



COLORADO

**Department of
Regulatory Agencies**

Division of Insurance

Annual Report
on
Complaints Against Insurers

Fiscal Year 2020-2021

October 1, 2021



Complaints Against Insurers for the Fiscal Year 2020-2021

Colorado law at § 10-16-128, C.R.S., requires the Commissioner of Insurance to present an annual report on the number, nature, and outcome of complaints against insurers during the preceding twelve months to the House of Representatives Business Affairs and Labor Committee and the Senate Business, Labor and Technology Committee of the General Assembly. The following information complies with this requirement.

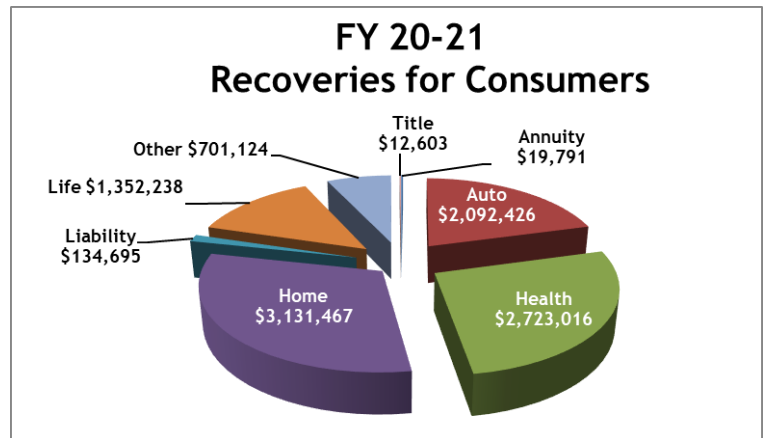
Outcomes: Recoveries for Consumers

The Division of Insurance Consumer Services sections investigate individual consumer complaints against insurers. These investigations may result in financial recovery for the consumer. Recoveries come in the form of additional claim payments, overturned denials of policy benefits or other refunds due to the consumer.

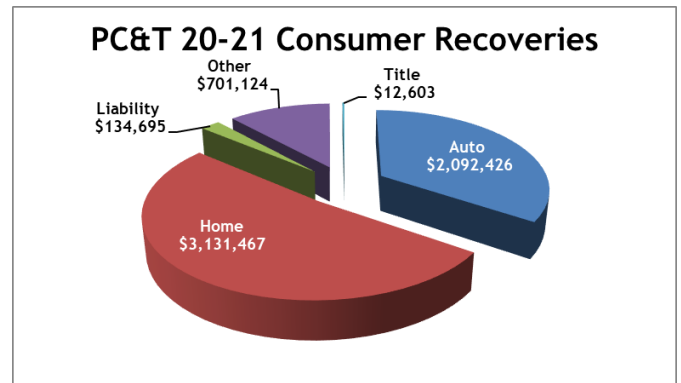
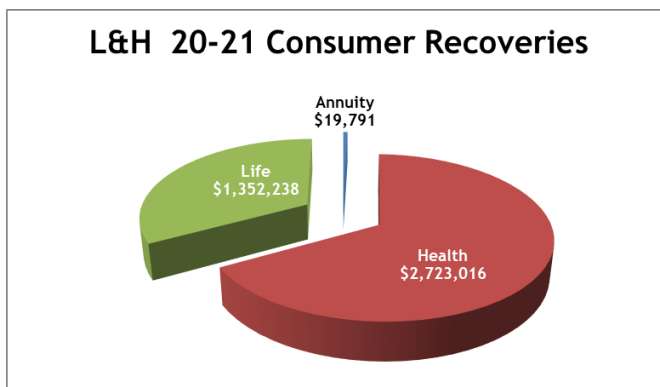
In FY 20-21 the Division recovered a total of \$10,167,360 for Colorado consumers, an increase of 25% when compared to FY 19-20 recoveries of \$8,156,004.

Property, Casualty and Title (PC&T) recovered a total of \$6,072,315.

Life and Health (L&H) recovered a total of \$4,095,045.



The charts below provide the amount of recoveries by section and insurance type:



Although the Division cannot calculate a dollar value for Division intervention that results in the reinstatement of coverage after cancellation, or reversal of policy non-renewals, the Division's assistance in these types of insurance issues provides an invaluable service to Colorado consumers.

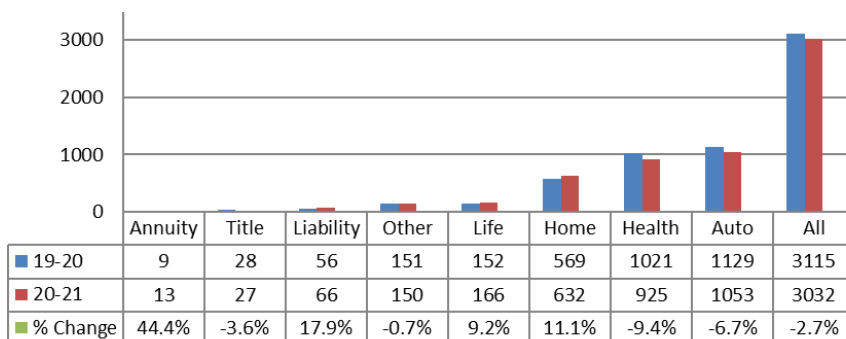
Number of complaints against insurers closed in FY 20-21

The total number of complaints **closed** by the Division's Consumer Services Section decreased by 2.7% in FY 20-21 when compared to FY 19-20, from 3,115 to 3,032.

L&H closed 6.6% fewer complaints this fiscal year, from 1,182 to 1,104. Health insurance complaint closures decreased 9.4%. Annuity complaint closures increased by 44.4% and Life insurance complaints by 9.2%.

PC&T closed 0.3% fewer complaints this fiscal year, from 1,933 to 1,928. Auto complaint closures decreased by 6.7%, "Other" insurance by 0.7% and Title by 3.6%. Home complaints increased 11.1% and Liability by 17.9%.

**Consumer Services Closed Complaints
Year-over-Year Comparison**



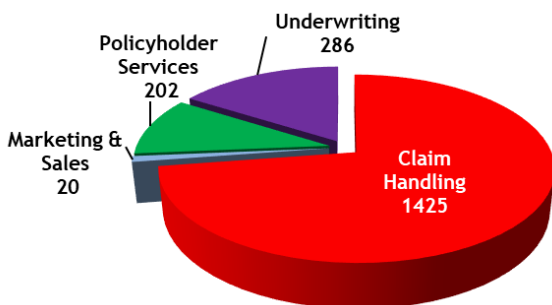
There are instances when a consumer submits a complaint which involves an easily resolved question or falls outside of our jurisdiction. These complaints require contact with the consumer to educate them on their options. We refer to these as inquiries. L&H handled 15% more inquiries in FY 20-21 than in FY 19-20, from 786 to 904. PC&T handled 8.8% more inquiries, from 363 to 398.

Inquiries	19-20	20-21	% change
L&H	786	904	15.0%
PC&T	363	398	8.8%

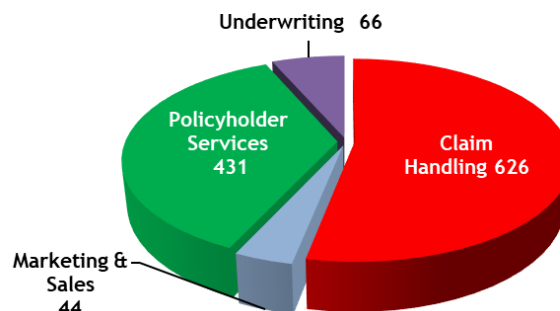
Nature of complaints against insurers closed during FY 20-21

The Division categorizes complaints into four **complaint categories**: Claim Handling, Marketing & Sales, Policyholder Services, and Underwriting. One complaint may have more than one category. The following two charts provide the number of all complaints by category and section.

PC&T Complaints by Category

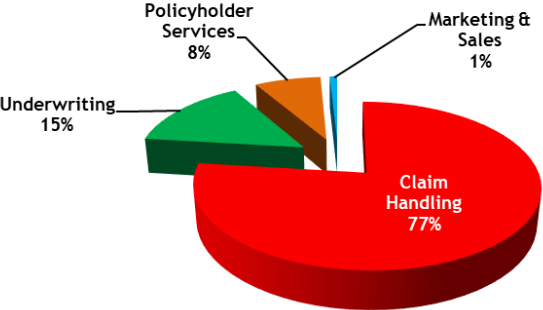


L&H Complaints by Category

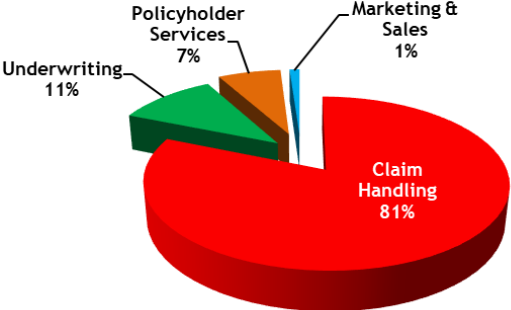


The following charts provide information on the percentage of PC&T complaints by coverage type and category:

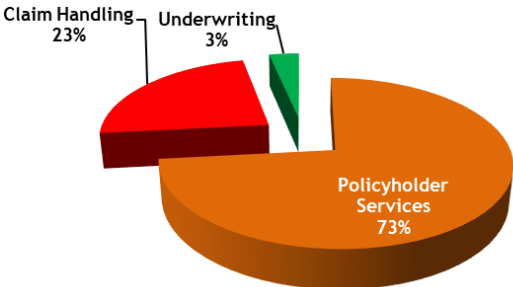
Auto Complaints by Category



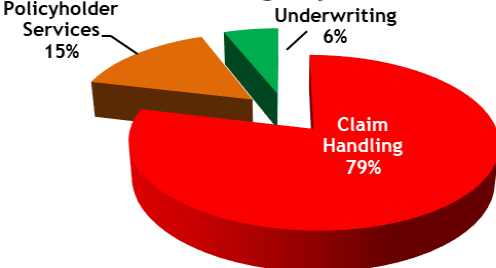
Home Complaints by Category



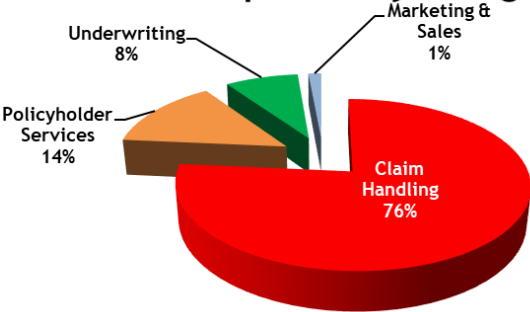
Title Complaints by Category



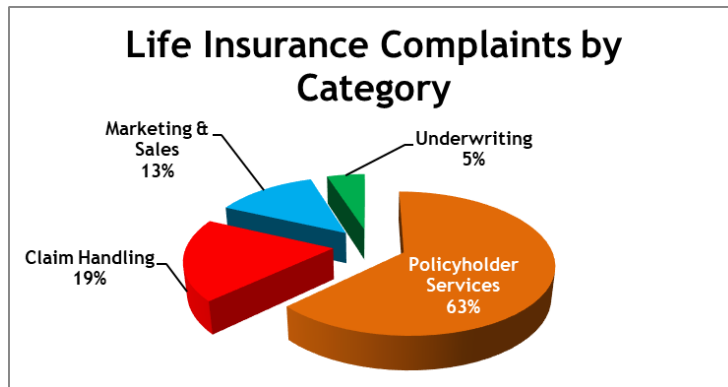
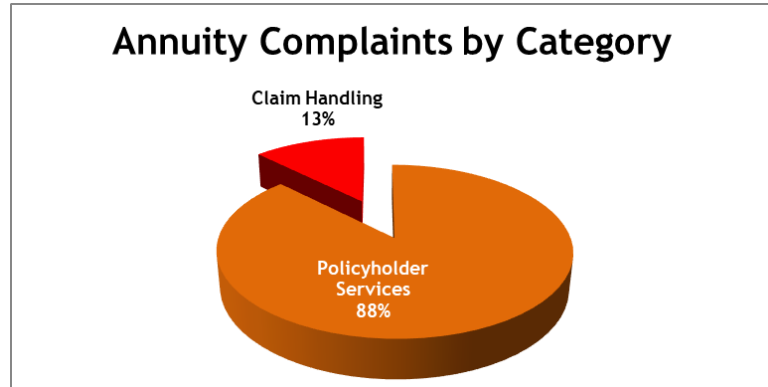
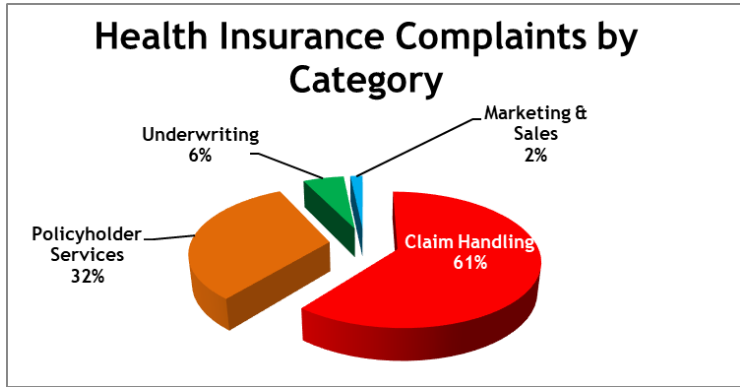
Liability Complaints by Category



Other Complaints by Category



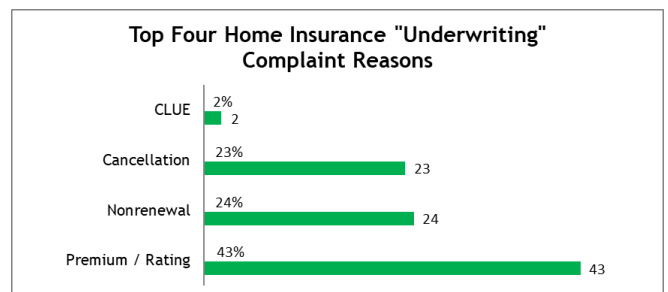
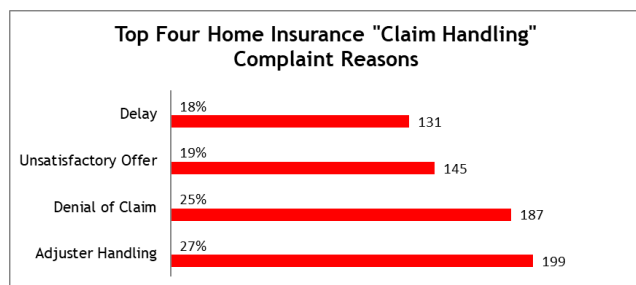
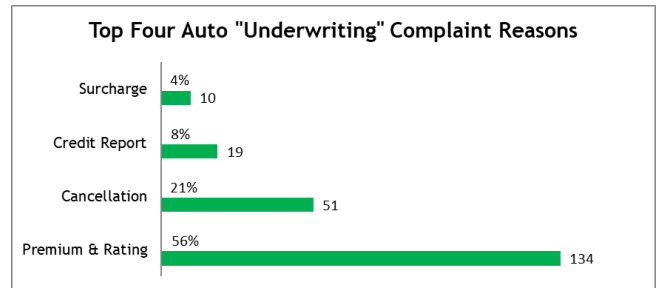
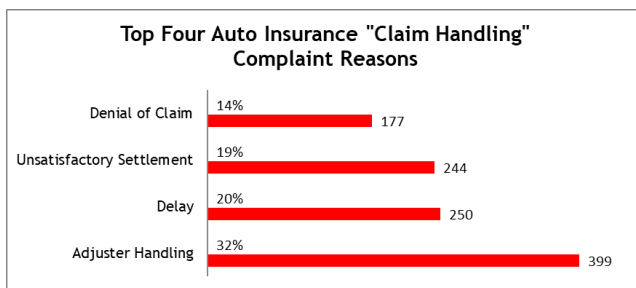
The following charts provide information on the percentage of L&H complaints by coverage type and category:

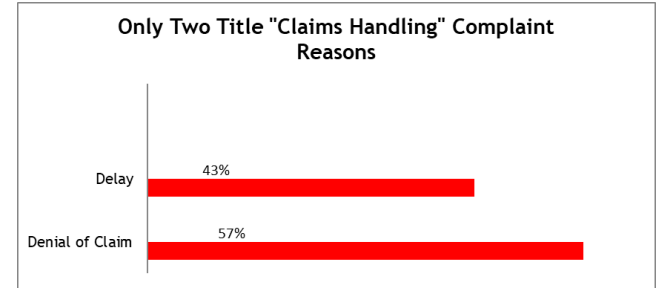
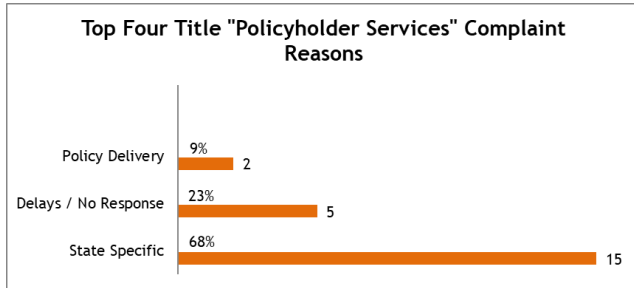
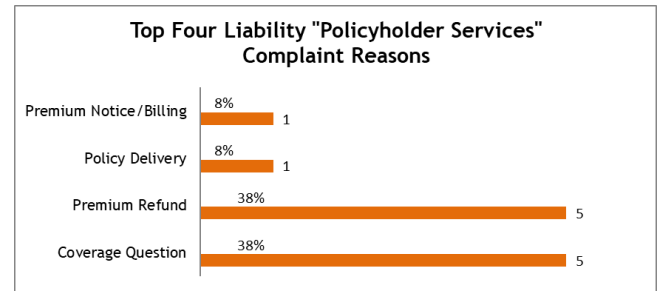


Complaint reasons by insurance type, category and reason

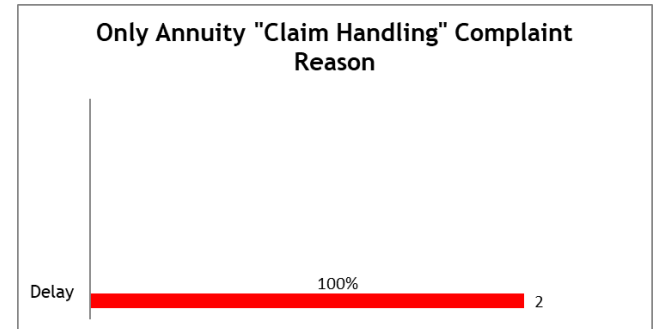
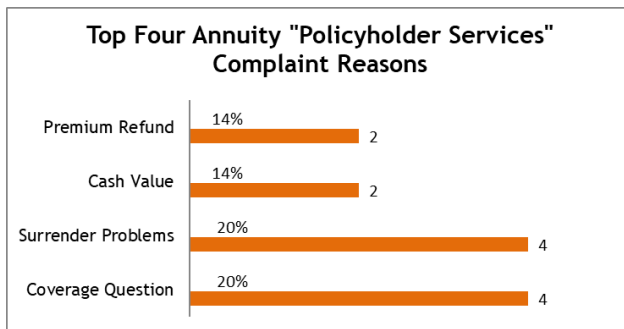
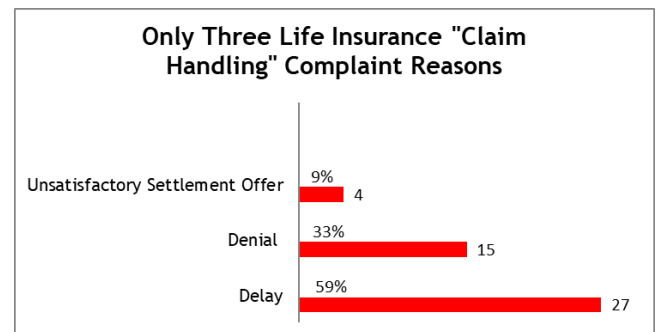
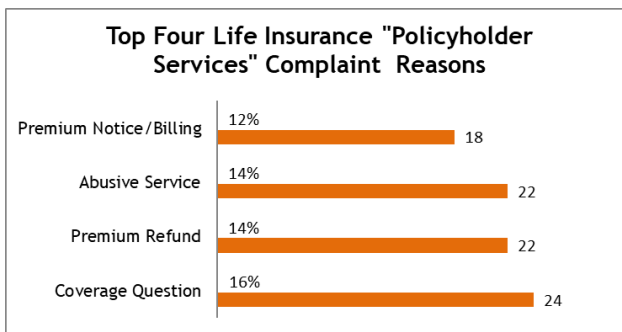
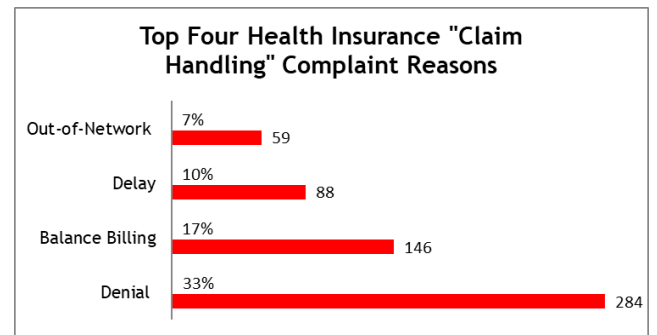
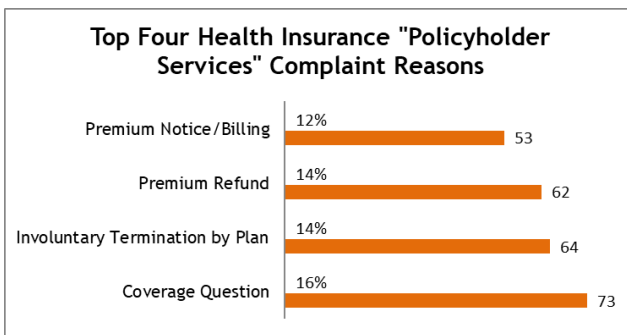
In addition to the four complaint categories explained and illustrated above, the Division identifies further detail: assigning reason codes to each complaint. One complaint may have multiple reason codes.

The charts below provide numeric detail for the top four complaint reasons for the top two categories for each P&C insurance type. The percentage displayed is that reason's portion of all reasons for that particular category:





The charts below provide numeric detail for the top four complaint reasons for the top two categories for each L&H insurance type. The percentage displayed is that reason's portion of all reasons for that particular category:



Confirmed Complaints

A confirmed complaint is one in which the Division determined that the consumer's allegation against the company had merit. Overall, in FY 20-21, the Division found consumers' complaints confirmed, and the company in violation of law or policy provisions, 43% of the time. The L&H confirmed rate was 52.4% and the PC&T rate was 37.6%.

