

CONSUMER GUIDE TO



AUTO



HEALTH



HOMEOWNER



LIFE



ANNUITIES

Oregon Insurance Complaints

*Complaints from
calendar year*
2002

OREGON INSURANCE DIVISION

About the Oregon Insurance Division

The mission of the Insurance Division is to administer the Insurance Code for the protection of the insurance-buying public while supporting a positive business climate.

We ensure the financial soundness of insurers, the availability and affordability of insurance, and the fair treatment of consumers by doing the following:

- Licensing insurance companies and monitoring their solvency
- Reviewing insurance products and premium rates for compliance
- Licensing insurance agents and consultants
- Resolving consumer complaints
- Investigating and penalizing companies and agents for violations of insurance law
- Monitoring the marketplace conduct of insurers and agents
- Educating the public about insurance issues
- Advocating reforms that protect the insurance-buying public

Call us for help

■ Consumer Protection Section — (503) 947-7984 or (888) 877-4894 (toll-free in Oregon)

You have the right to seek assistance from the Insurance Division at any time by **filing a formal complaint** against an insurance company or agent. A copy of the complaint is sent to the insurance company. A response from the insurance company or agent must be received at the Insurance Division within 21 days. If the response is not adequate, a consumer advocate will work with you and the insurance company to try to resolve the problem. The Insurance Division will forward a copy of the insurance company's response to you. If a law has been broken, the matter may be referred to the Insurance Division's Investigations Unit.

■ Financial Regulation Section — (503) 947-7982

To find out if a company is authorized to sell insurance in Oregon, call our Financial Regulation Section or visit our Web site, oregoninsurance.org; click on "Company Information."

■ Agent Licensing Unit — (503) 947-7981

To find out if your insurance agent is licensed to do business in Oregon, call our Agent Licensing Unit or visit our Web site, oregoninsurance.org; click on "Agent Information."

■ Senior Health Insurance Benefits Assistance (SHIBA) — (503) 947-7984 or (800) 722-4134 (toll-free in Oregon)

Call SHIBA for information about Medicare and other health insurance for Medicare-eligible people.

Visit our Web site

The Oregon Insurance Division's Web site includes all of our publications as well as other useful information for consumers. You can file a complaint against an insurance company or agent, check to see if an insurer is authorized to do business in Oregon, and find out if your insurance agent is licensed in Oregon. Our Web address: oregoninsurance.org.



In compliance with the Americans with Disabilities Act (ADA), this publication is available in alternative formats. Call (503) 947-7980 or 947-7280 (TTY). Information in this publication is in the public domain and may be reprinted without permission.

Table of contents

Introduction	2
Companies included in this report.....	2
Total insurance complaints	3
Total insurance premiums	3
Types of complaints; making a complaint	4
Managing the cost of insurance	4
Choosing a financially healthy insurance company.....	5
Choosing a qualified agent	5
How to use this report.....	6
Auto insurance (personal)	7
Health insurance	8
Homeowner insurance	9
Life insurance	10
Annuities	11
Helpful hints about insurance	12-13
Insurance publications	back cover

Introduction

Insurance is an important issue for consumers. Most families rely on insurance to protect their health, income, cars, and homes. But for many consumers, shopping for insurance isn't easy. Insurance is complex and highly specialized. How can consumers make the best decisions about how much and what kind of insurance coverage to buy?

With the right information, consumers can make sound decisions. That's why the Oregon Insurance Division publishes the *Consumer Guide to Oregon Insurance Complaints*, an annual report of consumer complaints against insurance companies in the most common lines of insurance:

- auto (personal)
- health
- homeowner
- life
- annuities

This report ranks major insurers by their complaint records, which are based on the number of confirmed consumer complaints closed by the Insurance Division and the amount of premium dollars earned by the insurers. It allows consumers to see at a glance how a company compares with its competitors.

In addition to consumer complaints, there are other factors to consider when shopping for insurance. Cost, claims-handling performance, agent service, and the financial health of an insurance company are all important.

Being an informed consumer can prevent worry and save time and money. This report will explain how to comparison shop for insurance and what to look for. We've also included tips to help you learn about a company's financial health and how to choose a reliable licensed agent.

By providing fair, accurate, and useful information for consumers, this report fulfills an important part of the Insurance Division's mission to protect consumers.

Companies included in this report

Because of space limitations, only major insurance companies doing business in Oregon are included in this report. To be included, a company must have met at least one of the following three conditions during 2002: 1) have at least one percent market share in Oregon, 2) have at least 10 confirmed complaints, or 3) have its headquarters in Oregon.

The amount of premium earned in Oregon does not reflect the financial strength of a company or its ability to pay claims.

A more-detailed report of consumer complaints against all insurance companies doing business in Oregon is available in the *Oregon Complaint Report, Part II*. This 600-page report includes the following:

- Summary tables showing the total number of consumer complaints closed by the Insurance Division in 2002

- Individual insurance-company complaint tables for 2002

Both the summary and individual company tables break down the reasons for complaints and indicate how they were resolved. For example, the tables show how many complaints involved claims-handling delays, and, of those, how many were settled by the insurer after a complaint was filed with the Insurance Division.

Oregon Complaint Report, Part II, is available on our Web site, oregoninsurance.org, click on Publications.

To order a printed copy of *Oregon Complaint Report, Part II*, send a \$30 check, payable to DCBS, to: Oregon Insurance Division – 2, P.O. Box 14480, Salem, OR 97309-0405.

Total insurance complaints

During 2002, the Oregon Insurance Division closed 4,097 complaints in the five most common lines of insurance. The insurers listed in this report accounted for 3,159 complaints or 77 percent of all complaints in the five lines.

The table below compares the complaints for all insurers to those for the insurers named in our report.

Line of insurance	Total complaints		Percent
	Insurers in this report	All insurers	
Auto (personal)	1,688	2,043	83
Health	1,056	1,325	80
Homeowner	310	418	74
Life	82	248	33
Annuities	23	63	37
All five selected lines	3,159	4,097	77

Total insurance premiums

Insurance premiums in Oregon in 2002 totaled \$10.86 billion in the five most common lines of insurance. The insurers listed in this report accounted for \$9.1 billion of premiums in 2002. The table below compares the premiums earned

by all insurers to premiums earned by the insurers named in our report in the most common lines of insurance.

Source: Research & Analysis Section, IMD, Department of Consumer & Business Services.

Line of insurance	Total premiums in billions of dollars		Percent
	Insurers in this report	All insurers	
Auto (personal)	1.40	1.65	85
Health	5.29	5.83	91
Homeowner	.32	.37	86
Life	.57	1.01	56
Annuities	1.52	2.00	76
All five selected lines	9.10	10.86	84

Types of complaints; making a complaint

The Insurance Division's Consumer Protection Section assists thousands of consumers with insurance questions and complaints each year. In 2002, Consumer Protection helped recover \$7 million in claims for consumers who contacted our office.

Although individual consumer complaints are confidential by law, the Insurance Division is authorized to publish this report on the number of complaints by insurer. This report includes only "formal complaints" that were closed in 2002.

Most complaints involve disputes about claims processing and benefits. Other complaints involve problems with the sales and servicing of insurance policies, such as cancellations, non-renewals, and rate increases.

If you have a question or **complaint** about an insurance company or one of its agents, the Consumer Protection Section may be able to help. We investigate complaints by contacting the company or agent involved, and we provide consumers with information or assistance to help resolve the problem. You can reach us by phone, fax, or e-mail.

Consumer Protection Section

Insurance Division — 2
350 Winter St. NE, Room 440
P.O. Box 14480
Salem, OR 97309-0405

Phone: (503) 947-7984 or (888) 877-4894
(toll-free in Oregon)

Fax: (503) 378-4351

E-mail: dcbs.inmail@state.or.us

Web: oregoninsurance.org

Managing the cost of insurance

Cost is an important factor for most consumers, and insurance companies don't all charge the same rates for the same types of policies. To obtain the best rates, it pays to shop around. Comparison shopping is easier when you know the type of coverage you need and how much coverage to purchase.

Comparing apples to apples

If you're shopping for auto or homeowner insurance, ask the agent or company for a "quote." The quote is the estimated price for a policy with specific amounts and types of coverage. The quote is based on several factors. Many of those factors involve the company's claims experience. Others are based on your special needs and circumstances. For example, in auto insurance, major cost factors are the age and driving record of each driver in the household. In addition, the deductible you choose affects the quote.

When shopping for insurance it's important that you give each agent or company the same information. Otherwise, comparing policies will be like comparing apples to oranges.

Ask if insurance companies offer special discounts, such as safe-driver discounts on auto insurance and non-smoker discounts on homeowner insurance. Ask agents about coverage limits, benefits, and costs. You may need to talk to several agents and companies to make a thorough cost comparison.

Choosing a financially healthy insurance company

More than 1,600 companies sell insurance in Oregon. Most insurers doing business in Oregon are financially healthy. However, aggressive competition, poor investments, and mismanagement mean some insurance companies may become insolvent. That's why consumers need to know how to choose the healthiest insurance company possible.

To learn more about the health of a company, here is a list of better-known organizations that rate insurance companies based on their financial condition and claims-paying ability. The public library usually has at least one of these insurance rating reports, but it's helpful to compare two or more.

Companies may charge a fee for these services.

- A.M. Best Company
(908) 439-2200
www.ambest.com

- Fitch, Inc.
(800) 853-4824
www.fitchratings.com
- Moody's Investor Services
(212) 553-0377
www.moodys.com
- Standard & Poor's Rating Information Services
(212) 438-2400
www.standardandpoors.com
- Weiss Ratings, Inc.
(800) 289-9222
www.weissratings.com

The Financial Regulation Section of the Oregon Insurance Division can discuss an insurance company's financial condition with you, especially if you have questions about these reports. However, we cannot recommend a company for you.

Financial Regulation Section
(503) 947-7982

Choosing a qualified agent

Here are some tips to help you choose an insurance agent:

- Make sure your agent is licensed in Oregon. If you aren't sure, call the Insurance Division's Agent Licensing Unit, (503) 947-7981 or visit our Web site: oregoninsurance.org; click on **Agent Information**, then Insurance Agent Search Page.
- Ask around. You may want to find out if your local Better Business Bureau has received complaints about a particular agent. Ask insurance agents for recommendations from clients.
- Ask agents what kind of service you can expect from them. Will they regularly evaluate your insurance needs? Will they help when it's time to make a claim?
- Finally, to obtain the best value, contact more than one agent for quotes.

How to use this report

The *Consumer Guide to Oregon Insurance Complaints* is an annual report of consumer complaints against major insurers in five types (or lines) of insurance:

- auto (personal)
- health
- homeowner
- life
- annuities

The guide includes the following information for calendar year 2002 for the major insurance companies doing business in Oregon:

- Premiums earned in Oregon
- Total consumer complaints closed by the Insurance Division
- Confirmed complaints

A “confirmed complaint” is a complaint in which an insurance company provided some kind of relief to a consumer or took some other action after a complaint was filed with the Insurance Division. Examples include complaints in which an insurer took one of the following actions:

- Made an additional payment or a refund to a consumer
- Issued or restored an insurance policy
- Extended insurance coverage
- Reopened or settled a claim
- Provided some other kind of relief (for example, responded to a consumer’s inquiries)

Complaints in which the consumer and insurer couldn’t agree on the facts of the case also are counted as confirmed complaints.

In addition, the guide includes a “complaint index” and a ranking for each insurance company.

How to use the complaint indexes and rankings

Consumers can use the complaint indexes and rankings to compare the complaint records of insurance companies.

Total complaints are reported in the guide because each complaint indicates a consumer had a problem with an insurer. However, only “confirmed complaints” are used in computing complaint indexes.

Examples of complaints that are not used in computing complaint indexes include the following, in which the Insurance Division:

- Found that an insurer had complied with Oregon insurance laws and rules
- Did not have jurisdiction (legal authority) to make a determination

A complaint index of 1.00 is average. That means the company’s share of confirmed complaints is equal to its share of business in Oregon. A complaint index of 2.00 means the company’s share of confirmed complaints is twice as large as its share of business.

Example: Suppose that XYZ Insurance Company has 10 percent of the market for auto insurance in Oregon in 2002. It also has 10 percent of the confirmed auto insurance complaints closed that year. XYZ’s complaint index would be 1.00.

After complaint indexes are computed, insurers are ranked by their complaint records. A ranking of 1 indicates the best complaint record — or the fewest confirmed complaints in relation to the amount of premium the company earned in Oregon in 2002. The highest numerical ranking indicates the worst complaint record — or the most confirmed complaints compared to the amount of premium earned.

Auto insurance (personal)

Company name	2002 premium	Total complaints	Confirmed complaints	Complaint index	2002 ranking
AIU Ins. Co.	3,775,202	19	13	3.83	41
Allstate Indemnity Co.	32,872,265	22	16	0.54	12
Allstate Ins. Co.	125,137,806	177	133	1.18	25
Allstate Property and Casualty Ins. Co.	15,819,772	1	1	0.07	6
American Commerce Ins. Co.	10,360,622	18	14	1.50	29
American Family Mutual Ins. Co.	36,086,961	127	92	2.83	36
American Standard Ins. Co. of Wisconsin	33,038,532	17	10	0.34	9
Amex Assurance Co.	5,067,655	17	12	2.63	35
California Casualty Indemnity Exchange	16,139,372	15	11	0.76	17
Cascade National Ins. Co.	3,107,138	23	17	6.08	44
Clarendon National Ins. Co.	6,945,011	13	10	1.60	30
Commerce West Ins. Co.	5,278,717	13	12	2.53	34
Country Mutual Ins. Co.	30,570,445	38	23	0.84	20
Farmers Ins. Co. of Oregon	223,410,416	342	252	1.25	26
Financial Indemnity Co.	12,741,353	35	21	1.83	32
GEICO General Ins. Co.	18,280,784	2	0	0.00	2
Government Employees Ins. Co.	8,401,440	30	23	3.04	39
Guaranty National Ins. Co.	3,172,832	22	15	5.25	43
Hartford Ins. Co. of The Midwest	19,984,700	79	54	3.00	38
Illinois National Ins. Co.	3,185,783	22	15	5.23	42
Liberty Mutual Fire Ins. Co.	23,306,607	29	17	0.81	18
Metropolitan Property and Casualty Ins. Co.	6,514,863	21	17	2.90	37
Mid-Century Ins. Co.	45,464,293	15	12	0.29	8
Mutual of Enumclaw Ins. Co.	24,347,136	15	12	0.55	13
Nationwide Mutual Ins. Co.	24,130,264	46	31	1.43	27
North Pacific Ins. Co.	22,006,792	14	11	0.56	14
Northwestern Pacific Indemnity Co.	1,615,015	0	0	0.00	4
Oregon Automobile Ins. Co.	627,207	0	0	0.00	5
Oregon Mutual Ins. Co.	15,583,085	23	14	1.00	21
Progressive Halcyon Ins. Co.	38,282,721	52	38	1.10	23
Progressive Northern Ins. Co.	24,387,147	30	18	0.82	19
Progressive Northwestern Ins. Co.	8,388,026	17	11	1.46	28
Progressive Preferred Ins. Co.	13,522,549	16	13	1.07	22
Progressive West Ins. Co.	9,651,400	11	10	1.15	24
Safeco Ins. Co. of Oregon	83,604,050	41	33	0.44	11
State Farm Fire and Casualty Co.	33,248,359	8	5	0.17	7
State Farm Mutual Automobile Ins. Co.	316,088,659	151	100	0.35	10
Sublimity Ins. Co.	3,464,872	7	5	1.60	31
Travelers Indemnity Co. of America	5,548,060	16	12	2.40	33
United Services Automobile Association	26,405,452	24	17	0.72	16
USAA Casualty Ins. Co.	26,211,046	0	0	0.00	1
Valley Ins. Co.	6,635,902	26	22	3.68	40
Valley Property & Casualty Ins. Co.	14,276,129	0	0	0.00	3
Western Protectors Ins. Co.	12,477,483	9	8	0.71	15
Workmen's Auto Ins. Co.	9,788,676	85	71	8.06	45
Total for this table	1,408,952,599	1,688	1,221		
Total for auto	1,647,503,677	2,043	1,483		

Health insurance

Health insurance includes a wide variety of insurance policies, from comprehensive policies that cover medical and surgical care to those that meet specific needs such as long-term care or income replacement in case of disability.

Health insurance is available through groups and to individuals. Group health insurance is usually provided as a contract between the insurance company and a group policyholder such as an employer, labor union, or association.

Although you may not shop for health insurance in the same way you would for auto insurance, it's still important to understand how your health coverage works so that you receive all of the benefits to which you may be entitled.

If you would like more information about health insurance, call (503) 947-7984, or (888) 877-4894 (toll-free in Oregon), to order the *Consumer Guide to Health Insurance*, or check our Web site, oregoninsurance.org, click on Publications.

Company name	2002 premium	Total complaints	Confirmed complaints	Complaint index	2002 ranking
Advantage Dental Plan, Inc.	5,889,788	0	0	0.00	3
American Family Life Assurance Co. of Columbus	31,454,227	21	14	2.78	18
Bankers Life and Casualty Co.	22,157,106	18	16	4.51	20
Central Oregon Independent Health Services, Inc. DBA Clear Choice Health	108,560,581	2	1	0.06	6
Complementary Healthcare Ins., Inc.	34,139	0	0	0.00	5
Connecticut General Life Ins. Co.	9,484,413	25	14	9.23	23
Fortis Ins. Co.	32,616,211	78	57	10.92	24
Health Net Health Plan of Oregon, Inc.	171,436,877	53	36	1.31	14
Kaiser Foundation Health Plan of The Northwest DBA Kaiser Permanente	1,050,102,168	82	57	0.34	8
Lifewise Health Plan of Oregon Inc., DBA Lifewise Health Plan of Oregon	337,710,771	103	67	1.24	13
Mega Life and Health Ins. Co. (The)	15,634,499	24	22	8.79	22
ODS Health Plan, Inc.	107,922,983	76	54	3.13	19
One Health Plan of Oregon, Inc.	6,531,744	5	5	4.78	21
Oregon Dental Service	140,937,579	0	0	0.00	1
Pacific Hospital Association DBA Pacificsource Health Plans	244,880,555	14	10	0.26	7
Pacificare of Oregon, Inc.	373,993,780	100	83	1.39	15
PHP Health Plan, Inc.	3,221,746	0	0	0.00	4
Providence Health Plan	515,467,028	94	64	0.78	11
Regence Bluecross Blueshield of Oregon	1,316,152,609	262	168	0.80	12
Regence HMO Oregon	549,614,959	55	32	0.36	9
Regence Life and Health Ins. Co.	158,461,618	13	10	0.39	10
Standard Ins. Co.	60,318,805	27	19	1.97	16
Vision Care of Oregon, Inc. DBA Vision Service Plan	18,852,527	0	0	0.00	2
Willamette Dental Ins., Inc.	11,083,942	4	4	2.26	17
Total for this table	5,286,630,867	1,056	733		
Total for health	5,831,397,397	1,325	933		

Homeowner insurance

A home is the biggest purchase most people will make, so it's essential to protect such an important investment. Homeowner insurance protects your home and what's in it. It protects you and your family against claims from others who may be accidentally hurt on your property.

Buying the right amount of coverage is important. Having enough coverage for your home and possessions means you will have to pay less out of your pocket to replace property that is destroyed or stolen.

To determine how much coverage you need, know the square footage and features of your home (fireplace, two stories, garage, etc.) so that the insurance agent who quotes a premium for you will be able to calculate today's cost to replace your home.

If you would like more information about homeowner insurance, call (503) 947-7984, or (888) 877-4894 (toll-free in Oregon), to order the *Consumer Guide to Homeowner and Tenant Insurance*, or check our Web site, oregoninsurance.org, click on Publications.

Company name	2002 premium	Total complaints	Confirmed complaints	Complaint index	2002 ranking
Allstate Indemnity Co.	5,908,603	25	15	3.63	20
Allstate Ins. Co.	35,385,504	10	6	0.24	6
American Family Mutual Ins. Co.	9,225,226	17	14	2.17	19
Country Mutual Ins. Co.	8,703,846	11	10	1.64	17
Farmers Ins. Co. of Oregon	58,042,392	89	55	1.35	16
Foremost Signature Ins. Co.	11,737,240	6	5	0.61	11
Hartford Ins. Co. of The Midwest	4,308,827	7	3	0.99	15
Liberty Mutual Fire Ins. Co.	4,726,041	4	2	0.60	10
Mutual of Enumclaw Ins. Co.	11,326,509	7	4	0.50	9
Nationwide Mutual Fire Ins. Co.	5,324,744	5	3	0.81	14
North Pacific Ins. Co.	6,949,720	8	3	0.62	12
Northwestern Pacific Indemnity Co.	4,753,137	0	0	0.00	1
Oregon Automobile Ins. Co.	796,710	0	0	0.00	3
Oregon Mutual Ins. Co.	7,780,114	16	9	1.65	18
Safeco Ins. Co. of America	197,298	26	18	130.38	22
Safeco Ins. Co. of Oregon	30,717,000	6	4	0.19	4
State Farm Fire and Casualty Co.	93,146,938	57	29	0.44	8
Sublimity Ins. Co.	1,892,587	3	1	0.76	13
United Services Automobile Association	6,949,232	5	1	0.21	5
USAA Casualty Ins. Co.	4,751,737	0	0	0.00	2
Valley Ins. Co.	1,823,571	7	5	3.92	21
Valley Property & Casualty Ins. Co.	5,736,452	1	1	0.25	7
Total for this table	320,183,428	310	188		
Total for homeowner	372,984,411	418	261		

Life insurance

Besides providing a death benefit, life insurance can be used for estate planning, charitable giving, or even to fund a business transfer. Life insurance can offer important tax benefits.

There are two basic types of life insurance: term and cash value. Term insurance is the most affordable and allows most people to buy the greatest protection for the lowest premium. It offers a death benefit if the policyholder should die during the

specified period of time. Whole life, variable life, and universal life insurance are examples of policies that accumulate cash value over time. These types of policies combine a death benefit with some type of savings or investment plan.

If you have questions about life insurance, the Insurance Division can help. Call the Consumer Protection Section, (503) 947-7984, or (888) 877-4894 (toll-free in Oregon.)

Company name	2002 premium	Total complaints	Confirmed complaints	Complaint index	2002 ranking
Allstate Life Ins. Co.	10,374,003	2	2	1.06	24
Equitable Life Assurance Society of the U.S.	10,229,167	1	1	0.54	15
Farmers New World Life Ins. Co.	17,914,959	7	5	1.53	26
First Colony Life Ins. Co.	11,547,417	2	2	0.95	21
Guardian Life Ins. Co. of America (The)	10,503,283	1	1	0.52	14
IDS Life Ins. Co.	13,218,930	2	2	0.83	20
John Hancock Life Ins. Co.	16,159,834	2	1	0.34	10
John Hancock Variable Life Ins. Co.	10,748,040	0	0	0.00	6
Lincoln Benefit Life Co.	10,213,906	2	1	0.54	16
Lincoln National Life Ins. Co. (The)	10,056,008	2	2	1.09	25
Manufacturers Life Ins. Co., The (USA)	19,513,060	0	0	0.00	1
Massachusetts Mutual Life Ins. Co.	13,746,127	0	0	0.00	2
Metropolitan Life Ins. Co.	28,969,689	4	2	0.38	11
New York Life Ins. Co.	28,448,192	10	5	0.96	22
Northwestern Mutual Life Ins. Co.	70,039,451	2	2	0.16	8
Pacific Life Ins. Co.	54,102,305	1	1	0.10	7
Primerica Life Ins. Co.	10,981,037	3	2	1.00	23
Principal Life Ins. Co.	9,961,387	2	1	0.55	17
Prudential Ins. Co. of America	30,003,762	18	14	2.56	27
Regence Life and Health Ins. Co.	13,017,558	0	0	0.00	3
Standard Ins. Co.	65,467,541	13	5	0.42	13
State Farm Life Ins. Co.	33,311,971	4	4	0.66	19
Sun Life Assurance Co. of Canada (U.S.)	12,943,055	0	0	0.00	4
Thrivent Financial for Lutherans	12,458,384	0	0	0.00	5
Transamerica Occidental Life Ins. Co.	14,279,201	1	1	0.38	12
Unum Life Ins. Co. of America	9,829,852	1	1	0.56	18
Western Reserve Life Assurance Co. of Ohio	26,301,087	2	1	0.21	9
Total for this table	574,339,206	82	56		
Total for life	1,013,807,802	248	185		

Annuities

An annuity is an investment product that is typically used to save for retirement while deferring income taxes. You can choose from several payout options, including receiving a lump sum or having monthly income for life.

Annuities are issued by life insurance companies. You can buy annuities from the insurance company or through banks and brokerage firms.

One of the biggest advantages of annuities is that your savings grow without any current tax because earnings aren't taxed until payouts begin. Another advantage is that annuities can provide a steady stream of income that you cannot outlive.

If you have questions about annuities, call the Consumer Protection Section, (503) 947-7984 or (888) 877-4894 (toll-free in Oregon).

Company name	2002 premium	Total complaints	Confirmed complaints	Complaint index	2002 ranking
AIG Annuity Ins. Co.	72,096,680	1	1	0.52	23
AIG Sunamerica Life Assurance Co.	34,420,322	0	0	0.00	11
Allmerica Financial Life Ins. and Annuity Co.	39,964,760	1	1	0.94	26
American Skandia Life Assurance Corporation	25,969,228	2	2	2.90	32
Bankers Life and Casualty Co.	31,292,348	9	8	9.64	33
C. M. Life Ins. Co.	40,763,240	0	0	0.00	10
Canada Life Ins. Co. of America	60,018,489	0	0	0.00	6
Cuna Mutual Life Ins. Co.	28,698,529	0	0	0.00	15
Equitable Life Assurance Society of the U.S.	23,228,344	0	0	0.00	18
General Electric Capital Assurance Co.	19,297,701	0	0	0.00	21
Golden American Life Ins. Co.	26,239,174	2	2	2.87	31
Great-West Life & Annuity Ins. Co.	31,947,205	0	0	0.00	13
IDS Life Ins. Co.	43,002,096	0	0	0.00	9
ING Life Ins. and Annuity Co.	79,527,383	0	0	0.00	2
Jackson National Life Ins. Co.	68,138,605	0	0	0.00	3
Lincoln Benefit Life Co.	49,466,866	0	0	0.00	7
Lincoln National Life Ins. Co. (The)	68,304,148	1	1	0.55	24
Manufacturers Life Ins. Co., The (USA)	134,839,984	0	0	0.00	1
Metlife Investors Ins. Co.	24,255,797	0	0	0.00	17
Metropolitan Life Ins. Co.	24,867,243	1	1	1.52	29
New York Life Ins. and Annuity Corp.	44,818,796	0	0	0.00	8
Ohio National Life Ins. Co. (The)	32,572,932	0	0	0.00	12
PHL Variable Ins. Co.	25,599,849	0	0	0.00	16
Prudential Ins. Co. of America	56,620,018	1	1	0.67	25
Safeco Life Ins. Co.	22,471,483	0	0	0.00	19
Standard Ins. Co.	30,830,845	0	0	0.00	14
Teachers Ins. and Annuity Association of America	61,574,101	0	0	0.00	4
Thrivent Financial for Lutherans	22,313,330	0	0	0.00	20
Transamerica Life Ins. Co.	120,711,953	1	1	0.31	22
Travelers Life and Annuity Co. (The)	23,352,373	1	1	1.61	30
USG Annuity & Life Co.	24,992,641	1	1	1.51	28
Variable Annuity Life Ins. Co.	68,944,795	2	2	1.09	27
Western United Life Assurance Co.	60,095,941	0	0	0.00	5
Total for this table	1,521,237,199	23	22		
Total for annuities	1,998,183,026	63	53		

Helpful hints about...

Insurance in general

Before you buy

Make sure the company is licensed to sell insurance in Oregon. To find out if a company is licensed in Oregon, call the Insurance Division's Financial Regulation Section, (503) 947-7982, or [check the company search page](#) on our Web site, oregoninsurance.org.

Auto insurance

Shopping around

Get several quotes from different companies. Be prepared with information about the year and make of your car and all of the drivers in your household. By shopping around, you may find several hundred dollars' difference between quotes.

Discounts

Many insurance companies offer discounts for good drivers, good students, senior citizens, air bags, and multiple cars. Some companies will provide a discount if you also have homeowner insurance with them.

Saving money on optional coverages

Liability coverage is required by law to protect others if you're at fault in an accident. Collision and comprehensive are optional coverages for your car.

- Drop collision coverage on cars that cost more to repair than they are worth. For example, consider dropping collision coverage for cars valued at less than \$1,000.
- Increase your deductibles. Take the highest deductible you can afford on collision and comprehensive coverage.

For more information

If you would like more information about auto insurance, call (503) 947-7984, or (888) 877-4894 (toll-free in Oregon), to order the *Consumer Guide to Auto Insurance*, or check our Web site, oregoninsurance.org, click on Publications.

Health insurance

Maintaining coverage if you lose your job

What happens if you leave your job and wish to continue carrying health insurance? Recent changes in state and federal law have improved your rights to remain insured after a job change. For more information, call (503) 947-7984, or (888) 877-4894 (toll-free in Oregon) to order the *Consumer Guide to Health Insurance*, or check our Web site, oregoninsurance.org, click on Publications.

Co-payments and deductibles

Does the plan require a co-payment or a deductible? Make sure you know how much of a medical provider's fee you will be responsible to pay.

Prescriptions, vision and dental coverages

Does your health plan offer prescription medication, vision, and dental coverage? Does it require you to use a specific pharmacy or generic prescription medication? Know your coverage limits.

Mental health and chemical dependency

Oregon law requires most group insurance plans to provide a minimum level of benefits for treatment of mental health and chemical dependency. Ask your plan administrator about frequency and types of treatment.

Medicare supplement insurance, long-term care

Our Senior Health Insurance Benefits Assistance (SHIBA) program can offer personalized assistance on long-term care, Medicare supplement insurance and other topics for people with Medicare. Call (503) 947-7984 or (800) 722-4134 (toll-free in Oregon), or check SHIBA's Web site, oregonshiba.org.

Women's health benefits

Oregon law requires all group and individual health insurance policies to cover women's preventive services, including mammograms for women 35 and older.

For more information

If you would like more information about health insurance, call (503) 947-7984, or (888) 877-4894 (toll-free in Oregon), to order the *Consumer Guide to Health Insurance*, or check our Web site, oregoninsurance.org, click on Publications.

Homeowner insurance

Earthquake, flood insurance

You need to purchase additional coverage if you want protection from an earthquake or a flood.

Choosing your deductible

A deductible is the dollar amount you will pay on each covered claim. Typically, the higher the deductible you choose, the lower the cost of the insurance.

For more information

If you would like more information about homeowner insurance, call (503) 947-7984, or (888) 877-4894 (toll-free in Oregon), to order the *Consumer Guide to Homeowner and Tenant Insurance*, or check our Web site, oregoninsurance.org, click on Publications.

Life insurance

Who needs life insurance?

As a general rule, the fewer dependents you have, the less insurance you're likely to need. Life insurance may not be suitable for seniors, single people without dependents, or for those consumers who have other assets that provide income or mortgage protection.

Group insurance

If your employer offers it, group insurance may be a better buy than an individual policy, and you may not need to take a physical exam to qualify. Many group policies are convertible to an individual policy if you lose your group-member status.

No smoking! (If you want to save money)

Most policies are priced on personal factors like your age and health. Smoking can raise your premiums significantly. You'll not only save money if you don't smoke, but you may also save your life.

Annuities

Types of annuities

There are two basic kinds of annuities — deferred and immediate. With a deferred annuity, you put money in as a lump sum or on a regular basis, but delay the payout while your money grows tax free. With an immediate annuity, you start receiving payments right away.

After you choose a deferred or immediate annuity, you'll need to decide if you want a fixed or variable annuity contract. With a fixed annuity, your premiums earn a fixed rate of return. You're guaranteed a fixed amount every month when you begin receiving payouts (on the schedule you've specified). When you buy a variable annuity, you decide how your money is invested. Variable annuities usually offer a variety of investment options, such as money market, bond, and stock funds. The return you receive depends on how well the funds perform.

Annuity advantages

One of the biggest advantages of annuities is that your savings grow without any current tax because earnings aren't taxed until payouts begin. Another advantage is that annuities can provide a steady stream of income that you cannot outlive. In addition, annuities offer more flexibility than some other retirement products, such as individual retirement accounts (IRAs). You decide how much money to invest in an annuity, what type of investment risk you want to assume, and how and when you begin receiving payouts.

Before you buy

Before purchasing a variable annuity, find out what fund options are available. Companies are required to give you a prospectus for any annuity contract registered with the Securities and Exchange Commission. The prospectus includes information about the fund's objectives, expenses, financial condition, and investment risks. Remember, returns from variable annuities depend on the performance of the funds backing the contract.



Oregon Insurance Division
P.O. Box 14480
Salem, Oregon 97309-0405

A variety of consumer publications are available from the Oregon Insurance Division. You may view these publications on our Web site, or request a copy by:

Mail: Publications
Oregon Insurance Division
P.O. Box 14480
Salem, OR 97309-0405

Telephone: (503) 947-7984 or
(888) 877-4894 (toll-free in Oregon)

E-mail: dcbs.insmail@state.or.us

There is no charge for copies of publications, unless otherwise noted. Publications are also available on our Web site, oregoninsurance.org, click on Publications.