



State of Connecticut

Insurance Department

THOMAS R. SULLIVAN
COMMISSIONER

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Insurance Commissioner announces over \$500K in recovery on behalf of consumers.

Over a half million dollars was recovered on behalf of consumers in the first quarter of 2008, Insurance Commissioner Thomas R. Sullivan announced today.

In 2007, Consumer Affairs Division staff at the Department received an average of 1600 complaint/inquiries per quarter. In the first quarter of 2008, Department staff saw a slight decrease in complaint/inquiry activity as they received over 1400 between January and March.

Incoming complaints this quarter were related to varied product lines. Accident and Health product lines topped the list with 46% of all incoming complaints. Auto followed with 30%, homeowners and farmers had 12%, with the remaining 12% being divided among Life and Annuities, General liability, and Fire insurance.

Not all inquires or complaints submitted to the insurance department are subject to recovery. This quarter, 46% or \$256,351 of recovered funds came from complaints related to the life and annuities product lines. Consumers with auto complaints, eligible for recovery, made up 30% or \$165,036 of the total recovered on behalf of consumers.

“The Consumer Affairs Division staff are committed to helping consumers, and diligently work on their behalf,” said Commissioner Sullivan.

Each quarter the Department’s Consumer Affairs Division analyzes the calls received by the public and reports on the types of issues resolved and amounts of money recovered on behalf of consumers.

Complaints are made in five categories; Marketing/Sales, Premium/rating, Underwriting, Unfair Claim Practice and Other. This quarter, 57% of claims were attributed to unfair claim practices, Marketing/Sales and Premium/rating each received 11% of the total complaints.

In addition to assisting consumers with insurance complaints, the Insurance Department Consumer Affairs Division is available to answer questions and provide pamphlets and booklets that will help consumers make a more educated decision about insurance. Consumer Affairs staff distributed 300 pamphlets this quarter on topics ranging from Individual Health Coverage, to Homeowners Insurance, to Complaint Filing Procedures.

Consumers interested in filing a complaint / inquiry or learning more are encouraged to visit the Insurance Department Web site at www.ct.gov/cid, or call toll free 1-800-203-3447, or direct at 860-297-3900 for more information.

Eight Tips for Making the Claim process easier

1. Know Your Policy

Understand what your policy says. The policy is a contract between you and your insurance company. Know what's covered, what's excluded and what the deductibles are.

2. File Claims as Soon as Possible

Don't let the bills or receipts pile up. Call your agent or your company's claims hotline as soon as possible. Your policy might require that you make the notification within a certain time frame.

3. Provide Complete, Correct Information

Be certain to give your insurance company all the information they need. Incorrect or incomplete information will only cause a delay in processing your claim.

4. Keep Copies of all Correspondence

Whenever you communicate with your insurance company, be sure to keep copies and records of all correspondence. Write down information about your telephone and in-person contacts, including the date, name and title of the person you spoke with, and what was said. Also, keep a record of your time and expenses.

5. Ask Questions

If there is a disagreement about the claim settlement, ask the company for the specific language in the policy that is in question. Find out if the disagreement is because you and the insurance company interpret your policy differently. If this disagreement results in a claim denial, make sure you obtain a written letter explaining the reason for the denial and the specific policy language under which the claim is being denied.

6. Don't Rush into a Settlement

If the first offer made by an insurance company does not meet your expectations, be prepared to negotiate to get a fair settlement. If you have any questions regarding the fairness of your settlement, seek a second opinion, or you may contact the Consumer Affairs Division regarding your rights under your policy.

7. Accident and Health Claims

Ask your physician to provide your insurance company with details about your treatment, medical conditions, and prognosis.

If you suspect a provider is overcharging, ask the insurance company to audit the bill and verify whether the provider used the proper billing procedure.

8. Auto and Homeowners Claims

Auto and homeowners policies might require you to make temporary repairs to protect your property from further damage. Your policy should cover the cost of these temporary repairs, so keep all receipts. Also, maintain any damaged personal property for the adjuster to inspect. If possible, take photographs or video of the damage before making temporary repairs.

- Don't make permanent repairs. An insurance company may deny a claim if you make permanent repairs before the damage is inspected.
- If possible, determine what it will cost to repair your property before you meet with the claims adjuster.
- Provide the claims adjuster with records of any improvements you made to your property.
- Ask the claims adjuster for an itemized explanation of the claim settlement offer.

ABOUT THE CONNECTICUT INSURANCE DEPARTMENT

The mission of the Connecticut Insurance Department is to serve consumers in a professional and timely manner by providing assistance and information to the public and to policy makers, by regulating the insurance industry in a fair and efficient manner which promotes a competitive and financially sound insurance market for consumers, and by enforcing the insurance laws to ensure that consumers are treated fairly and are protected from unfair practices. For more information, visit the Connecticut Insurance Department at www.ct.gov/cid.

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