

MONTANA STATE AUDITOR

JOHN MORRISON
STATE AUDITOR



COMMISSIONER OF INSURANCE
COMMISSIONER OF SECURITIES

To: Chairwoman Cocchiarella and Members of the Committee
From: Carol Roy, Bureau Chief, Policyholder Services
Subject: Insurance Department Complaints
Date: January 21, 2005

Our office tracks complaints received from Montana residents in a specific format because we are required to report the information to the federal government. Our computer system was designed to conform with the NAIC (National Association of Insurance Commissioners) file layout so that the NAIC can relay the information on our behalf. The NAIC format does not easily lend itself to a system of record keeping that would be preferable to us.

The information compiled based on the request of Chairwoman Cocchiarella provides the complete number of complaints opened in the years 2002, 2003, 2004. This includes complaints on property/casualty, life and health insurance, as well as all other lines of insurance. The percentages shown were based on the total complaints.

When we cross reference a complaint reason such as cancellation, it can apply to virtually any line of insurance. So printing the total number of cancellations does not provide the number of specific complaints in health insurance only. We can further refine the numbers upon review of individual files. In order to provide a response today, these figures are an estimate, not a statistically accurate representation.