



# Consumer Complaints

Daniel Pittman  
Abbie Smith  
Robert Barnes

Insurance Specialists  
June 22, 2017



**Annual Louisiana Insurance  
Compliance Seminar & Legislative Review**

June 21-23, 2017  
Royal Sonesta | New Orleans, LA





## LDI Mission

- Enforce the insurance laws and regulations of the State of Louisiana impartially, honestly and expeditiously.
- The highest ethical and professional standards will be exercised in all interactions.





# What's New at LDI

- New personnel
- Organization





# Office of Consumer Services

## Background Information

- Created by the Louisiana Legislature in 2015.
- Investigates consumer complaints and answers consumers' questions.
- Conducts market conduct analysis and examinations.
- In 2016, recovered \$7.6 million for consumers in addition to the original amounts offered to them by their insurance companies.





# Office of Consumer Services

## New Personnel

Jeffrey Zewe, Deputy Commissioner

[jzewe@ldi.la.gov](mailto:jzewe@ldi.la.gov)

225-342-0819

Liz Butler, Insurance Administrator

[lbutler@ldi.la.gov](mailto:lbutler@ldi.la.gov)

225-219-4748

Robert Barnes, Insurance Manager

Consumer Complaints

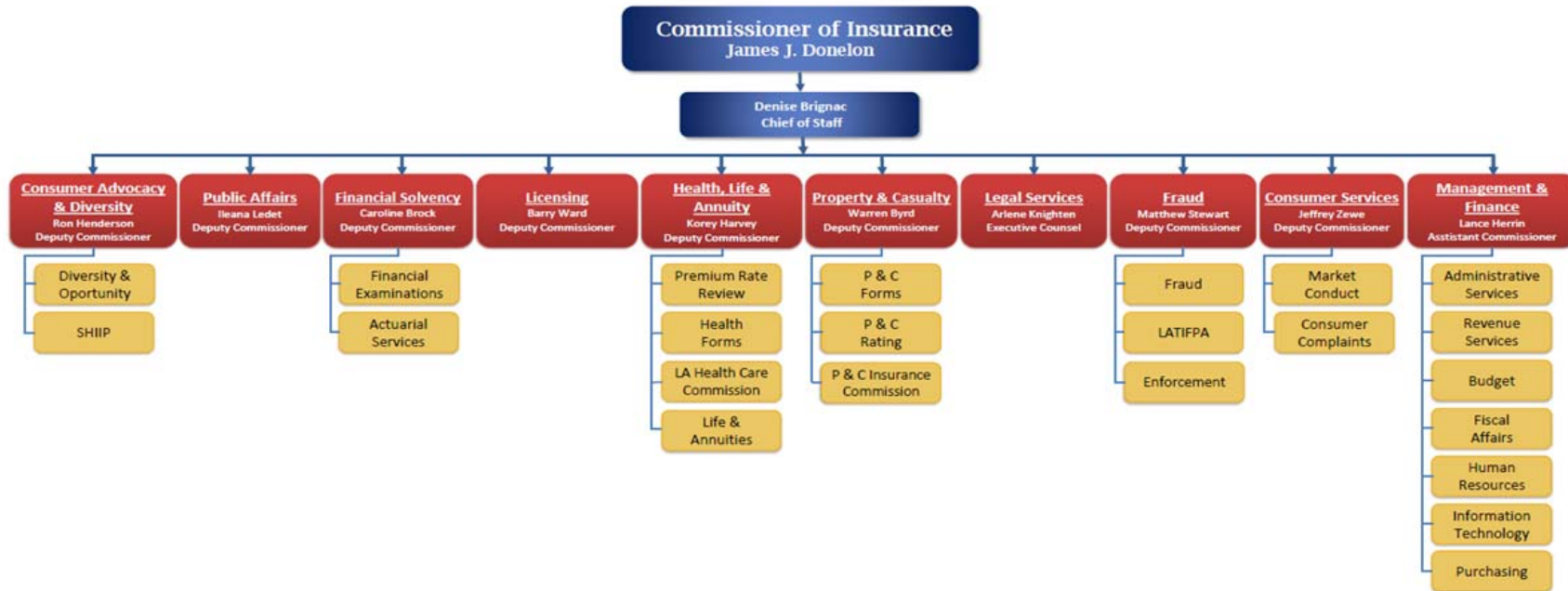
[rbarnes@ldi.la.gov](mailto:rbarnes@ldi.la.gov)

225-219-7813





# New Organization (Reorganization)





## What the LDI Doesn't Do

- Give legal advice, act as a complainant's lawyer or interfere in a pending lawsuit.
- Make a recommendation of an insurance company, agent or adjuster.
- Decide questions of fact.





# Compliant vs. Inquiry

- A complaint is any written communication in which a person expresses a grievance, problem, or other difficulty with any regulated entity and requests a resolution of the grievance.
- An inquiry is merely a question, or series of questions, regarding a regulated entity's status or activities; generally no resolution is requested.







# How is a Complaint Filed?

1. Online through the LDI CRAFT system
2. Email from consumer
3. Personal delivery (walk-in)
4. Fax
5. By mail or other delivery service
6. By TTD in cases of hearing impaired persons
7. Referrals from other government agencies





# How are Complaints Handled?

- All complaints submitted to LDI are entered into CRAFT (Complaint, Rate and Form Tracking).
- Initial complaint notification to insurer will be through the CRAFT Industry Portal.
- Complaints transmitted by LDI to insurers through CRAFT will require a response within 15 days of the date transmitted.
- Extensions of response time MAY be granted if warranted and requested ahead of response date.





## What Constitutes a Complete Response?

- Insurers who do not provide timely or complete responses in connection with a consumer complaint may be assessed a fine of \$250 per La. R.S. 22:1995A.
- Any insurer against whom such a fine is levied may request a hearing within 30 days per La. R.S. 22:1995B.





# Response from Insurers

Items necessary for a complete response by an insurer to a Life, Annuity or Long-Term Care complaint may include:

- Insured Decedent's Name
- Claimant's Name
- Policy Number
- LDI File Number
- Insurer file number
- Company's Response to Complaint
- Statement from Writing Agent (if requested by LDI)
- Amount of Any Benefits Already Paid





# Response from Insurers

Life, Annuity or Long-Term Care continued:

- Amount of Any Benefit Still Outstanding.
- Reason(s) for Claim Denial or Any Delay in Processing.
- Status of any Accidental Death Investigation.
- Copies of any policy provisions upon which insurer bases its current position. If relying on a policy provision, a copy of the entire policy is required.
- Date that next update to LDI will be provided (if initial response is not complete).
- Telephone number and email address for contact person.
- Other specific information as may be requested by LDI.





# Response from Insurers

Items necessary for a complete response by a Health insurer may include:

- Insured's Name
- Policy Holder's Name
- Policy Number
- LDI File Number
- A Copy of the Policy
- Company's Response to Complaint
- Statement from Writing Agent (if requested by LDI)
- Amount of Any Benefits Already Paid (Explanation of Benefits)
- Fully insured or self funded
- Grandfathered or not
- Individual or group





# Response from Insurers

Health continued:

- Reason(s) for Claim Denial or Any Delay in Processing.
- Copies of any policy provisions upon which insurer bases its current position. If relying on a policy provision, a copy of the entire policy is required.
- Date that next update to LDI will be provided (if initial response is not complete).
- Telephone number and email address for contact person.
- Other specific information as may be requested by LDI.





# Response from Insurers

Items necessary for a complete response by an insurer to a Property & Casualty complaint may include:

- Insured's Name
- Claimant's Name
- Policy Number
- LDI File Number
- Insurer File number
- Company's Response to Complaint
- Statement from Writing Agent (if requested by LDI)







# Response from Insurers

## Property & Casualty continued:

- Reason(s) for Claim Denial or Any Delay in Processing.
- Copies of any policy provisions upon which insurer bases its current position. If relying on a policy provision, a copy of the entire policy is required.
- Date that next update to LDI will be provided (if initial response is not complete).
- Telephone number and email address for contact person.
- Other specific information as may be requested by LDI.





# Life Policy Searches

## BACKGROUND INFORMATION

- LDI maintains a database containing electronic contact information for insurance companies licensed to sell life insurance in Louisiana.
- Exists as a means for LDI to assist individuals who wish to research possible existence, current or past, of life insurance policies on decedent's who purchased life insurance while residing in Louisiana.
- Cannot be used to search for policies which were not purchased in Louisiana.
- Any member of immediate family of a decedent may file a written request with the LDI using a request form which they may obtain either online or by telephone.
- With the completed request form, inquirer must provide copy of the decedent's death certificate. The right to file a request may not be assigned by Power of Attorney, or by any other instrument. The request must come from a member of the immediate family of the decedent.





# Life Policy Searches

- Upon receipt by the LDI of the completed inquiry form and attached death certificate, we will direct inquiries to all life insurers who have policies in force in Louisiana, along with information that will allow the insurer to respond directly to the inquirer.
- The insurer, not the Department of Insurance, will provide a direct response to the inquirer.
- The LDI is limited by law to directing inquiries to insurers.
- The LDI serves only as a means to facilitate contact, and is not responsible for the content of information obtained, or use or misuse of that information by the inquirer.





Questions?





# Contact Information

General Information: 1-800-259-5300 or  
1-800-259-5301

Direct Telephone Numbers: (225) 342-5900

General Mailing Address:  
Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804

Physical Address:  
1702 N. Third Street  
Baton Rouge, LA 70802

