

STATE OF COLORADO

DEPARTMENT OF REGULATORY AGENCIES

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DIVISION OF INSURANCE

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CONSUMER ALERT

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New Complaint Index at DORA's Division of Insurance Lets Consumers Easily Compare Insurance Companies to Find the "Good, the Bad and the Ugly"

When searching for the best insurance deals, wouldn't it be great if you knew which companies had the lowest and highest number of complaints filed for a company their size last year? Would you like to know if Company A averaged significantly fewer – or more – complaints filed than Company B for its premium level?

"When consumers consider doing business with a company, they want as much information as possible," said Marcy Morrison, Colorado's Commissioner of Insurance. "Our complaint index allows consumers to see whether a company has an above, below, or average number of complaints compared to other companies. It's easy to understand and compare."

The comparisons available on-line are the *Complaint Index* and the *Complaint Ratio*. The *Complaint Index* compares each company's complaint counts against the rest of the industry to show whether each company has better-than-average or worse-than-average total complaint counts, taking into account the size of the company.

The *Complaint Ratio* indicates the number of complaints per million dollars of premium. Many consumers use premium cost as the main criteria for choosing an insurance company, but the index provides another measure to consider.

"We added the index because the ratio doesn't account for an industry average. Some larger companies will have more complaints just because they have more customers," Morrison said. "But they may treat customers well, overall, when you look at the size of the company and the number of policies they have in place. And there are some smaller companies who may provide great customer service, but could get lost in the complaint ratios. The index helps answer this question: what information can help predict how the company you select is going to treat you, the customer, when addressing your concerns?"

The Complaint Index and Complaint Ratio can be viewed at DORA's Division of Insurance web site at:

http://www.dora.state.co.us/pls/real/Ins_Comp_Ratio_Report.Home

"The reports are important tools consumers can use," Morrison said. "We are continuing to provide ways to make insurance decisions easier to understand so consumers can be fully informed and get the best value for their premium money."

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

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"The Mission of the Division of Insurance is Consumer Protection."

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