



North Dakota  
Insurance Department  
Adam Hamm, Commissioner

# Consumer Assistance and Enforcement Action Report 2009

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# Summary of total relief

Total relief/previous relief from all sources

Source	Relief	Previous relief	Total
<b>2008</b>			
Company complaints	\$521,251.11	\$574,993.10	\$1,096,244.21
Agent complaints	\$44,778.30	0	\$44,778.30
SHIC and Prescription Connection	\$6,703,041**		\$6,703,041.00**
Hotline	\$295,098.38		\$295,098.38
Agent administrative investigation*	\$353,132.54		\$353,132.54
Company administrative investigation*	0		0
<b>2008 total</b>	<b>\$7,917,301.33</b>	<b>\$574,993.10</b>	<b>\$8,492,294.43</b>

<b>2009</b>			
Company complaints	\$656,361.44	\$59,667.49	\$716,028.93
Agent complaints	\$34,294.31	0	\$34,294.31
SHIC and Prescription Connection	\$6,153,832.00**		\$6,153,832.00**
Hotline	\$659,519.08		\$659,519.08
Agent administrative investigation*	\$14,555.79		\$14,555.79
Company administrative investigation*	0		0
<b>2009 total</b>	<b>\$7,518,562.62</b>	<b>\$59,667.49</b>	<b>\$7,578,230.11</b>

<b>Combined 2008-2009 total</b>	<b>\$15,435,863.95</b>	<b>\$634,660.59</b>	<b>\$16,070,524.54</b>
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\*Does not include fines resulting from administrative actions.

\*\*SHIC relief is based in on national averages provided by CMS. Prescription Connection relief is based on a national average calculated by PhRMA.

## 2009 complaint statistics

Year	Complaints received	2009 complaints closed	Relief*	Previous files closed	Previous relief**	Total
2009	264	224	\$690,879.75	34	\$59,667.49	\$750,323.24

Complaints are separated into two categories—company and agent.

## 2009 company complaints

Year	Complaints received	2009 complaints closed	Relief*	Previous files closed	Previous relief**	Total
2009	236	203	\$656,361.44	30	\$59,667.49	\$716,028.93

## 2009 agent complaints

Year	Complaints received	2009 complaints closed	Relief*	Previous files closed	Previous relief**	Total
2009	28	21	\$34,294.31	4	0	\$34,294.31

Complaints are further categorized into seven different groups based on related types of coverage. They are: auto, fire, allied and commercial multi-peril, homeowner, life and annuity, accident and health, liability and miscellaneous.

## 2009 company complaints

Type	Received	2009 complaints closed	Relief*	Previous files closed	Previous relief**	Total
Auto	84	77	\$55,875.19	6	0	\$55,875.19
Fire, Allied/CMP	11	11	\$132,770.20	1	\$19,111.17	\$151,881.37
Homeowners	78	65	\$132,673.12	8	\$16,258.19	\$148,931.31
Life/annuity	8	6	\$39,576.48	0	0	\$39,576.48
Accident/health	39	29	\$204,933.34	11	\$15,734.38	\$220,667.72
Liability	7	7	0	2	\$8,563.75	\$8,563.75
Miscellaneous	9	8	\$90,533.11	2	0	\$90,533.11
<b>Total</b>	<b>236</b>	<b>203</b>	<b>\$656,361.44</b>	<b>30</b>	<b>\$59,667.49</b>	<b>\$716,028.93</b>

## 2009 agent complaints

Type	Received	2009 complaints closed	Relief*	Previous files closed	Previous relief**	Total
Auto	3	3	0	0	0	0
Fire, Allied/CMP	1	1	0	0	0	0
Homeowners	7	7	\$6,169.52	0	0	\$6,169.52
Life/annuity	7	5	0	4	0	0
Accident/health	5	4	0	0	0	0
Liability	0	0	0	0	0	0
Miscellaneous	5	1	\$28,124.79	0	0	\$28,124.79
<b>Total</b>	<b>28</b>	<b>21</b>	<b>\$34,294.31</b>	<b>4</b>	<b>0</b>	<b>\$34,294.31</b>

\*Relief equals that amount which the Department's intervention helped in getting for the consumers.

\*\*Previous relief equals relief collected in that year for a file opened in an earlier year.

## Agent complaint statistics 1999-2009

Year	Complaints	Relief*	Previous relief**	Total
1999	81	\$95,890.34	\$58,307.00	\$154,197.34
2000	62	\$52,459.63	\$159,208.67	\$211,668.30
2001	52	\$4,589.82	\$68,923.40	\$73,513.22
2002	51	\$22,447.20	\$626.86	\$23,074.06
2003	56	\$14,093.10	0	\$14,093.10
2004	33	\$55,730.99	\$1,417.81	\$57,148.80
2005	44	\$386,861.77	\$9,003.64	\$395,865.41
2006	25	\$26,365.65	\$497,756.11	\$524,121.76
2007	32	\$32,647.98	0	\$32,647.98
2008	34	\$44,778.30	0	\$44,778.30
2009	28	\$34,294.31	0	\$34,294.31
<b>Total</b>	<b>498</b>	<b>\$770,159.29</b>	<b>\$795,243.49</b>	<b>\$1,565,402.78</b>

## Company complaint statistics 1999-2009

Year	Complaints	Relief*	Previous relief**	Total
1999	367	\$280,748.94	\$133,440.39	\$414,189.33
2000	374	\$585,882.44	\$276,953.19	\$862,835.63
2001	379	\$376,501.52	\$32,496.90	\$408,998.42
2002	378	\$829,627.21	\$352,477.29	\$1,182,104.50
2003	310	\$867,895.37	\$91,664.79	\$959,560.16
2004	278	\$373,651.94	\$55,248.16	\$428,900.10
2005	220	\$437,139.32	\$117,323.05	\$554,462.37
2006	205	\$434,564.99	\$59,411.59	\$493,976.758
2007	201	\$422,665.85	\$2,292,899.53	\$2,715,565.38
2008	241	\$521,251.11	\$574,993.10	\$1,096,244.21
2009	236	\$656,361.44	\$59,667.49	\$716,028.93
<b>Total</b>	<b>3,189</b>	<b>\$5,786,290.13</b>	<b>\$4,046,575.48</b>	<b>\$9,832,865.61</b>

\*Relief equals that amount which the Department's intervention helped in getting for the consumers.

\*\*Previous relief equals relief collected in that year for a file opened in an earlier year.

## Hotline statistics

Year	Walk-ins	Incoming calls	Outgoing calls	Total calls	Relief
1995	329	5,965	3,520	9,485	\$10,634.27
1996	325	4,611	7,080	11,691	\$120,610.40
1997	294	1,621	11,855	13,476	\$19,872,158.97*
1998	237	1,577	10,797	12,374	\$320,550.77
1999	209	1,316	10,399	11,715	\$325,696.48
2000	218	1,414	9,731	11,145	\$260,213.63
2001	315	2,125	12,166	14,291	284,631.38
2002	283	1,449	11,423	12,872	1,047,218.54
2003	99	862	6,394	7,256	\$653,922.66
2004	171	1,534	8,135	9,669	\$1,030,267.58
2005	171	2,027	8,272	10,299	\$589,114.85
2006	167	1,808	8,308	10,116	\$629,222.47
2007	183	1,785	8,298	10,083	\$581,652.38
2008	132	1,556	7,214	8,902	\$295,098.38
2009	157	1,813	6,680	8,493	\$659,519.08

Note: These figures do not include correspondence/material sent to consumers by staff members in these positions.

\*This reflects \$19,348,916 that was directly related to flood/sewer.

## State Health Insurance Counseling Program (SHIC)

<b>Year</b>	<b>Number of contacts</b>	<b>Relief</b>
2001	776	\$32,785.00
2002	450	\$52,500.00
2003	493	n/a*
2004	651	n/a*
2005	3,198**	\$841,161.00
2006	6,351**	\$1,607,450.00
2007	9,484	\$2,397,363.00***
2008	15,907	\$4,034,031.00***
2009	18,529	\$4,541,977.00***
Total	55,839	\$13,507,267.00

\*Due to reporting system changes, relief information is not available.

\*\*Increase in calls due to introduction of Medicare Part D drug benefit.

\*\*\*Relief is an estimate based upon national averages provided by CMS.



# Prescription Connection

<b>2009</b>	
Persons helped*	
Telephone assisted	701
Web assisted	1,798
<b>Total persons helped</b>	<b>2,499</b>
Estimated relief (discount)**	
Telephone assisted	\$452,145.00
Web assisted	\$1,159,710.00
<b>Total estimated relief</b>	<b>\$1,611,855.00</b>

<b>2008</b>	
Persons helped*	
Telephone assisted	1,084
Web assisted	3,054
<b>Total persons helped</b>	<b>4,138</b>
Estimated relief (discount)**	
Telephone assisted	\$699,180.00
Web assisted	\$1,969,830.00
<b>Total estimated relief</b>	<b>\$2,669,010.00</b>

\*Helped means applicant was eligible for at least one assistance program.

\*\*PhRMA uses aggregate national information for all programs to calculate a national average amount per person. Due to a lag in data availability, the most current average available is for the year 2004, which is used in both 2008 and 2009 calculations. The calculation for 2004 is \$645 per person helped.

## Agent and company administrative investigation relief

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Agent	\$375,887.45	\$65,715.00	\$675,577.13	\$353,132.54	\$14,555.79	\$1,484,867.91
Company	\$25,586.44	\$246,052.00	0	0	0	\$271,638.44
Total	\$401,473.89	\$311,767.00	\$675,577.13	\$353,132.54	\$14,555.79	\$1,756,506.35

## Agent administrative actions—fines

	2005	2006	2007	2008	2009
Cease and desist	2	3	3	0	3
Fines	3	1	0	2	18
Probations	4	1	1	5	20
Revocations	3	7	7	2	10
Suspensions	1	0	0	1	1
Voluntary surrenders	0	0	0	0	0
Other	5	12	4	5	40
<b>Total number of actions</b>	<b>18*</b>	<b>24*</b>	<b>15*</b>	<b>15*</b>	<b>92*</b>
<b>Total dollar amount of fines</b>	<b>\$11,890</b>	<b>\$2,000</b>	<b>0</b>	<b>\$3,000</b>	<b>\$7,850</b>

\*The total number of actions may reflect multiple penalties of an individual action.

Note: These administrative actions do not reflect the suspensions/revocations for noncompliance with continuing education requirements in the state of North Dakota.

## Company administrative actions—fines

	2005	2006	2007	2008	2009
Cease and desist	2	3	1	0	1
Fines	3	7	2	2	2
Other	4	3	1	3	10
<b>Total number of actions</b>	<b>9*</b>	<b>13*</b>	<b>4*</b>	<b>5*</b>	<b>13*</b>
<b>Total dollar amount of fines</b>	<b>\$17,078</b>	<b>\$66,600</b>	<b>\$753,978.62</b>	<b>\$22,795.00</b>	<b>\$35,000</b>

\*The total number of actions may reflect multiple penalties of an individual action.