



Dora
Department of Regulatory Agencies

Division of Insurance

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**DIVISION OF INSURANCE RECOVERS
MORE THAN \$11.7 MILLION FOR CONSUMERS**

Denver – Complaints by consumers against their insurance companies filed with the Division of Insurance resulted in more than \$11.7 million in recovered insurance benefits. In approximately half of the complaints filed with the Division, the Division found the insurance company had violated state law or regulation, or disregarded policy provisions.

“Assisting consumers and helping to resolve issues they have with their insurance company are some of our most important responsibilities,” said Commissioner of Insurance Jim Riesberg.

The Division recently published its annual analysis of the consumer complaints it received last fiscal year (July, 2010 to July, 2011). The report covers the most common insurance areas for consumers: annuities, auto, health, homeowners/renters, liability, life, and title insurance. Overall, the Division of Insurance Consumer Affairs staff handled more than 4,200 complaints in FY 2010-11 and those complaints resulted in more than \$11.7 million recovered on behalf of consumers.

Consumer complaints include misrepresentation by insurers or agents, denial of claims, and complaints and protests about premiums or ratings. Storm activity from hail, high winds and even snow during the past two to three years has resulted in an increased proportion of homeowner’s claim denial complaints.

Auto insurance continues to be the number one area for complaints handled by the Division of Insurance in FY 2010-11 with more than 50 percent of the complaints. Auto insurance complaints include issues such as liability, medical payments, collision and comprehensive coverage, and uninsured and underinsured motorist problems. It also includes auto protest, or consumer challenges to an auto insurer’s imposition of surcharges, cancellations, non-renewals, or reduction in coverage. Colorado is unique among the nation in how consumers are allowed to challenge auto insurance surcharges, cancellations, non-renewals or reductions in coverage.

Health insurance complaints were up slightly from the number filed two years ago. While relatively few in actual number, on complaints against life insurance companies the Division has obtained larger recoveries for consumers and found the companies in violation of law, regulation or policy provisions more than 60% of the time.

Under the Division’s complaint process, complaints must be filed in writing, which can be done through the Division’s website (www.dora.state.co.us/insurance), faxed, or mailed. Once filed, each complaint is researched by the Consumer Affairs staff and the company is contacted for a response. Errors made by insurance companies may result in refunds, restoration of benefits, or in some cases, a change in the way the insurer does business.

The report can be found at

<http://www.dora.state.co.us/insurance/consumer/2011%20docs/consComplaintReportLege092211.pdf>

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*The **Colorado Division of Insurance** regulates the insurance industry and assists consumers and other stakeholders with insurance issues.*

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.