

INSURANCE LAW

Auto Insurance Complaint Rankings

By: Jonathan A. Dachs, Esq.

I am privileged once again to report upon the State of New York Department of Financial Services' recently published 2018 Automobile Insurance Complaint Ranking.

The 2018 "Annual Ranking," based upon data for the calendar year 2017, ranks all 159 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 2017, the Department received a total of 3,367 private passenger auto insurance complaints (down from 3,872 in 2014), of which 394 (down from 444 in 2014) 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 Complaints either not upheld by the Department or withdrawn by the consumer are also not included in the calculations of the ratios.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 2017 average complaint ratio for all companies was 0.0305 per \$1 million in premiums (down from 0.03473 in 2014). This average ratio was derived by dividing the number of complaints upheld against all companies in 2017 (394) by the average premium for 2017 for all companies (\$12,938,319 million, or \$12.93 billion) (up from \$11,016,405 or \$11.01 billion in 2014). The average number of upheld complaints per company was 2.5 (down from 2.6 in 2014).

Charts

The first chart below lists the "Top 84," i.e., the eighty-four companies with the *fewest* upheld complaints against them, or, the best performers of 2017 -- 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 2017. 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:

The "Top 84":
The Best Performers of 2017

<u>Rank</u>	<u>Ins. Company</u>	<u>2017 Complaint Ratio</u>	<u>2017 Complaint Total</u>	<u>2017 Upheld</u>	<u>2016-17 Avg. Premiums (Millions)</u>
1.	Nationwide Mutual	0.00	8	0	74.274
2.	Preferred Mutual	0.00	13	0	63.461
3.	Chubb National	0.00	5	0	51.539
4.	Utica National	0.00	10	0	45.910
5.	Travelers Personal Security	0.00	4	0	38.643
6.	New South	0.00	8	0	35.049
7.	Northwestern	0.00	11	0	33.145
8.	Old Dominion	0.00	3	0	29.405
9.	AIG Prop. Cas.	0.00	4	0	25.602
10.	Farm Family Cas.	0.00	6	0	23.134
11.	Encompass Home & Auto	0.00	5	0	22.999
12.	Esurance Prop. Cas.	0.00	8	0	22.441
13.	Metropolitan Prop. & Cas.	0.00	3	0	20.253
14.	Bankers Standard	0.00	2	0	19.723
15.	Essentia	0.00	1	0	18.788
16.	Foremost Ins. Co. of Grand Rapid, MI	0.00	4	0	17.328
17.	LM Ins. Corp.	0.00	6	0	16.841
18.	Privilege Underwriters Reciprocal Exchange	0.00	1	0	16.751
19.	Great Northern	0.00	1	0	16.495
20.	Merchants	0.00	5	0	15.104

<u>Rank</u>	<u>Ins. Company</u>	<u>2017 Complaint Ratio</u>	<u>2017 Complaint Total</u>	<u>2017 Upheld</u>	<u>2016-17 Avg. Premiums (Millions)</u>
21.	Hartford of the Midwest	0.00	1	0	13.406
22.	Harleysville	0.00	1	0	13.295
23.	IDS Prop. Cas.	0.00	5	0	11.111
24.	21 st Century N.A.	0.00	1	0	10.676
25.	Allstate Indemnity	0.00	2	0	10.528
26.	State National	0.00	2	0	10.249
27.	21 st Century National	0.00	3	0	10.095
28.	Economy Premier	0.00	0	0	10.075
29.	Main Street America Protection	0.00	0	0	9.910
30.	Electric	0.00	1	0	9.741
31.	Utica Mutual	0.00	6	0	9.373
32.	Phoenix	0.00	1	0	9.265
33.	Unitrin Auto & Home	0.00	0	0	9.204
34.	Unitrin Direct	0.00	2	0	9.090
35.	Unitrin Preferred	0.00	2	0	8.942
36.	CHUBB Indemnity	0.00	0	0	8.495
37.	Encompass	0.00	1	0	8.000
38.	Sentinel	0.00	1	0	7.191
39.	Pacific Employers	0.00	0	0	7.032
40.	Republic-Franklin	0.00	0	0	6.622
41.	Countryway	0.00	1	0	6.456
42.	Trav. Co.	0.00	0	0	6.406
43.	Amica Prop. & Cas.	0.00	0	0	6.218
44.	Encompass Indemnity	0.00	2	0	6.137

<u>Rank</u>	<u>Ins. Company</u>	<u>2017 Complaint Ratio</u>	<u>2017 Complaint Total</u>	<u>2017 Upheld</u>	<u>2016-17 Avg. Premiums (Millions)</u>
45.	21 st Century Centennial	0.00	2	0	5.984
46.	National General	0.00	3	0	5.592
47.	American Modern	0.00	1	0	5.586
48.	Assurance	0.00	2	0	5.435
49.	Central Mutual	0.00	0	0	5.246
50.	Travelers Indem. of CT.	0.00	3	0	5.234
51.	21 st Century Advantage	0.00	1	0	4.338
52.	National Assurance	0.00	0	0	4.195
53.	Titan	0.00	4	0	3.877
54.	Charter Oak Fire	0.00	0	0	3.658
55.	Ins. Co. of State of P.A.	0.00	0	0	3.217
56.	Sterling	0.00	0	0	3.091
57.	Encompass Prop. & Cas.	0.00	0	0	3.056
58.	Farmers New Century	0.00	2	0	2.851
59.	21 st Century Indem.	0.00	0	0	2.751
60.	Preferred General Assurance	0.00	4	0	2.731
61.	Vigilant	0.00	0	0	2.501
62.	Citizens	0.00	2	0	2.333
63.	Foremost Signature	0.00	0	0	2.304
64.	Blue Ridge Indem.	0.00	0	0	2.260
65.	Hartford Acc. & Indem.	0.00	0	0	2.166
66.	Victoria Auto.	0.00	0	0	2.073

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67.	Progressive Northern	0.00	1	0	2.043
68.	Travelers Indem.	0.00	5	0	1.978
69.	21 st Century Premier	0.00	1	0	1.937
70.	21 st Integon Cas.	0.00	1	0	1.876
71.	Ironshore Indem.	0.00	1	0	1.856
72.	Victoria Fire & Cas.	0.00	5	1	1.806
73.	21 st Century Security	0.00	0	0	1.688
74.	American Family Home	0.00	0	0	1.586
75.	Travelers Cas. Co. of CT.	0.00	0	0	1.561
76.	Prop. & Cas. Ins. Co. of Hartford	0.00	0	0	1.517
77.	Standard Fire	0.00	3	0	1.471
78.	Mass. Bay	0.00	0	0	1.389
79.	American Reliable	0.00	0	0	1.336
80.	Harleysville Preferred	0.00	0	0	1.226
81.	Federal	0.00	1	0	1.171
82.	Twin City Fire	0.00	1	0	1.149
83.	GEICO Cas.	0.00	7	0	1.025
84.	Infinity	0.00	0	0	1.005

The "Bottom 25":
The 25 Worst Performers of 2017

Rank	Ins. Company	<u>2017</u> <u>Complaint</u> <u>Ratio</u>	<u>2017</u> <u>Complaint</u> <u>Total</u>	<u>2017</u> <u>Upheld</u>	<u>2016-17</u> <u>Avg.</u> <u>Premiums</u> <u>(Millions)</u>
1.	Peerless	23.5434	3	2	0.085
2.	Nationwide Prop. & Cas.	20.5997	6	1	0.049
3.	Metropolitan	15.6678	1	1	0.064
4.	Nationwide General	12.9078	3	2	0.155
5.	Infinity Auto.	12.6257	2	2	0.158
6.	QBE	6.7941	5	4	0.589
7.	Interboro	1.6763	2	1	0.597
8.	Safeco	1.6471	4	2	1.214
9.	Travelers Prop. Cas.	1.1875	5	1	0.842
10.	Unitrin Advantage	1.1523	8	3	2.603
11.	CSAA Fire & Cas.	0.6598	9	4	6.063
12.	Country-Wide	0.6381	217	74	115.977
13.	Farmington Cas.	0.5465	1	1	1.830
14.	Hartford Fire	0.4910	2	1	2.036
15.	Dairyland	0.4798	1	1	2.084
16.	Liberty	0.4710	5	1	2.123
17.	Philadelphia Indemnity	0.4691	7	2	4.264
18.	Truck Ins. Exchange	0.4565	1	1	2.191
19.	American Bankers Ins. Co. of Fl.	0.2869	3	2	6.972
20.	CSAA General	0.2582	12	3	11.620
21.	National Liab. & Fire	0.2467	12	1	4.053
22.	Travelers Commercial	0.2006	4	3	14.954

Rank	Ins. Company	<u>2017</u> <u>Complaint</u> <u>Ratio</u>	<u>2017</u> <u>Complaint</u> <u>Total</u>	<u>2017</u> <u>Upheld</u>	<u>2016-17</u> <u>Avg.</u> <u>Premiums</u> <u>(Millions)</u>
23.	Automobile Ins. Co. of Hartford CT.	0.1473	2	1	6.789
24.	NGM	0.1471	3	1	6.799
25.	Tri-State Consumer	0.1457	31	2	13.724

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

Rank	Ins. Company	<u>2017</u> <u>Complaint</u> <u>Ratio</u>	<u>2017</u> <u>Complaint</u> <u>Total</u>	<u>2017</u> <u>Upheld</u>	<u>2016-17</u> <u>Avg.</u> <u>Premiums</u> <u>(Millions)</u>
92.	GEICO General	0.0121	467	29	2,390.966
104.	State Farm Mut. Auto	0.0229	271	35	1,531.309
94.	GEICO Indemnity	0.0127	259	13	1,023.553
86.	Allstate Fire & Cas.	0.0076	163	6	794.248
125.	Allstate	0.0678	289	48	707.685
89.	GEICO	0.0091	138	6	660.507
96.	Progressive Casualty	0.0143	116	7	490.203
101.	LM General	0.0200	64	6	300.271
95.	Progressive Advanced	0.0133	82	4	300.082
99.	New York Central Mutual	0.0183	71	5	273.495

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. Complaints against insurance companies may be filed on-line at <https://www.dfs.ny.gov>.

Jonathan A. Dachs is a partner at Shayne, Dachs, Sauer & Dachs, LLP, in Mineola. He is the author of *New York Uninsured and Underinsured Motorist Law & Practice* (LexisNexis/Matthew Bender 2016, 2017, 2018).