

INSURANCE LAW

2019 Auto Insurance Complaint Rankings

By: Jonathan A. Dachs, Esq.

I am privileged yet again to report upon the State of New York Department of Financial Services' recently published 2019 Automobile Insurance Complaint Ranking.

The 2019 "Annual Ranking," based upon data for the calendar year 2018, ranks 151 automobile insurance companies actively doing business in New York State. As in the past, this report ranks the individual companies themselves, rather than just the corporate groups of which those companies may be members. This method of listing is intended to give consumers a more accurate picture of their insurer's performance. Also, as in the past, insurers are ranked based upon a complaint ratio, which is determined by the number of private passenger automobile insurance complaints upheld against them and closed by the Department of Financial Services, as a percentage of their average total private passenger automobile premium volume in New York State over a two-year period.

In 2018, the Department received a total of 3,171 private passenger auto insurance complaints (down from 3,367 in 2017), of which 310 (down from 394 in 2017) were upheld. Neither *commercial* auto complaints nor complaints made *directly to the insurer* are included in determining the complaint ratios. Complaints either not upheld by the Department or withdrawn by the consumer are also not included in the calculations of the ratios. An upheld complaint occurs when the Department agrees with a consumer that an auto insurer made an inappropriate decision. Typical complaints are those involving such issues as delays in the payment of no-fault claims, and nonrenewals of policies.

Complaints about the value of monetary settlements and policy terminations are also common.

The 2018 average complaint ratio for all companies was 0.0228 per \$1 million in premiums (down from 0.0305 in 2017). This average ratio was derived by dividing the number of complaints upheld against all companies in 2018 (310) by the average premium for 2018 for all companies (\$13,611,942 million, or \$13.61 billion) (up from \$12,938,319 million, or \$12.93 billion in 2017). The average number of upheld complaints per company was 2.1 (down from 2.5 in 2017).

Charts

The first chart below lists the "Top 89," i.e., the eighty-nine companies with the *fewest* upheld complaints against them, or, the best performers of 2018 -- each of which achieved a complaint ratio of 0.00. Although these companies all have the same complaint ratio, they are ranked differently because of the differences in their average annual premiums.

The second chart below reveals the *opposite* side of the spectrum; it lists the "Bottom 25," the twenty-five auto insurers with the worst performance record for the calendar year 2018. In that chart, the company with the highest (worst) ratio is listed first; the company with the lowest ratio is listed last.

The third, and last, chart, denominated "The 'Big Ten'," separately lists the performance of the ten largest auto insurers in New York, as measured by their premiums written.

It should be noted that the Department urges readers or users of its ranking to consider that "large insurance companies doing a lot of business typically generate more

complaints than smaller companies, so while ratios may allow you to compare small companies with large companies by looking at complaints as a percentage of premiums written, only one or two additional upheld complaints per year can have a significant impact on a smaller insurer." The Department also notes that "Because the ranking includes all of the auto insurers in New York, some must be at the bottom of each year's list even if every company is performing well." Finally, the Department advises consumers that "While this ranking might provide information to consider when choosing an insurance company, it should not be your only consideration," and suggests that the consumer visit the "Automobile Owners Resource Center" of its website -- https://www.dfs.ny.gov/consumers/auto_insurance/Auto_resource_center -- for more information on shopping for auto insurance.

With those caveats in mind, I present below the pertinent charts:

<u>Rank</u>	<u>Ins. Company</u>	<u>2018 Complaint Ratio</u>	<u>2018 Complaint Total</u>	<u>2018 Upheld</u>	<u>2017-18 Avg. Premiums (Millions)</u>
21.	Essentia	0.00	3	0	20.984
22.	Privilege Underwriters Reciprocal Exchange	0.00	1	0	20.266
23.	Bankers Standard	0.00	0	0	19.087
24.	21 st Century Centennial	0.00	4	0	16.942
25.	Merchants Preferred	0.00	2	0	15.959
26.	Harleysville	0.00	1	0	15.898
27.	Great Northern	0.00	1	0	15.291
28.	Cincinnati	0.00	0	0	14.526
29.	Tri-State Consumer	0.00	24	0	13.722
30.	Travelers Commercial	0.00	1	0	12.979
31.	Hartford of the Midwest	0.00	1	0	11.741
32.	IDS Prop. Cas.	0.00	4	0	10.226
33.	National General	0.00	2	0	10.019
34.	Utica Mutual	0.00	2	0	9.932
35.	Electric	0.00	1	0	9.546
36.	Economy Premier	0.00	0	0	8.958
37.	Unitrin Preferred	0.00	1	0	8.051
38.	Allstate Indemnity	0.00	5	0	7.913
39.	Phoenix	0.00	1	0	7.891
40.	Unitrin Direct	0.00	2	0	7.703
41.	21 st Century North America	0.00	5	0	7.654
42.	Pacific Employers	0.00	0	0	6.838
43.	Encompass	0.00	0	0	6.826

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44.	Countryway	0.00	5	0	6.633
45.	Republic-Franklin	0.00	0	0	6.324
46.	NGM	0.00	2	0	6.167
47.	Plymouth Rock Assurance Preferred	0.00	0	0	6.033
48.	American Modern	0.00	0	0	5.953
49.	Auto. Ins. Co. of Hartford	0.00	1	0	5.756
50.	Sentinel	0.00	0	0	5.740
51.	Central Mutual	0.00	1	0	5.542
52.	Travco	0.00	1	0	5.531
53.	National General	0.00	2	0	5.395
54.	Unitrin Safeguard	0.00	0	0	5.190
55.	Permanent General	0.00	5	0	5.178
56.	Encompass Indem.	0.00	0	0	5.071
57.	Travelers Indem. of CT.	0.00	0	0	4.513
58.	National Liab. & Fire	0.00	6	0	4.079
59.	Nationwide Assurance	0.00	0	0	3.932
60.	Sterling	0.00	2	0	3.488
61.	Charter Oak	0.00	1	0	3.150
62.	Ins. Co. of State of PA.	0.00	0	0	3.119
63.	21 st Century Advantage	0.00	1	0	2.709
64.	Encompass Prop. & Cas.	0.00	0	0	2.609
65.	Vigilant	0.00	0	0	2.357

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66.	Farmers New Century	0.00	1	0	2.345
67.	Foremost Signature	0.00	1	0	2.069
68.	Hartford Acc. & Indem.	0.00	1	0	1.919
69.	Citizens	0.00	0	0	1.897
70.	Ironshore Indem.	0.00	0	0	1.859
71.	Progressive Northern	0.00	16	0	1.856
72.	Truck Ins. Exchange	0.00	0	0	1.716
73.	Travelers Indem.	0.00	2	0	1.677
74.	Dairyland	0.00	2	0	1.619
75.	Liberty Ins. Corp.	0.00	0	0	1.589
76.	American Family Home	0.00	0	0	1.504
77.	General Cas. Co. of Wisconsin	0.00	0	0	1.461
78.	Blue Ridge	0.00	0	0	1.436
79.	Prop. & Cas. Co. of Hartford	0.00	0	0	1.427
80.	Travelers Cas. Co. of CT.	0.00	0	0	1.385
81.	Farmington Casualty	0.00	1	0	1.373
82.	American Reliable	0.00	0	0	1.293
83.	Integon Casualty	0.00	0	0	1.282

The "Big 10": Largest Auto Insurers in New York

<u>Rank</u>	<u>Ins. Company</u>	<u>2018 Complaint Ratio</u>	<u>2018 Complaint Total</u>	<u>2018 Upheld</u>	<u>2017-18 Avg. Premiums (Millions)</u>
93.	GEICO General	0.0078	480	20	2,567.296
106.	State Farm Mut. Auto	0.0163	310	26	1,591.902
90	GEICO Indemnity	0.0027	273	3	1,109.296
86.	Allstate Fire & Cas.	0.0130	199	12	921.727
95.	Government Employees (GEICO)	0.0084	114	6	712.903
126.	Allstate	0.0759	194	49	645.643
109.	Progressive Casualty	0.0180	135	10	555.008
94.	Progressive Advanced	0.0083	104	3	362.097
102.	LM General	0.0146	74	5	342.999
	New York Central	0.0171	66	5	291.705
108.	Mutual				

Copies of the Department of Financial Services' annual rankings may be obtained free of charge by calling the Department's toll-free telephone number: (800) 342-3736. In addition, the annual rankings are accessible on the Department's website --

https://www.dfs.ny.gov/consumers/auto_insurance/auto_insurance_complaint_ranking.

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9.	Titan	0.7925	3	1	1.262
10.	Hartford Fire	0.5628	2	1	1.777
11.	American Bankers of FL.	0.4224	3	3	7.103
12.	Country-Wide	0.3850	141	40	103.897
13.	Progressive Direct	0.2655	17	4	15.065
14.	CSAA General	0.2314	10	3	12.966
15.	Amica Prop & Cas.	0.1606	3	1	6.226
16.	First Liberty	0.1560	4	2	12.822
17.	Plymouth Rock Assurance	0.1455	13	5	34.366
18.	Chubb Indemnity	0.1274	1	1	7.948
19.	Unitrin Auto & Home	0.1267	1	1	7.855
20.	Maidstone	0.1023	22	3	29.314
21.	Main Street	0.1023	3	1	8.778
22.	USAA General Indem.	0.1002	41	10	99.785
23.	State National	0.0954	1	1	10.433
24.	Ameriprise	0.0879	9	2	22.741
25.	AIG Prop. Cas.	0.0793	4	2	25.216

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