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PRESS RELEASE

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Arizona Department of Insurance Helps Insurance Consumers Recover Over \$7 Million In 2011

Phoenix — The Arizona Department of Insurance (ADOI) responded to 9,013 consumer complaints and inquiries in 2011 and provided assistance in settling insurance company disputes and obtaining \$7,467,542 in claim settlements and refunds for Arizona consumers.

In addition to helping consumers recover monies through the complaint and investigation process, the ADOI also conducts examinations of insurance companies for compliance with Arizona insurance laws. If we find an insurer failed to pay claims properly, we order restitution payments, including interest. In 2011, ADOI exams resulted in \$278,990 in additional consumer restitution and \$873,000 in civil penalties on insurers, which were remitted to the State's General Fund.

Consumers can file complaints with the ADOI about any type of insurance, but most ADOI complaints relate to automobile insurance, homeowners insurance, and health insurance. The most common reasons for complaints include:

Claim Delay (21%)
Claim processing delay (14%)
Unsatisfactory settlement offer (10%)
Agent handling (7%)

While ADOI cannot actually settle the claims, we explain the claims process and investigate and help correct improprieties which can lead to a favorable resolution for the consumer.

The ADOI Consumer Affairs Division provides free insurance-related information and guidance to consumers throughout the state and offers a wide variety of consumer publications online (www.azinsurance.gov), or by calling (602) 364-2499, or (1-800) 325-2548 (outside Phoenix area).

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Tips to Make the Insurance Claims Process Easier

Before you have a claim:

- **Know your policy.** Take time to read your policy and ask questions of your insurance representative.
- **Inventory your personal property.** Make an inventory of your personal belongings today! There are simple smart-phone and tablet apps that make this process fast and easy.
- **Get an insurance check-up.** Are you comfortable with the type and amount of coverage you have? You could be paying for coverage you no longer need.
- **Know your healthcare appeal rights.** Arizona law affords broad rights to appeal denied health insurance claims or services and nearly 50% of those initial denials are overturned.
- **Keep in touch.** Keep your insurer or agent apprised of significant events that can affect your insurance, such as change of address, new car, home improvements, or advising your health insurer if you're admitted to the hospital. Notify your insurer of any new dependents or new drivers.

During the claim process:

- **File your claim as soon as you can.**
- **Provide complete, correct, prompt information.**
- **Take notes and keep all correspondence.** Whether from your insurer or agent, keep copies of all notices, statements, and correspondence; take notes on all telephone conversations or in-person meetings, including dates, names, titles and a summary of conversation details, especially on health insurance issues.
- **Keep records of your time and expenses.**
- **Mitigate damages.** Make temporary or emergency repairs to property (*keep all receipts!*); an insurance company may deny a claim if you make permanent repairs *before* they have the opportunity to inspect the damage. Keep damaged personal property for adjuster inspection, and, if possible, take photographs or video of the damage before making temporary repairs.
- **Consider getting independent repair estimates before you meet with the claims adjuster.**
- **Ask questions about your claim.** If there is a disagreement about the claim settlement, ask the company for the specific policy language in question and insist on a written explanation of the reason for any claim denials and the specific policy terms the company is relying upon in denying the claim.
- **Don't rush into a settlement.** If the insurance company's first settlement offer does not meet your expectations, negotiate and ask for itemized explanations. Research the value of a comparable vehicle or the replacement cost of your belongings and use this information to support your counter offer. Research whether there are any deadlines for making repairs or settling a claim.