



North Carolina Dems: Commissioner Goodwin Announces \$42 Million in Recoveries and Savings for North Carolinians

January 14, 2012

Targeted News Service

RALEIGH, N.C., Jan. 12 -- The North Carolina Democratic Party issued the following news release:

Insurance Commissioner Wayne Goodwin today announced that the Department of Insurance saved or recovered more than \$42.2 million for North Carolinians in 2011.

"I am very proud of the dedicated work of the Department of Insurance. Having recovered or saved more than \$42 million in the last year alone shows that we are fighting fraud, holding our licensees to high standards, and helping people with their insurance questions or complaints," Goodwin said. "We are committed to building on this success as we continue protecting consumers in 2012."

Several divisions of the Department of Insurance contributed to the total recoveries and savings:

* The Consumer Services Division, which receives consumer inquiries and complaints about homeowners, auto, life and other insurance-related issues, handled approximately 76,000 calls and 8,100 written complaints from the public. Through these calls and complaints, the Department was able to help citizens recover more than \$16.4 million in benefits from insurance companies.

* Health Insurance Smart NC and the former stand-alone external review program together returned \$1,130,035 to consumers as a result of services provided. Health Insurance Smart NC, the department's newest consumer assistance program, assists people with questions about health insurance, and helps consumers file complaints or appeals with their health insurance companies, identify enrollment opportunities and request external reviews for denied claims. Since its launch in April 2011, Smart NC specialists have responded to 1,159 consumer complaints, 254 health insurance enrollment inquiries and 199 medical appeal cases. The department handled 322 external review requests in the calendar year.

* SHIIP, the Seniors' Health Insurance Information Program, assisted more than 100,700 consumers with general Medicare questions and helped more than 6,200 Medicare recipients apply for the Low-Income Subsidy program that provides savings for prescription drug costs. The estimated cost savings for Medicare beneficiaries was \$12,053,064. SHIIP offers free, unbiased information about Medicare, Medicare

prescription drug coverage, Medicare Advantage, long-term care insurance and other health insurance information. SHIP's trained volunteers provide one-on-one counseling in all 100 counties.

* The Criminal Investigations Division employs 20 sworn law enforcement officers dedicated to investigating claims of insurance fraud and criminal concerns associated with bail bonding, motor clubs, collection agencies and premium finance companies. In 2011, the work of these criminal investigators led to 144 arrests, 83 criminal convictions and more than \$10.4 million in restitution and recoveries. Another 109 cases are currently pending in court.

* The Agent Services Division regulates all licensed agents, brokers, limited representatives, appraisers, adjusters, premium finance companies, collection agencies, motor clubs, bail bondsmen, surety bondsmen and bail bond runners authorized to do business in North Carolina. Oversight includes licensure qualification, pre-licensing education, continuing education, telephone inquiries, complaint investigations and agency examinations. The Division investigated more than 1,040 complaints and recovered \$50,958.28 in premium funds for consumers.

* The Market Regulation Division conducts both routine and targeted market conduct examinations on foreign and domestic licensed companies (insurance companies, premium finance companies, HMOs, PPOs and more) to ensure compliance with state laws and regulations. Through these exams, the Division ordered \$2,187,748.65 returned to policyholders.

More information, downloadable publications and an online suggestion box are available at the NC Department of Insurance Web site (<http://www.ncdoi.com/>).

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