

STATE OF ARIZONA
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DEPT. OF INSURANCE

REPORT OF TARGET MARKET CONDUCT EXAMINATION

OF

STATE FARM FIRE & CASUALTY COMPANY

NAIC #25143

AS OF

June 30, 2013

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GERMAINE L. MARKS
Director of Insurance

Honorable Germaine L. Marks
Director of Insurance
State of Arizona
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Phoenix, Arizona 85018-7269

Dear Director Marks:

Pursuant to your instructions and in conformity with the provisions of the Insurance Laws and Rules of the State of Arizona, a desk examination has been made of the market conduct affairs of the:

State Farm Fire & Casualty Company
NAIC #25143

The above examination was conducted by Helene I. Tomme, CPCU, CIE, Market Examinations Supervisor, Examiner-in Charge, and Linda L. Hofman, AIE, MCM, FLMI, AIRC, CCP, Market Conduct Senior Examiner and Christopher G. Hobert, CIE, MCM, FLMI, AIRC, CCP, Market Conduct Senior Examiner.

The examination covered the period of July 1, 2012 through June 30, 2013.

As a result of that examination, the following Report of Examination is respectfully submitted.

Sincerely yours,

Helene I. Tomme, CPCU, CIE
Market Examinations Supervisor
Market Oversight Division

FOREWORD

This targeted market conduct examination report of the State Farm Fire & Casualty Company (herein referred to as, "State Farm", or the "Company"), was prepared by employees of the Arizona Department of Insurance (Department) as well as independent examiners contracting with the Department. A market conduct examination is conducted for the purpose of auditing certain business practices of insurers licensed to conduct the business of insurance in the state of Arizona. The Examiners conducted the examination of the Company in accordance with Arizona Revised Statutes (A.R.S.) §§ 20-142, 20-156, 20-157, 20-158 and 20-159. The findings in this report, including all work products developed in the production of this report, are the sole property of the Department.

The examination consisted of a review of the following Homeowners' (HO) and Private Passenger Auto (PPA) business operations:

1. Complaint Handling
2. Marketing and Sales
3. Producer Compliance
4. Underwriting and Rating
5. Cancellations and Non-Renewals
6. Claims Processing

Certain unacceptable or non-complying practices may not have been discovered in the course of this examination. Additionally, findings may not be material to all areas that would serve to assist the Director.

Failure to identify or criticize specific Company practices does not constitute acceptance of those practices by the Department.

SCOPE AND METHODOLOGY

The examination of the Company was conducted in accordance with the standards and procedures established by the National Association of Insurance Commissioners (NAIC) and the Department. The market conduct examination of the Company covered the period of July 1, 2012 through June 30, 2013 for business reviewed. The purpose of the examination was to determine the Company's compliance with Arizona's insurance laws, and whether the Company's operations and practices are consistent with the public interest. This examination was completed by applying tests to each examination standard to determine compliance with the standard. Each standard applied during the examination is stated in this report and the results are reported beginning on page 8.

In accordance with Department procedures, the Examiners completed a Preliminary Finding ("Finding") form on those policies, claims and complaints not in apparent compliance with Arizona law. The finding forms were submitted for review and comment to the Company representative designated by Company management to be knowledgeable about the files. For each finding the Company was requested to agree, disagree or otherwise justify the Company's noted action.

The Examiners utilized both examinations by test and examination by sample. Examination by test involves review of all records within the population, while examination by sample involves the review of a selected number of records from within the population. Due to the small size of some populations examined, examinations by test and by sample were completed without the need to utilize computer software.

File sampling was based on a review of underwriting and claim files that were systematically selected by using Audit Command Language (ACL) software and computer data files provided by the Company. Samples are tested for compliance with standards established by the NAIC and the Department. The tests applied to sample data will result in an exception ratio, which determines whether or not a standard is met. If the exception ratio found in the sample is, generally less than 5%, the standard will be considered as "met." The standard in the areas of procedures and forms use will not be met if any exception is identified.

HISTORY OF THE COMPANY

(Provided by the Company)

State Farm Fire and Casualty Company (hereinafter referred to as "the Company" and/or "SFFCC") was organized on June 12, 1935, under the laws of the State of Illinois. The Company, incorporated as State Farm Fire Insurance Company, was licensed and commenced business on June 29, of the same year. The present title was adopted on July 1, 1950, when the Company absorbed by merger the State Farm Casualty Company.

State Farm Fire and Casualty is the predominant writer of the Group's non-automobile property and casualty insurance in all states and Canada except California, Florida and Texas. SFFCC also writes automobile insurance that is 100% reinsured by State Farm Mutual Automobile Insurance Company (SFMAIC). The State Farm Group, the nation's largest automobile insurer, offers multiple lines of property, casualty and life and health insurance throughout the United States and Canada through an exclusive agency force. There are eight affiliated property and casualty carriers and four life insurance carriers in the Group. Corporate offices are located in Bloomington, Illinois.

While it may not be practical to review all documents back "to inception" in 1935, the Company has written no new lines of business during the past ten to twenty years, has not acquired any insurer during the past twenty years and has had the same name since the merger of State Farm Fire Insurance Company and State Farm Casualty Company in 1950.

PROCEDURES REVIEWED WITHOUT EXCEPTION

The Examiners review of the following Company departments¹ or functions indicates that they appear to be in compliance with Arizona statutes and rules:

Complaint Handling

Marketing and Sales

Producer Compliance

Underwriting and Rating

EXAMINATION REPORT SUMMARY

The examination identified 6 compliance issues that resulted in 217 exceptions due to the Company's failure to comply with statutes and rules that govern all insurers operating in Arizona. These issues were found in two (2) of the six (6) sections of Company operations examined. The following is a summary of the Examiner's findings:

Cancellation and Non Renewals

In the area of Cancellations and Non Renewals, four (4) compliance issues are addressed in this Report as follows:

- The Company failed to provide a compliant Summary of Rights, on 51 HO non renewals, 54 HO cancellations for underwriting reasons, 11 PPA declinations and 47 PPA cancellations for underwriting reasons to its policyholders/insureds cancelled for an adverse underwriting decision for a total of 163 notices.
- The Company failed to include the right to complain to the Director on nine (9) PPA cancellations for underwriting reason notices.
- The Company failed to provide the Examiners with one (1) HO non renewal, three (3) PPA cancellations for underwriting reasons and two (2) PPA declinations for a total of six (6) non renewal, cancellation or declination notices.
- The Company's time variances between effective dates on 30 Homeowners' New/Renewal Declaration Pages and its non payment Cancellation notices are confusing and misleading.

¹ If a department name is listed there were no exceptions noted during the review.

Claims Processing

In the area of Claims Processing, two (2) compliance issues are addressed in this Report as follows:

- The Company failed to advise the individual or a person authorized to act on behalf of the individual that they are entitled to receive a copy of the authorization form on one (1) claim authorization form.
- The Company failed to correctly calculate and pay the Transaction Privilege Tax (TPT) on eight (8) HO first party paid claims.

FACTUAL FINDINGS

RESULTS OF PREVIOUS MARKET CONDUCT EXAMINATIONS

During the past 5 years, there was 12 Market Conduct Examinations completed by California, Colorado, Connecticut, Delaware, Georgia, Illinois, Kentucky, Louisiana, New Hampshire, North Carolina, South Dakota and Pennsylvania. No significant patterns of non-compliance were noted.

CANCELLATIONS AND NON-RENEWALS

Homeowners (HO):

The Examiners reviewed 102 HO cancellation files for non-payment of premium (included 2 samples files) out of a population of 15,504, 54 HO cancellation files for underwriting reasons (included 4 sample files) out of a population of 1,925 and 51 HO non renewals (included 2 samples) out of a population of 1,704. This cancellation and non renewal review included a total sample size of 207 HO files from a total population of 19,133.

Private Passenger Automobile (PPA):

The Examiners reviewed 102 PPA cancellation files for non-payment of premium (included 2 sample files) out of a population of 6,701, 47 PPA cancellation files for underwriting reasons (included 4 sample files) out of a population of 1,867 and 11 PPA declinations out of a population of 11. This cancellation review included a total sample size of 160 PPA files from a total population of 8,579.

All cancellation files reviewed were to ensure compliance with Arizona Statutes and Rules.

The following Cancellation and Non Renewal Standard failed:

#	STANDARD	Regulatory Authority
1	Declinations, Cancellations and Non-Renewals shall comply with state laws and company guidelines including the Summary of Rights to be given to the policyholder and shall not be unfairly discriminatory.	A.R.S. §§ 20-448, 20-2108, 20-2109, 20-2110
2	Cancellations and Non-Renewal notices comply with state laws, company guidelines and policy provisions, including the amount of advance notice required and grace period provisions to the policyholder, nonrenewal based on condition of premises, and shall not be unfairly discriminatory.	A.R.S. §§ 20-191, 20-443, 20-448, 20-1631, 20-1632, 20-1632.01, 20-1651 through 20-1656

Cancellation and Nonrenewal, Standard #1 - failed

Preliminary Finding 004 – Summary of Rights – The Examiners identified 51 HO non renewals, 54 HO cancellations for underwriting reasons, 11 PPA declinations and 47 PPA cancellations for underwriting reasons, cancelled for an adverse underwriting decision which totaled 163 notices. These notices failed to provide a compliant Summary of Rights language to its policyholders, an apparent violation of A.R.S. §§ 20-2108, 20-2109 and 20-2110.

**HOMEOWNERS AND PRIVATE PASSENGER AUTOMOBILE
 Summary of Findings – Standard 1 File Review
 Failed to Provide Compliant Summary of Rights
 A.R.S. §§ 20-2108, 20-2109 and 20-2110**

Files Reviewed	Population	Reviewed	Exceptions	Request #
HO Non Renewals	1,704	51	51	003
HO UW Reasons	1,925	54	54	005
PPA UW Reasons	1,867	47	47	013
PPA Declinations	11	11	11	018
Totals	5,507	163	163	
			Error Ratio	100%

A 100% error ratio does not meet the Standard; therefore, a recommendation is warranted.

Recommendation #1

Within 90 days of the filed date of this Report provide the Department with documentation that Company procedures are in place so that a compliant Summary of Rights is sent with all cancellation, non renewal or declination notices that involve an adverse underwriting decision by the Company.

Subsequent Events: During the course of the Examination, the Company provided the Department with a corrected Summary of Rights. The Company implemented the changes effective April 17, 2014.

Cancellation and Nonrenewal, Standard #2 - failed

Preliminary Finding 005 – Private Passenger Automobile cancellations for underwriting reasons failed to include the right to complain to the Director – The Examiners identified nine (9) PPA cancellations for underwriting reasons where the Company failed to include the right to complain to the Director, an apparent violation of A.R.S. § 20-1632 (A)(1).

**Summary of Findings – Standard 2 File Review
 Failed to Include Right to Complain to the Director on Underwriting Cancellations
 A.R.S. § 20-1632(A)(1)**

Population	Sample	# of Exceptions	% to Sample
1,867	47	9	19%

A 19% error ratio does not meet the Standard; therefore, a recommendation is warranted.

Recommendation #2

Within 90 days of the filed date of this report provide the Department with documentation that Company procedures are in place so that the required right to complain to the Director information is provided on its personal automobile cancellation for underwriting reason notices.

Subsequent Events: During the course of the Examination, the Company corrected their midterm cancellation notice to always include the right to complain to the Director language. The Company has indicated they will implement the changes effective May 4, 2014.

Cancellation and Nonrenewal, Standard #2 - failed

Preliminary Finding 006 – Private Passenger Automobile/Homeowners missing file and record documentation – The Examiners identified one (1) HO non-renewal, three (3) PPA cancellations for underwriting reasons and two (2) PPA declinations where the Company failed to produce cancellation or declination letters, an apparent violation of A.R.S. § 20-157(A).

HOMEOWNERS AND PRIVATE PASSENGER AUTOMOBILE
Summary of Findings – Standard 2 File Review
Missing File and Record Documentation
A.R.S. § 20-157(A)

Files Reviewed	Population	Reviewed	Exceptions	Request #
HO Non Renewals	1,704	51	1	003
PPA UW Reasons	1,867	47	3	013
PPA Declinations	11	11	2	018
Totals	3,582	109	6	
			Error Ratio	6%

A 6% error ratio does not meet the Standard; therefore, a recommendation is warranted.

Recommendation #3

Within 90 days of the filed date of this report provide the Department with documentation that Company procedures are in place to maintain accurate records including accounts, documents, files, assets or other materials related to insurer claim settlements.

Cancellation and Nonrenewal, Standard #2 – failed

Preliminary Finding 007 – Time Variance – The Examiners identified 30 Homeowner non payment cancellation notices where the effective time/date shows **policy is cancelled effective 12:01 am (or noon if required by state law)**, which differs from the Homeowners' Declaration (DEC) Pages of "12:01 am". Reference to two different times/dates is confusing and misleading, an apparent violation of A.R.S. § 20-443(A)(1).

HOMEOWNERS TIME VARIANCE

Incorrect time/date on HO Non Payment Cancellation Notices

A.R.S. § 20-443(A)(1)

Population	Sample	# of Exceptions	% to Sample
15,504	102	30	29%

A 29% error ratio does not meet the Standard; therefore, a recommendation is warranted.

Recommendation #4

Within 90 days of the filed date of this report provide the Department with documentation that Company procedures are in place so that the Homeowners' Non Payment Cancellations Notices display the correct effective time of 12:01 AM.

Subsequent Events: During the course of the Examination, the Company edited their cancellation for nonpayment notice to include the correct effective time of its expiration. The Company has indicated they will implement the changes on June 13, 2014.

CLAIMS PROCESSING

Homeowners (HO):

The Examiners reviewed 52 HO claims closed without payment (included 2 sample files) from a population of 4,069; 102 HO paid claims (included 2 sample files) from a population of 10,745 and 52 HO subrogation claims (included 2 sample files) from a population of 444. This claim review included a total sample size of 206 HO claims files from a total population of 15,258.

Private Passenger Automobile (PPA):

The Examiners reviewed 52 PPA claims closed without payment (included 2 sample files) from a population of 2,299; 52 PPA paid claims (included 2 sample files) from a population of 3,173; 52 total loss PPA claims (included 2 sample files) out of a population of 408 and 52 PPA subrogation claims (included 2 sample files) out of a population of 1,084. This claims review included a total sample size of 208 PPA claim files from a total population of 6,964.

All claim files reviewed were to ensure compliance with Arizona Statutes and Rules.

The Following Claim Standards were met:

#	STANDARD	Regulatory Authority
1	The initial contact by the Company with the claimant is within the required time frame.	A.R.S. § 20-461, A.A.C. R20-6-801
2	Timely investigations are conducted.	A.R.S. § 20-461, A.A.C. R20-6-801
4	Claim files are adequately documented in order to be able to reconstruct the claim.	A.R.S. §§ 20-461, 20-463, 20-466.03, A.A.C. R20-6-801
6	The Company uses reservation of rights and excess of loss letters, when appropriate.	A.R.S. § 20-461, A.A.C. R20-6-801
7	Deductible reimbursement to insured upon subrogation recovery is made in a timely and accurate manner.	A.R.S. §§ 20-461, 20-462, A.A.C. R20-6-801
8	The Company responds to claim correspondence in a timely manner.	A.R.S. § 20-461, 20-462, A.A.C. R20-6-801
9	Denied and Closed Without Payment claims are handled in accordance with policy provisions and state law.	A.R.S. §§ 20-461, 20-462, 20-463, 20-466, 20-2110, A.A.C. R20-6-801
10	No insurer shall fail to fully disclose to first party insureds all pertinent benefits, coverages or other provisions of an insurance policy or insurance contract under which a claim is presented.	A.A.C. R20-6-801

11	Adjusters used in the settlement of claims are properly licensed.	A.R.S. §§ 20-321 through 20-321.02
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The following Claim Standards failed:

#	STANDARD	Regulatory Authority
3	The Company claim forms are appropriate for the type of product and comply with statutes, rules and regulations.	A.R.S. §§ 20-461, 20-466.03, 20-2106, A.A.C. R20-6-801
5	Claims are properly handled in accordance with policy provisions and applicable statutes, rules and regulations.	A.R.S. §§ 20-268, 20-461, 20-462, 20-468, 20-469 and A.A.C. R20-6-801

Claims Processing Standard #3 – failed

Preliminary Finding 001 – Disclosure Authorization Forms- Claims – The Examiners identified one (1) claim authorization form (shown in the table below) where the Company failed to:

- advise the individual or a person authorized to act on behalf of the individual that they are entitled to receive a copy of the authorization form.

This form failed to comply with A.R.S. § 20-2106(9) and represents one (1) violation of the statute. The following table summarizes the authorization form finding.

	Form Description / Title	Form #	Statute Provision
1	Authorization for Release of Information	137431 06-01-2009	9

CLAIM FORM

Failed to advise the individual or a person authorized to act on behalf of the individual that they are entitled to receive a copy of the authorization form

Violation of A.R.S. § 20-2106(9)

Population	Sample	# of Exceptions	% to Sample
N/A	N/A	1	N/A

Any error or exception identified in the areas of a procedure or forms use does not meet the Standard; therefore a recommendation is warranted.

Recommendation #5

Within 90 days of the filed date of this Report, provide the Department with documentation that Company procedures are in place so the authorization form listed above includes the following

- advise the individual or a person authorized to act on behalf of the individual that the individual or the individual's authorized representative is entitled to receive a copy of the authorization form, in accordance with the applicable state statute.

Subsequent Events: During the course of the Examination, the Company provided the corrected form to the Department prior to completion of the Examination. The Examiners were advised the change was implemented on March 27, 2014.

Claims Processing Standard #5 – failed

Preliminary Finding-002 – Transaction Privilege Tax (TPT). - The Examiners identified eight (8) first party homeowner settlements, in which the Company failed to pay the correct Transaction Privilege Tax (TPT), which is an apparent violation of A.R.S. §§ 20-461, 20-462(A) and 44-1201.

HOMEOWNER CLAIMS

Failed to pay the correct Transaction Privilege Tax
A.R.S. §§ 20-461, 20-462(A) and 44-1201

Population	Sample	# of Exceptions	% to Sample
10,745	100	8	8%

An 8% error ratio does not meet the standards; therefore, a recommendation is warranted.

Recommendation #6

Within 90 days of the filed date of this report provide the Department with documentation that Company procedures are in place to correctly calculate and pay the correct Transaction Privilege Tax (TPT) on Homeowner Paid Claims.

Subsequent Events: During the course of the Phase I Examination, the Company agreed with eight (8) first party underpayments and paid restitution to all parties affected in the amount of \$203.22 plus \$22.18 in interest for a total of \$225.40. A copy of letters of explanation and payments were sent to the Department prior to completion of the Examination.

SUMMARY OF FAILED STANDARDS

EXCEPTIONS	Rec. No.	Page No.
CANCELLATIONS AND NON RENEWALS		
<u>Standard #1</u> Declinations, Cancellations and Non-Renewals shall comply with state laws and company guidelines including the Summary of Rights to be given to the policyholder and shall not be unfairly discriminatory.	1	13
<u>Standard #2</u> Cancellations and Non-Renewal notices comply with state laws, company guidelines and policy provisions, including the amount of advance notice required and grace period provisions to the policyholder, nonrenewal based on condition of premises, and shall not be unfairly discriminatory.	2	14
<u>Standard #2</u> Cancellations and Non-Renewal notices comply with state laws, company guidelines and policy provisions, including the amount of advance notice required and grace period provisions to the policyholder, nonrenewal based on condition of premises, and shall not be unfairly discriminatory.	3	14
<u>Standard #2</u> Cancellations and Non-Renewal notices comply with state laws, company guidelines and policy provisions, including the amount of advance notice required and grace period provisions to the policyholder, nonrenewal based on condition of premises, and shall not be unfairly discriminatory.	4	15
CLAIM PROCESSING		
<u>Standard #3</u> The Company claim forms are appropriate for the type of product and comply with statutes, rules and regulations.	5	19
<u>Standard #5</u> Claims are properly handled in accordance with policy provisions and applicable statutes, rules and regulations.	6	19

SUMMARY OF PROPERTY AND CASUALTY STANDARDS

Complaint Handling

#	STANDARD	PAGE	PASS	FAIL
1	The Company takes adequate steps to finalize and dispose of the complaints in accordance with applicable statutes, rules, regulations and contract language. (A.R.S. § 20-461 and A.A.C. R20-6-801)	8	X	
2	The time frame within which the Company responds to complaints is in accordance with applicable statutes, rules and regulations. (A.R.S. § 20-461 and A.A.C. R20-6-801)	8	X	

Marketing and Sales

#	STANDARD	PAGE	PASS	FAIL
1	All advertising and sales materials are in compliance with applicable statutes, rules and regulations. (A.R.S. §§ 20-442 and 20-443)	8	X	

Producer Compliance

#	STANDARD	PAGE	PASS	FAIL
1	The producers are properly licensed in the jurisdiction where the application was taken. (A.R.S. §§ 20-282, 20-286, 20-287 and 20-311 through 311.03)	8	X	
2	An insurer shall not pay any commission, fee, or other valuable consideration to unlicensed producers. (A.R.S. § 20-298)	8	X	

Underwriting and Rating

#	STANDARD	PAGE	PASS	FAIL
1	The rates charged for the policy coverage are in accordance with filed rates (if applicable) or the Company Rating Plan. (A.R.S. §§ 20-341 through 20-385)	8	X	

#	STANDARD	PAGE	PASS	FAIL
2	Disclosures to insureds concerning rates and coverage are accurate and timely. (A.R.S. §§ 20-259.01, 20-262, 20-263, 20-264, 20-266, 20-267 and 20-2110)	8	X	
3	All forms and endorsements forming a part of the contract should be filed with the director (if applicable). (A.R.S. § 20-398)	8	X	
4	All mandated disclosures are documented and in accordance with applicable statutes, rules and regulations, including, but not limited to, the Notice of Insurance Information Practices and the Authorization for Release of Information. (A.R.S. §§ 20-2104, 20-2106, 20-2110 and 20-2113)	8	X	
5	Policies and endorsements are issued or renewed accurately, timely and completely. (A.R.S. §§ 20-1118, 20-1120, 20-1121, 20-1632 and 20-1654)	8	X	
6	Rescissions are not made for non-material misrepresentations. (A.R.S. §§ 20-463 and 20-1109)	8	X	

Declinations, Cancellation and Non-Renewals

#	STANDARD	PAGE	PASS	FAIL
1	Declinations, Cancellations and Non-Renewals shall comply with state laws and company guidelines including the Summary of Rights to be given to the policyholder and shall not be unfairly discriminatory. (A.R.S. §§ 20-448, 20-2108, 20-2109 and 20-2110)	12		X
2	Cancellations and Non-Renewal notices comply with state laws, company guidelines and policy provisions, including the amount of advance notice required and grace period provisions to the policyholder, nonrenewal based on condition of premises, and shall not be unfairly discriminatory. (A.R.S. §§ 20-191, 20-443, 20-448, 20-1631, 20-1632, 20-1632.01, 20-1651 through 20-1656)	12		X

Claims Processing

#	STANDARD	PAGE	PASS	FAIL
1	The initial contact by the Company with the claimant is within the required time frame. (A.R.S. § 20-461 and A.A.C. R20-6-801)	17	X	
2	Timely investigations are conducted. (A.R.S. § 20-461, and A.A.C. R20-6-801)	17	X	
3	The Company claim forms are appropriate for the type of product and comply with statutes, rules and regulations. (A.R.S. §§ 20-461, 20-466.03, 20-2106, and A.A.C. R20-6-801)	18		X
4	Claim files are adequately documented in order to be able to reconstruct the claim. (A.R.S. §§ 20-461, 20-463, 20-466.03 and A.A.C. R20-6-801)	17	X	
5	Claims are properly handled in accordance with policy provisions and applicable statutes, rules and regulations. (A.R.S. §§ 20-268, 20-461, 20-462, 20-468, 20-469 and A.A.C. R20-6-801)	18		X
6	The Company uses reservation of rights and excess of loss letters, when appropriate. (A.R.S. § 20-461 and A.A.C. R20-6-801)	17	X	
7	Deductible reimbursement to insured upon subrogation recovery is made in a timely and accurate manner. (A.R.S. §§ 20-461, 20-462 and A.A.C. R20-6-801)	17	X	
8	The Company responds to claim correspondence in a timely manner. (A.R.S. § 20-461, 20-462 and A.A.C. R20-6-801)	17	X	
9	Denied and closed without payment claims are handled in accordance with policy provisions and state law. (A.R.S. §§ 20-461, 20-462, 20-463, 20-466, 20-2110 and A.A.C. R20-6-801)	17	X	
10	No insurer shall fail to fully disclose to first party insureds all pertinent benefits, coverages, or other provisions of an insurance policy or insurance contract under which a claim is presented. (A.A.C. R20-6-801)	17	X	
11	Adjusters used in the settlement of claims are properly licensed (A.R.S. §§ 20-321 through 20-321.02)	18	X	