comparative Negligence	8
Denial of Claim	54
Usual, Customary, and Reasonable (UCR) Charges	20
Out-of-Network Benefits	3
Co-Pay Issues	1
Coordination of Benefits	5
No Preauthorization	1
Utilization Review	1
Delay	59
Experimental	1
Assignment of Benefits'	2
Cost Containment	2
Adjuster not Responding	2
Consumer Education Needed	1
Timeliness	1
Other	8

TOTAL 263

MARKETING/SALES

Agent Handling	8
Unauthorized Entity	1
Misrepresentation	5
Not Licensed	1
Fraud/Forgery	1

TOTAL 16

Table III - Reflects the reason the complaint was filed