

Business-to-Business / Agent-to-Agent Insurance Complaint Guide

“Business to Business” Complaint Defined

For our purposes, a “Business-to-Business” complaint involves the following:

The person making the complaint (the Complainant) is a licensed insurance producer, agency, entity, or insurance company. The person or company that is the subject of the complaint (the Respondent) is another licensed insurance producer, agency, entity, or insurance company.

If the Complainant is a consumer, follow the consumer complaint guidelines on the Office of Financial and Insurance Services (OFIS) website, www.michigan.gov/ofis = Consumer Services = How to File a Complaint, Guide to Resolving Insurance Problems and Insurance Complaint Form
<http://www.michigan.gov/documents/cis_ofis_comp_all_25074_7.pdf>

Business/Agent Complaint Process

OFIS has a comprehensive process for handling consumer complaints. In order to develop a systematic approach to business/agent complaints filed with our agency, we developed this Business-to-Business Complaint Guide.

Insurance Investigation Section

OFIS regulates and monitors the insurance industry in Michigan. The insurance investigation section plays a vital role in fulfilling this regulatory responsibility, and is responsible for investigating allegations of violations of the Michigan Insurance Code.

Staff reviews complaints and recommends enforcement action if it is determined that the Michigan Insurance Code has been violated. Enforcement action may include civil penalties, suspension or revocation of licenses, and orders of restitution to consumers and/or complainants.

Good Business Practices - Avoid OFIS Enforcement

When operating a business, disagreements with customers or agents are inevitable. If one party is dissatisfied, he/she may seek a remedy from an outside source and may file a complaint with our office. In a free society, when people are dissatisfied, they have a right to file a complaint with a regulatory agency, regardless of the complaint's merit.

Numerous complaints can be viewed as a warning sign that a business practice and/or procedure may require review and change. Every business relies on repeat customers and retaining good producers, so it is in the best interest of every licensed insurance producer, agency, entity, or insurance company (hereinafter licensee), to ensure that policies, procedures, and laws are adhered to, and complaints are reviewed and taken seriously.

A letter of inquiry from OFIS is not an indictment or an indication that we believe a licensee has done something wrong. Rather, the letter informs the licensee of allegations and provides the licensee an opportunity to respond to those allegations. We believe that it is important for each licensee to be given the opportunity to respond to a complaint, and if the licensee has conducted its business in an honest and trustworthy manner, the licensee will be prepared to respond to the complaint with minimal disruption.

Just So You Know:

- We will not intervene in contractual disputes; contract disputes are best handled in civil court.
- If the contract dispute involves an alleged violation of the Insurance Code, we will investigate the alleged violation.
- The Complainant must provide a brief summary of the allegations and must indicate the section of the Insurance Code he/she believes is being violated.



Michigan Department of Labor & Economic Growth

The Department of Labor & Economic Growth will not discriminate against any individual or group because of race, sex, sexual orientation, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

Visit OFIS online at: www.michigan.gov/ofis Phone OFIS toll-free at: 1-877-999-6442

Filing A Business-to-Business Complaint

The Complainant must provide documentation to support the allegation. The complaint will be returned as incomplete if either of these two elements is missing:

- Section of the Insurance Code you believe is violated;
- Copy of documentation supporting your allegations.

If an investigation is opened, the Complainant and the Respondent must understand that investigations are confidential under MCL 500.1246. The investigation cannot be discussed except, if applicable, with your legal counsel.

As a regulatory agency, OFIS *must remain impartial*. Our role is not to take sides in a dispute/complaint. Investigation staff will review the facts. We do not render a decision until the investigation is concluded and the matter is:

Closed, No Cause for Further Action

The case remains confidential since no administrative action was taken. The investigation is not considered public information. Parties to the complaint will be advised that the case is closed.

Closed, Warning Letter Issued

The case remains confidential under MCL 500.1246. The Warning Letter outlines the violation(s) and is held in the investigation file. The Respondent is warned that continued questionable practice will result in this matter being included in any subsequent case.

Closed, Referred to Enforcement

The investigation case is closed and is referred internally to have enforcement action taken if the allegations were supported. Enforcement staff would then recommend that the Commissioner take administrative action such as:

- Issuing a Stipulation and Consent Order to Respondent. This could include but is not limited to license suspension, additional training, additional monitoring of business practices, restitution, fines, and revocation
- Issuing a Cease and Desist Order, compelling Respondent to stop violating the statute
- Issuing an Order of Revocation of the Respondent's license, certificate or registration

In Conclusion

Investigation cases can take from a few weeks to several months to conclude; the timeframe depends on the complexity of the investigation. In complex cases, it's not unusual for the investigation to extend beyond a year. Investigations are **confidential** and there is very little information that can be shared during an ongoing investigation.

Enforcement cases may go to an administrative hearing when facts are disputed. When the hearing process is over or orders issued, the decisions are considered public information. Decisions are posted on the web, transmitted to the NAIC and entered in the national regulatory database.

We hope this Guide explains our investigation process. We may not be able to provide the exact results you want. We can only resolve disputes based upon the information provided and our authority under Michigan law.

Whether you are the Complainant or the Respondent, we appreciate your patience during the investigative process.

Business to Business / Agent to Agent Insurance Complaint

We define a Business to Business complaint as a complaint filed *by* an agent, agency, insurance company or other insurance entity *against* an agent, agency, insurance company or other insurance entity.

If you are a consumer filing an insurance complaint, please use FIS 0030 Insurance Complaint Form, available from www.michigan.gov/ofis or by calling OFIS toll-free at 1-877-999-6442.

Your Name _____

Address _____

City _____ State _____ Zip _____

Name of Insurance COMPANY this complaint is about _____

Name of AGENT or AGENCY this complaint is about _____

Sections of the Michigan Insurance Code you believe have been violated: _____

Have you hired an attorney to represent you in this matter? Yes No

Have you filed a lawsuit in this matter? Yes No

Daytime phone number () _____ Other phone number () _____

Your email address _____ Date of incident _____

Type of insurance product my complaint involves:

Auto Home or property Health insurance

Life Annuity

Long-term care Disability income Other: _____

Please list events in the order they happened. Attach additional pages if needed. If possible, please use letter size paper (8 1/2 x 11") for all attachments.

Details of my complaint: -----

Reviewing documents often helps us understand important details of your complaint.

Please attach copies of letters or other documents that will help us review your complaint.

Arranging your documents in the order events took place helps us gain a quicker understanding of your complaint.

Always send copies. Never send original documents.

Michigan law, including PA 218 of 1956 as amended, authorizes the review of complaints involving insurance and similar products. Completion of this form is voluntary and helps us review your allegations.

Please suggest a fair resolution: -----

Please mail your complaint to:
OFIS Insurance Investigations
PO Box 30220
Lansing MI 48909-7720
 Or fax to: (517) 241-3991
 Or Email to: ofis-licensing@michigan.gov

I authorize the release of any information regarding this complaint to help the Office of Financial and Insurance Services with their review. A copy of this complaint and related documents may be sent to any company, agency or licensee involved in this matter.

Signature _____ Date signed _____