



*Louisiana Insurers' Conference*

**ANNUAL LOUISIANA  
INSURANCE COMPLIANCE  
SEMINAR & LEGISLATIVE REVIEW**

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**COMPLIANCE CONNECTIONS**

# Consumer Complaints



# LDI Mission

It is the mission of the Louisiana Department of Insurance to enforce the insurance laws and regulations of the State of Louisiana impartially, honestly and expeditiously. To this end, the highest ethical, professional and work standards will be exercised in all formal and informal relationships with individuals, agencies and companies affected by the policies and actions of the Department.

It is our commitment to be the best insurance regulatory agency in the United States.



# What's New at LDI

- New Laws
- New Personnel
- New Organization (Reorganization)
- New Procedures



# What LDI Doesn't Do

- Give legal advice, act as a complainant's lawyer or interfere in a pending lawsuit.
- Recommend one insurance company, agent or adjuster over another.
- Decide disputes based on who is negligent or at fault by determining the facts surrounding a claim.
- Utilize subjective statements as facts of occurrence.



# Complaint vs. Inquiry

- A complaint is any communication from a member of the public in which that person expresses a grievance, problem, or other difficulty with any regulated entity and a resolution of the grievance is desired.
- An inquiry is merely a question, or series of questions, regarding a regulated entity's status or activities; no resolution or response may be necessary from the regulated entity.



# 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 (Complain, Rate and Form Tracking).
- Initial complaint notification to insurer will be through the CRAFT Industry Portal, and it may direct the insurer to provide copies of policy documents or other materials relevant to the complaint, or to obtain information from the writing agent.
- 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 which 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

A complete response by a health insurer will include:

- Insured Name/Claimant's Name
- Insured ID Number/Policy Number
- Effective Date of Coverage
- Termination Date of Coverage
- Provider
- Dates of Service
- Coverage Type
- Agent/Broker/Producer (if complaint is against them)
- Policyholder (if group coverage)



# Response from Insurers

A complete response by a health insurer will include:

- Underwriting Company
- NAIC Number
- Company File Number
- Department's File Number
- Complete resolution, including a copy of entire policy form
- Amount paid to settle claim
- Phone number where company's contact person can be reached
- Please indicate if the policy or plan was sold inside or outside of the Federally Facilitated Exchange.



# Health Complaints

## **Special note regarding complaints filed with the Office of Health**

Health policies issued prior to September 23, 2010, and which have not been changed since that date, are considered to be “grandfathered” under the Patient Protection and Affordable Care Act (PPACA), and are exempt from PPACA provisions. If a complaint concerns a grandfathered policy or plan, such must be indicated when responding to LDI on the complaint.



# Response from Insurers

A complete response by an insurer to a Life, Annuity and Long-Term Care complaint will 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

A complete response by an insurer to a Life, Annuity and Long-Term Care complaint will include:

- 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 contract provisions upon which insurer bases its current position.
- Date that next update to LDI will be provided (if initial response is not complete)
- Telephone number and email address (if available) for contact person
- Other specific information as may be requested by LDI.



# Response from Insurers

A complete response by an insurer to a P&C complaint will include:

- Insured/Claimant's Name
- Insured's insurance policy number
- LDI complaint file number
- Correct insurance company name/NAIC number
- Company's written response to complainant's issue(s)
- Agent/broker/producer/adjuster written response to complaint issue if requested by LDI
- Detailed time line of payment(s) issued



# Response from Insurers

A complete response by an insurer to a P&C complaint will include:

- Current status of investigation/claim process
- Reason for claim denial or any delay in processing
- Copies of any documents/contracts which insurer bases its position
- Date that next update is expected to LDI will be provided (if initial response is not complete)
- Responses should include representative's printed name with complete contact information provided (telephone number, fax, email address, etc.)
- All other specific information that may be useful.



# Office of Consumer Advocacy and Diversity

The staff of the Office of Consumer Advocacy works with other offices within the Louisiana Department of Insurance to perform the following duties and functions concerning products or services regulated by the Louisiana Department of Insurance:

- Answer consumer questions;
- Disseminate informational brochures to consumers, civic associations, governmental organizations and other interested parties;
- Serve as an advocate for consumer requesting assistance;
- Report violations of rules, regulations or laws of those entities regulated by the Louisiana Department of Insurance to the appropriate official in the Insurance Department;
- Ensure compliance with the Policyholder Bill of Rights





# Office of Consumer Advocacy and Diversity

The Office of Consumer Advocacy is the second point of assistance for consumers with complaints. Initially, complainants are referred to the Office of Consumer Services division of the appropriate section. Information required in response to Consumer Advocacy inquiries and complaints will vary according to the individual situation.



# La. R.S. 22:42:1

## §42.1. Confidentiality of information; exceptions

A. Notwithstanding the provisions of Subsections B and C of this Section, the commissioner shall comply with the provisions of R.S. 22:43; however, no identifier listed in Subsection E of this Section of any of the following persons shall be part of the separate file, record, or report required pursuant to R.S. 22:43 when recording information about any complaint or the compilation of statistical data:

- (1) The individual who is the subject of any health information, health information record, or the working papers, recorded information, documents, or copies thereof or related thereto.
- (2) Anyone identified as, or who it is reasonable to believe is, a relative, employer, or household member of the individual who is described in Paragraph (1) of this Subsection, where the relative, employer, or household member is listed in any record described in Paragraph (1) of this Subsection.



# La. R.S. 22:42:1

B.(1) All health information in the custody of the Department of Insurance shall be confidential. No part of any health information, health information record, or the working papers, recorded information, documents, or copies thereof or related thereto, produced by, obtained by, or disclosed to the commissioner, or any other person, and in the custody of the commissioner shall be disclosed under Title 44 of the Louisiana Revised Statutes of 1950.

(2) "Health information" means any information in any form or medium, transmitted or maintained in any manner, and in the custody of the department that relates to the past, present, or future physical or mental health or condition of an individual, the provision of health care, including medications and prescriptions, to an individual, or the past, present, or future payment for the provision of health care, including medications and prescriptions, to an individual.



# La. R.S. 22:42:1

C. No records, or the working papers, recorded information, documents, or copies thereof or related thereto, produced by, obtained by, or disclosed to the commissioner, or any other person, in the course of or after the resolution of a complaint against any person or entity subject to the jurisdiction of the Department of Insurance and which are in the custody of the commissioner, shall be disclosed under Title 44 of the Louisiana Revised Statutes of 1950.

D.(1) Nothing in this Section shall prohibit the communication of health information or health information records, or copies thereof, in the custody of the commissioner to:

- (a) The individual who is the subject of the health information or health information record.
- (b) The authorized representative of the individual who is the subject of the health information or health information record.



# La. R.S. 22:42:1

(c) A third party when written authorization is provided by the individual who is the subject of the health information record or by the authorized representative of the individual who is the subject of the health information or health information record.

(2) Nothing in this Section shall prohibit the disclosure of copies of the complaint filed by the complainant or insured, the response by the person or entity subject to the jurisdiction of the department, or the final disposition to:

(a) The complainant or insured.

(b) The authorized representative of the complainant or insured.

(c) A third party when written authorization is provided by the complainant or insured or by the authorized representative of the complainant or insured.



# La. R.S. 22:42:1

(3) Nothing in this Section shall prohibit the communication of facts, documents, or other information that is part of a record described in this Section, or the working papers, recorded information, documents, or copies thereof or related thereto, produced by, obtained by, or disclosed to the commissioner, or any other person and in the custody of the commissioner to a state or federal prosecuting attorney, a law enforcement agency, the office of the state inspector general, the state legislative auditor, or the attorney general of this state in connection with their statutory authority, or to any agency or communication district for the purpose of achieving coordinated and effective protection of the public health, safety, or welfare. The department shall also share information with any state or federal agency for the purpose of investigating or determining insurance or tax fraud or the offset of any governmental benefit or with any other government entity authorized by law to conduct any audit, investigation, or similar activity in connection with the administration of any state or federally funded program.



# La. R.S. 22:42:1

(4) Nothing in this Section shall prohibit the commissioner from using any records or other information in the custody of the department in the furtherance of any regulatory or legal action brought as part of the commissioner's official duties.

E. The identifiers described in this Section as confidential shall be the following:

- (1) Names.
- (2) All geographic subdivisions smaller than a state, including street address, city, county or parish, precinct, zip code, and any equivalent geocodes, except for the initial three digits of a zip code if, according to the current publicly available data from the Bureau of the Census:
  - (a) The geographic unit formed by combining all zip codes with the same three initial digits contains more than 20,000 people; and
  - (b) The initial three digits of a zip code for all such geographic units containing 20,000 or fewer people is changed to 000.





# La. R.S. 22:42:1

- (3) All elements of dates, except year, for dates directly related to an individual, including birth date, admission date, discharge date, date of death, and all ages over eighty-nine and all elements of dates, including year, indicative of such age, except that such ages and elements may be aggregated into a single category of age ninety or older.
- (4) Telephone numbers.
- (5) Facsimile numbers.
- (6) Electronic mail addresses.
- (7) Social security numbers.
- (8) Medical record numbers.
- (9) Health plan beneficiary numbers.
- (10) Account numbers.
- (11) Certificate and license numbers.
- (12) Vehicle identifiers and serial numbers, including license plate numbers.





# La. R.S. 22:42:1

- (13) Device identifiers and serial numbers.
  - (14) Web Universal Resource Locators (URLs).
  - (15) Internet Protocol (IP) address numbers.
  - (16) Biometric identifiers, including finger- and voice-prints.
  - (17) Full face photographic images and any comparable images.
  - (18) Any other unique identifying number, characteristic, or code.
- F. The retention period for records described in this Section shall be no less than three calendar years, and the records may be disposed of thereafter according to R.S. 44:401 et seq.

Acts 2009, No. 367, §1, eff. July 6, 2009; Acts 2012, No. 642, §1, eff. June 7, 2012.

# Discussion and Q&A

Each complaint is unique, and each one entails follow-up handling that will be tailored to the individual situation. Since it is not feasible to go into all possible scenarios, the floor will now be opened to questions from attendees.





# Contact Information

Office of Consumer Services at 225-342-5900 or  
1-800-259-5300

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