



North Dakota
Insurance Department

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Consumer Assistance,
Enforcement Action
and Fraud Report
2017

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Summary of Total Relief for Consumer Assistance and Enforcement Actions

Source	Relief
2017	
Company Complaints	\$1,363,812.68
Agent Complaints	\$267,556.64
SHIC and Prescription Connection	\$863,589
Consumer Assistance Hotline	\$190,991.77
2017 Total	\$2,685,950.09
2016	
Company Complaints	\$2,492,692.86
Agent Complaints	\$666,322.46
SHIC and Prescription Connection	\$2,261,076.00
Consumer Assistance Hotline	\$380,139.56
2016 Total	\$5,800,230.88
Combined 2016-2017 Total	\$8,486,180.97

Notes:

- Sept. 2018: the NDID computer system database was upgraded to a different platforms and the transition is reflected in the 2017 data as the Department was unable pull all data; therefore, the data presented for 2017 is not a complete look.

2017 Combined Company and Agent Complaints

Year	Complaints Closed	Relief
2017	186	\$1,631,369.32

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.

2017 Company Complaints

Type	Complaints Closed	Relief
Auto	60	\$87,295.75
Fire, Allied/CMP	5	\$191,040.00
Homeowners	32	\$149,795.48
Life/Annuity	21	\$610,348.34
Accident/Health	26	\$315,721.05
Liability	6	\$9,100.00
Miscellaneous	5	\$512.06
Total	155	\$1,363,812.68

2017 Agent Complaints

Type	Complaints Closed	Relief
Auto	7	\$250,000.00
Fire, Allied/CMP	1	\$0.00
Homeowners	1	\$0.00
Life/Annuity	8	\$12,518.00
Accident/Health	11	\$5,038.64
Liability	0	\$0.00
Miscellaneous	3	\$0.00
Total	31	\$267,556.64

Agent Complaints
2007 – 2017

Year	Complaints Closed	Relief
2007	32	\$32,647.98
2008	34	\$44,778.30
2009	28	\$34,294.31
2010	24	\$0.00
2011	17	\$104,783.00
2012	25	\$224,381.98
2013	26	\$7,282.91
2014	31	\$31,042.40
2015	32	\$77,402.29
2016	12	\$666,322.46
2017	31	\$267,556.64
Total	291	\$1,490,492.27

Company Complaints
2007 – 2017

Year	Complaints Closed	Relief
2007	201	\$422,665.85
2008	241	\$521,251.11
2009	236	\$656,361.44
2010	211	\$565,938.69
2011	197	\$1,150,882.61
2012	180	\$626,162.86
2013	169	\$2,560,183.84
2014	141	\$757,964.28
2015	118	\$815,135.27
2016	117	\$2,492,692.86
2017	115	\$1,363,812.68
Total	1,966	\$11,933,051.49

Consumer Assistance Hotline Statistics

Year	Walk-ins	Incoming Calls	Outgoing Calls	Total Calls	Relief
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
2010	110	2,046	6,251	8,297	\$101,205.11
2011	115	2,050	5,165	7,215	\$702,117.47
2012	119	2,093	6,196	8,289	\$294,301.79
2013	212	4,092	11,011	15,103	\$4,118,807.71
2014	161	3,534	10,121	13,655	\$714,034.48
2015	257	3,308	9,635	12,943	\$395,559.20
2016	502	2,574	8,394	10,968	\$380,139.56
2017	497	2,77	8,416	11,193	\$565,534.31

State Health Insurance Counseling Program (SHIC)

Year	Number of Contacts	Relief
2007	9,484	\$2,397,363
2008	15,907	\$4,034,031
2009	18,529	\$4,541,977
2010	13,194	\$3,068,776
2011	12,270	\$3,006,150
2012	11,372	\$2,739,387
2013	9,758	\$2,336,943
2014	9,694	\$2,275,030
2015	8,716	\$1,433,024
2016	9,359	\$1,619,720
2017	5,198	\$416,250.47

Notes:

- An increase in calls in 2005 and 2006 was due to the introduction of Medicare Part D drug benefit.
- 2007–2009: relief is an estimate based upon national averages provided by Centers for Medicare & Medicaid Services (CMS).
- 2010–2013: relief is an estimate based upon prior three years' average.
- Sept. 2018: the NDID computer system database was upgraded to a different platforms and the transition is reflected in the 2017 data as the Department was unable pull all data; therefore, the data presented for 2017 is not a complete look.

Prescription Connection

Prescription Connection relief is based on national averages for prescription costs.

2017	
Persons Assisted*	50
Total Estimated Relief	\$302,943.00

2016	
Persons Assisted*	43
Total Estimated Relief	\$262,274.00

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

Agent Enforcement Actions – Fines

	2013	2014	2015	2016	2017
Cease and Desist	3	2	4	4	0
Fines	22	38	66	107	31
Probations	18	22	31	30	13
Revocations	22	26	31	31	14
Suspensions	1	0	0	0	1
Other	123	94	67	30	33
Total Actions*	189	182	184	175	92
Total Fines	\$32,500	\$75,000	\$48,950	\$229,550	\$22,400

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

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

Company Enforcement Actions – Fines

	2013	2014	2015	2016	2017
Cease and Desist	0	0	0	0	0
Fines	8	11	8	11	10
Probations	8	2	3	0	0
Revocations	3	2	2	3	9
Suspensions	9	26	16	1	2
Other	28	41	13	8	2
Total Actions*	28	41	13	18	23
Total Fines	\$954,287	\$729,852	\$489,605	\$255,704	\$72,602

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

Fraud Actions

	2012	2013	2014	2015	2016	2017
Insurance Fraud Cases	96	159	192	190	227	240
Investigative Criteria Not Met	17	46	48	57	76	108
No Jurisdiction	5	31	20	32	29	22
No Evidence of a Crime	10	12	19	15	32	22
Waiting Prosecution Decision	0	0	0	1	4	1
Declined by Prosecutor	1	4	0	1	1	1
Prosecuted	13	10	18	9	7	7
No Further Review (Regulatory Only)	1	10	6	0	9	24
Prosecution Not Appropriate	3	9	29	13	4	16
Referred Inside DOI	5	8	13	22	11	5
Referred Outside DOI	2	3	3	6	2	4
Statute of Limitations	21	7	10	2	1	6
Unable to Prove Beyond a Reasonable Doubt	18	19	26	31	12	23
Open	0	0	0	1	39	1
Amount of Actual Loss	\$689,103.78	\$321,915.65	\$818,865.88	\$1,045,515.10	\$545,728.96	\$148,616.86

*This number reflects only those amounts that were reported by insurance companies; not all companies report the claim amount with their referral.