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 Superior Court of California,
 County of Los Angeles
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 David W. Slayton,
 Executive Officer/Clerk of Court,
 By S. Ruiz, Deputy Clerk

5 Attorneys for Petitioner/Plaintiff
 6 LIFE INSURANCE CONSUMER ADVOCACY CENTER

7
 8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 9 **COUNTY OF LOS ANGELES**
 10

11		
12	LIFE INSURANCE CONSUMER) Case No. 25STCP00946
13	ADVOCACY CENTER,)
14	Petitioner/Plaintiff,) VERIFIED PETITION FOR WRIT OF
15	v.) MANDATE AND DECLARATORY
16	STATE OF CALIFORNIA,) RELIEF FOR VIOLATIONS OF THE
17	DEPARTMENT OF INSURANCE,) CALIFORNIA PUBLIC RECORDS ACT
18	Respondent/Defendant,) WITH EXHIBITS A THROUGH L
19) [Gov. Code § 7920.000 <i>et seq.</i>]
20)
21)
22)
23)
24)
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28)

1 Under California Code of Civil Procedure §§ 1085 and 1060 and Government
2 Code §§ 7923.000 and 7923.100, Petitioner/Plaintiff LIFE INSURANCE CONSUMER
3 ADVOCACY CENTER (“Petitioner”) petitions this Court for a writ of mandate and
4 declaratory relief directed to Respondent/Defendant CALIFORNIA DEPARTMENT OF
5 INSURANCE (“Department”), ordering it to properly respond to a public records
6 request, as required by the California Public Records Act.

7 In this verified Petition, Petitioner alleges as follows:

8 **INTRODUCTION**

9 1. The California Department of Insurance (CDI) has repeatedly denied
10 California Public Records Act (“CPRA”) requests by the Life Insurance Consumer
11 Advocacy Center (LICAC) for statistics in CDI’s possession on complaints by California
12 consumers concerning life insurance and annuities. The requested information
13 concerns the number and types of such complaints, as well as reports and data that
14 were used in the preparation of the tables and data presented in the California
15 Insurance Commissioner’s statutorily required Annual Report.

16 2. At first, the Department denied having the data. But when Petitioner
17 pointed to the data presented in the Annual Report and amended the CPRA request to
18 seek all statistical data used in the preparation of that Report, the Department denied
19 the Request, citing a variety of exemptions with absolutely no explanation of how they
20 would apply to the requested information.

21 3. Petitioner brings this action seeking a determination that the Department
22 has violated the CPRA by failing to properly respond to the CPRA Request, as well as an
23 order mandating the Department to produce all of the information responsive to
24 Petitioner’s CPRA request without further delay or obstruction.

25 **PARTIES**

26 4. Petitioner/Plaintiff LIFE INSURANCE CONSUMER ADVOCACY
27 CENTER is a nonprofit organization organized under the laws of the State of California.
28 The mission of the Life Insurance Consumer Advocacy Center is to alert the public,

1 including consumers and policymakers, about the potential risks of certain types of life
2 insurance policies and annuities, and about unfair practices in how such products are
3 sold; and to advocate for reasonable and essential consumer protections for these types
4 of products. Petitioner’s principal office is located at 134 Laidley Street, San Francisco,
5 CA 94131.

6 5. Respondent/Defendant STATE OF CALIFORNIA, DEPARTMENT OF
7 INSURANCE is a public agency within the meaning of Government Code § 7920.525,
8 and is therefore subject to the CPRA. Respondent is informed and believes, and, on that
9 basis, alleges the requested records are situated in and accessible electronically from
10 the Department of Insurance’s computer-based file systems in Los Angeles County at
11 the Department of Insurance’s Los Angeles office located at 300 South Spring Street,
12 South Tower in Los Angeles, California.

13 **STANDING**

14 6. Government Code § 7923.000, subdivision (a) provides that “[a]ny
15 person may institute proceedings for injunctive or declarative relief or writ of mandate
16 in any court of competent jurisdiction to enforce his or her right to inspect or to receive
17 a copy of any public record or class of public records under this chapter.”

18 7. “Person” is defined in Government Code § 7920.520 to include “any
19 natural person, corporation, partnership, limited liability company, firm, or
20 association” The term “person” as used in the CPRA has been interpreted broadly.
21 (*Los Angeles Unified School Dist., supra*, 151 Cal.App.4th at 771; *see also Connell v.*
22 *Superior Court* (1987) 56 Cal.App.4th 601, 611 [“person” includes “any corporation”];
23 *North County Parents Organization for Children with Special Needs v. Department of*
24 *Education* (1994) 23 Cal.App.4th 144, 148, [a “person” includes a non-profit, tax-
25 exempt organization]; *Sierra Club v. Superior Court* (2013) 57 Cal.4th 157, 163 [a non-
26 profit environmental group may sue to obtain government records].)

1 8. Petitioner is a “person” entitled to institute proceedings for injunctive or
2 declarative relief or writ relief to compel the Department of Insurance to disclose public
3 records pursuant to the CPRA.

4 **JURISDICTION AND VENUE**

5 9. This Court has jurisdiction to issue writs of mandate pursuant to Code of
6 Civil Procedure § 1085(a) and Government Code § 7923.000. The Court has
7 jurisdiction to grant injunctive and declaratory relief pursuant to Code of Civil
8 Procedure §§ 525, 526, and 1060.

9 10. Venue is proper in the County of Los Angeles pursuant to Code of Civil
10 Procedure § 393, subdivision (b) and Government Code § 7923.100.

11 **FACTS**

12 11. On August 18, 2024, Petitioner emailed a CPRA request to Respondent.
13 A true and correct copy of Petitioner’s August 18 CPRA request is attached hereto as

14 **Exhibit A.** The request sought the following records:

- 15 1. All statistics tracked or maintained by the Department concerning the
16 following kinds of consumer complaints involving life insurance or
17 annuities, including statistics concerning the resolution of such
18 complaints:
 - 19 a. Premium or billing
 - 20 b. Surrenders
 - 21 c. Cancellations
 - 22 d. Rating or underwriting
 - 23 e. Suitability
 - 24 f. Agent Misrepresentation
 - 25 g. Any other type of consumer complaint about life insurance or
annuities
- 26 2. Any description of, or key to, any codes used by the Department,
27 including the Consumer Services Branch and the Investigations
28 Branch, to classify or track information about consumer complaints
involving life insurance or annuities.

12 12. On August 21, 2024, the Department responded, claiming that it had
13 “concluded its search and does not have responsive information as it does not maintain

1 any reports that would provide the data or statistics you are seeking. In the event you
2 are interested in other consumer complaint data, you can find them in the Life
3 Insurance Composite Report here: [Life Complaint Composite Report \(ca.gov\)](#).” A true
4 and correct copy of Respondent’s August 21 correspondence is attached hereto as

5 **Exhibit B.**

6
7 13. On August 24, 2024, Petitioner responded, stating that the Department
8 may have misunderstood the request because the Insurance Commissioner’s 2023
9 Annual Report (“Report”) includes some or all of the data that was requested.

10 Petitioner noted that the Report breaks down consumer complaints and includes some
11 of the same categories that were included in the August 18 CPRA Request. Petitioner
12 also noted that it had previously been informed by Department staff that the
13 Department complaint data does track complaints about life insurance separately from
14 annuities. Petitioner then modified its CPRA request to more closely track the
15 categories of complaints listed in the Annual report, seeking:
16

- 17
18 1. All statistics tracked or maintained by the Department concerning the
19 following kinds of consumer complaints involving life insurance,
20 including statistics concerning the resolution of such complaints:
21 a. Denial of Claim
22 b. Claim Handling Delay
23 c. Unsatisfactory Settlement Offer
24 d. Premium and Rating
25 e. Nonrenewal
26 f. Cancellation
27 g. Premium Refund
28 h. Coverage Question
i. Premium Notice/Billing Problem
j. Surrender
k. Underwriting
l. Suitability
m. Agent Misrepresentation
n. Any other type of consumer complaint about life insurance

1 2. All statistics tracked or maintained by the Department concerning the
2 following kinds of consumer complaints involving annuities, including
statistics concerning the resolution of such complaints:

- 3 a. Denial of Claim
- 4 b. Claim Handling Delay
- 5 c. Unsatisfactory Settlement Offer
- 6 d. Premium and Rating
- 7 e. Nonrenewal
- 8 f. Cancellation
- 9 g. Premium Refund
- 10 h. Coverage Question
- 11 i. Premium Notice/Billing Problem
- 12 j. Surrender
- 13 k. Underwriting
- 14 l. Suitability
- 15 m. Agent Misrepresentation
- 16 n. Any other type of consumer complaint about annuities

17 3. Any description of, or key to, any codes used by the Department,
18 including the Consumer Services Branch and the Investigations Branch,
19 to classify or track information about consumer complaints involving
20 life insurance or annuities.

21 A true and correct copy of Petitioner's August 24, 2024 correspondence is
22 Attached hereto as **Exhibit C**. A true and correct copy of the California Insurance
23 Commissioner's 2023 Annual Report is attached hereto as **Exhibit D**.

24 14. Having received no response within the statutorily mandated 10-day
25 response period as set forth in Government Code § 7922.535(a), on September 7, 2024,
26 Petitioner inquired about the request again. A true and correct copy of Petitioner's
27 September 7 email is attached hereto as **Exhibit E**.

28 15. On September 9, 2024, the Department responded by email, simply
stating "that the information that is published within the Commissioner's Annual
Report is required by statute to compile and report. Additional information can be
found on the Consumer Complaint Study page, and the data sought aside from what is
published is not maintained by the Department." A true and correct copy of the
Department's September 9 email is attached hereto as **Exhibit F**.

1 16. On September 20, 2024, Petitioner responded, asking for an additional
2 category of records, including “[a]ll reports and data that were used in the preparation
3 of the tables and data presented at page 78 of the California Insurance Commissioner’s
4 2023 Annual Report.” A true and correct copy of Petitioner’s September 7 email is
5 attached hereto as **Exhibit G**.

6 17. Having received no response within the statutorily mandated 10-day
7 response period, Petitioner again inquired about the request on October 8, 2024. A
8 true and correct copy of Petitioner’s October 8 email is attached hereto as **Exhibit H**.

9 18. On October 9, 2024, the Department responded and stated that it had
10 concluded its search, found responsive records, but “that any reports and data that
11 were used in preparation of the tables and data presented at page 78 of the
12 Commissioner’s 2023 Annual Report are confidential and not disclosable pursuant to
13 Insurance Code section 12919, Evidence Code section 1040, Government Code sections
14 7927.500, 7929.00[0] [sic], 7927.705, and 7922.00[0] [sic], and the deliberative
15 process privilege.” A true and correct copy of the Department’s October 9, 2024, email
16 is attached hereto as **Exhibit I**.

17 19. On October 28, 2024, Petitioner emailed the Department, objecting to the
18 Department’s denial, and asking that the Department either provide justification for
19 the privileges it relied on to deny the request or that it reconsider the denial. A true
20 and correct copy of the Petitioner’s October 28 email is attached hereto as **Exhibit J**.

21 20. Having received no response, Petitioner again inquired about the request
22 on November 8, 2024. A true and correct copy of Petitioner’s October 8 email is
23 attached hereto as **Exhibit K**.

24 21. On November 8, 2024, Respondent again denied the request. A true and
25 correct copy of the denial is attached hereto as **Exhibit L**.

26 22. As to Request 1, for the reports and data that were used in the preparation
27 of the tables and data presented at page 78 of the California Insurance Commissioner’s
28 2023 Annual Report, the Department admitted it had responsive records, but claimed

1 they were privileged, confidential, or exempt from disclosure under Insurance Code §
2 12919, Evidence Code § 1040, Government Code §§ 7927.500, 7929.00, 7927.705,
3 7922.000, 7930.005, 7930.160, and 7923.600, and the deliberative process privilege.

4 23. As to Requests 2 and 3, for statistics tracked or maintained by the
5 Department concerning consumer complaints involving life insurance and annuities,
6 the Department claimed that it does not have “statistical information to the specificity
7 requested. However, you may review publicly available Company Performance &
8 Comparison Data for the last three years and a listing of any violation issues in 2023
9 from the Department’s Company Search portal. You may also generate a list of insurers
10 based on lines of insurance through the Department’s Lines of Insurance Search
11 portal.”

12 24. As to Request 4, for a description of or key to codes used by the
13 Department to classify or track information regarding consumer complaints, the
14 Department claimed that “these records are privileged or confidential and exempt from
15 disclosure under Insurance Code 12919, Government Code sections 7922.000, and
16 7922.580(c).”

17 25. Petitioner has requested this data to assist its efforts to advocate for
18 consumers of life insurance, including annuities, and to work for passage of laws and
19 regulations that protect life insurance consumers. The statistics requested by Petitioner
20 are important information that could be used to establish a baseline against which to
21 compare complaints in the future. Among other things, the baseline would reveal
22 whether recently enacted purported consumer protection legislation (SB 263 (Dodd)),
23 aimed at annuity sales, reduces or increases the number of complaints by consumers.

24 **CAUSE OF ACTION**
25 **FOR VIOLATIONS OF THE CALIFORNIA PUBLIC RECORDS ACT**
26 **(GOV. CODE §§ 7923.000 and 7923.100; CODE CIV. PROC. §§ 1060, 1085)**

27 26. Petitioner realleges and incorporates herein by reference Paragraphs 1
28 through 25 of this Petition as though set forth in full.

1 27. The CPRA expressly provides that “access to information concerning the
2 conduct of the people’s business is a fundamental and necessary right of every person
3 in this state.” (Gov. Code § 7921.000.) The purpose is to “give the public access to
4 information that enables them to monitor the functioning of their government.” (*CBS,*
5 *Inc. v. Block* (1986) 42 Cal.3d 646, 651; *Times Mirror Co. v. Superior Court* (1991) 53
6 *Calendar.3d 1325, 1350.*)

7 28. Under the CPRA, all records that are prepared, owned, used, or retained
8 by any public agency and that are not subject to the CPRA’s statutory exemptions to
9 disclosure must be made publicly available for inspection and copying upon request.
10 (Gov. Code §§ 7920.530, 7922.525(a)-(b).) There is a “statutory presumption that all
11 governmental records are available to any person” unless the agency demonstrates
12 that nondisclosure is statutorily warranted. (*ACLU v. Superior Court* (2011) 202
13 *Cal.App.4th 55, 85; § 7922.000.*) The requested records relate to the conduct of the
14 public’s business and were prepared, owned, used or retained by the Department.
15 Therefore, the records are deemed to be public records pursuant to Government Code
16 § 7920.530.

17 29. Requests for copies of records are governed by Government Code §§
18 7922.530(a) and 7922.535(a), which provide that “upon a request for a copy of records
19 that reasonably describes an identifiable record or records, [the agency] shall make the
20 records promptly available” and requires that “[e]ach agency, upon a request for a
21 copy of records, shall, within 10 days from receipt of the request, determine whether
22 the request, in whole or in part, seeks copies of disclosable public records in the
23 possession of the agency and shall promptly notify the person making the request of
24 the determination and the reasons therefor.”

25 30. A public agency is mandated to make information that is not exempt from
26 disclosure available upon request in any electronic format in which it holds or has
27 utilized it for its own purposes. (Gov. Code § 7922.570.)
28

1 31. The Department had a duty to assist the Petitioner. Government Code §
2 7922.600 mandates that:

3 (a) When a member of the public requests to inspect a public record
4 or obtain a copy of a public record, the public agency, in order
5 to assist the member of the public make a focused and effective
6 request that reasonably describes an identifiable record or
7 records, shall do all of the following, to the extent reasonable
8 under the circumstances:

9 (1) Assist the member of the public to identify records and
10 information that are responsive to the request or to the
11 purpose of the request, if stated.

12 (2) Describe the information technology and physical
13 location in which the records exist.

14 (3) Provide suggestions for overcoming any practical basis
15 for denying access to the records or information sought.

16 32. Petitioner is informed and believes and, on that basis, alleges that the
17 Department maintains the requested information in an electronic format that it has
18 used for its compilation of the Annual Report, but that it has both refused to produce
19 that information and has failed to assist Petitioner, in violation of Government Code §§
20 7922.570 and 7922.600.

21 33. On multiple occasions, the Department did not respond to Petitioner's
22 CPRA request within 10 days. Moreover, the Department has refused to disclose
23 responsive public records, citing a number of code sections and exemptions, but failing
24 to explain how any of the seemingly inapplicable code sections would apply to the
25 requested information, in violation of Government Code § 7922.535(a).

26 34. Petitioner is informed and believes, and on that basis, alleges that the
27 Commissioner has improperly withheld a number of responsive records to Petitioner's
28 CPRA request, which are not subject to any exemption, in violation of Government
Code § 7922.530(a).

 35. Even if a document does contain exempt information, the agency has a
duty to redact that information and provide the remainder of the document.
Government Code § 7922.525(b) provides that "Any reasonably segregable portion of a

1 record shall be available for inspection by any person requesting the record after
2 deletion of the portions that are exempted by law.” (See also *Los Angeles Cty. Bd. of*
3 *Supervisors v. Sup. Ct.* (2016) 2 Cal.5th 282, 292 [“The fact that parts of a requested
4 document fall within the terms of an exemption does not justify withholding the entire
5 document”] *Citizens for a Better Env’t v. Dep’t of Food & Agric.* (1985) 171 Cal.App.3d
6 704, 717 [“severable factual information” must be disclosed].) This requires public
7 agencies to use the equivalent of a surgical scalpel to separate those portions of a
8 record subject to disclosure from privileged portions.” (*Los Angeles County Bd. of*
9 *Supervisors v. Sup. Ct.*, 2 Cal.5th 282, 292.)

10 36. If the Department determined that responsive records were exempt from
11 disclosure for any reason, it was also required to “justify withholding any record by
12 demonstrating that the record in question is exempt under express provisions of this
13 chapter or that on the facts of the particular case the public interest served by not
14 disclosing the record clearly outweighs the public interest served by disclosure of the
15 record” under Government Code § 7922.000.

16 37. “A response to a written request for inspection or copies of public records
17 that includes a determination that the request is denied, in whole or in part,” is also
18 required to be in writing and “set forth the names and titles or positions of each person
19 responsible for the denial. (Gov. Code § 7922.540(a).)

20 38. In denying Petitioner’s CPRA request, the Department did not justify its
21 withholding, despite asserting Government Code § 7922.000, and did not set forth the
22 names and titles of the person(s) responsible for the denial, thereby violating
23 Government Code § 7922.540(a).

24 39. Government Code § 7922.500(a) provides “Nothing in this chapter shall
25 be construed to permit an agency to delay or obstruct the inspection or copying of
26 public records.”

27 40. The Department’s improper withholding of the specified public records
28 has impaired Petitioner’s ability to gain information necessary to report to the public,

1 including the citizens of California, on the issues of great public importance, in
2 violation of its rights under the California Public Records Act.

3 41. Government Code § 7923.000 provides: “Any person may institute
4 proceedings for injunctive or declarative relief or writ of mandate in any court of
5 competent jurisdiction to enforce his or her right to inspect or to receive a copy of any
6 public record or class of public records under this chapter.”

7 42. Code of Civil Procedure § 1060 provides:

8 Any person interested ... may, in cases of actual controversy
9 relating to the legal rights and duties of the respective parties,
10 bring an original action or cross-complaint in the superior
11 court for a declaration of his or her rights and duties in the
12 premises ... either alone or with other relief ... The declaration
may be had before there has been any breach of the obligation
in respect to which said declaration is sought.

13 43. An actual controversy exists between the parties regarding whether the
14 Department has delayed and obstructed the production of disclosable public records in
15 response to Petitioner’s August 18, August 24, and September 20, 2024, CPRA
16 Requests.

17 44. Petitioner exhausted any available administrative remedies. Petitioner
18 requested copies of disclosable public records from the Department, but the
19 Department has failed to timely produce the public records, despite Petitioner’s
20 repeated attempts to procure the Department’s compliance with the CPRA. (Ex. G.)
21 The only plain, speedy, and adequate remedy left to Petitioner is the relief provided by
22 Government Code § 7923.000.

23 45. When a verified petition shows that records are being improperly
24 withheld, “the court shall order the officer or person charged with withholding the
25 records to disclose the public record or show cause why he or she should not do so.”
26 (Gov. Code § 7923.100(a).)

27 46. The Department has a ministerial duty to perform according to the laws
28 of the State of California, including the CPRA.

1 47. The Department has a present legal duty and present ability to perform
2 its ministerial duties, as required by the CPRA.

3 48. The Department failed to perform its ministerial duties as required by the
4 CPRA.

5 49. Petitioner has an interest in having the laws executed and public duties
6 enforced and, therefore, has a beneficial interest in the outcome of the proceedings.

7 50. Petitioner has a clear, present, and legal right to the Department's
8 performance of its ministerial duties, as required by the CPRA.

9 51. Through this action, Petitioner seeks no greater relief than would be
10 afforded to any other member of the public.

11 **PRAYER FOR RELIEF**

12 **WHEREFORE, PETITIONER PRAYS AS FOLLOWS:**

13 1. This Court issue a peremptory writ of mandate, without a hearing or
14 further notice, directing the Department to immediately respond to Petitioner's
15 request and produce all responsive records; or, in the alternative, an order to show
16 cause why these public records should not be released;

17 2. This Court issue a declaratory judgment that the public records requested
18 by Petitioner are disclosable public records and that the Department violated the
19 California Public Records Act by (1) failing to properly respond to Petitioner's CPRA
20 Request; (2) failing to "promptly" produce responsive records; (3) delaying and
21 obstructing the production of responsive records; (4) not identifying the person(s)
22 responsible for the denial of the records; (5) improperly withholding the responsive
23 public records based and claims of exemptions inapplicable to the requested records;
24 and (6) failing to provide and justification for the claims of exemption asserted.


25 3. This Court set "times for responsive pleadings and for hearings in these
26 proceedings ... with the object of securing a decision as to these matters at the earliest
27 possible time," as provided in Government Code § 7923.005;

1 4. This Court enter an order allowing Petitioner to recover attorneys' fees
2 and costs incurred in this action pursuant to Government Code § 7923.115 and/or Code
3 of Civil Procedure § 1021.5; and,

4 5. This Court award such further relief as is just and proper.

5 DATED: March 13, 2025

LAW OFFICES OF KELLY AVILES

6
7
8 By: 
9 Kelly A. Aviles
10 Attorney for Plaintiff/Petitioner
11 FOUNDATION FOR INDIVIDUAL
12 RIGHTS IN EDUCATION
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1 **VERIFICATION**

2

3 I, Brian Brosnahan, am the President and Executive Director of the Life
4 Insurance Consumer Advocacy Center, Petitioner in the above-entitled action. I have
5 read the foregoing Verified Petition for Writ of Mandate and Declaratory Relief for
6 Violations of the California Public Records Act with Exhibits A-L, and the facts alleged
7 in paragraphs 11 through 25 are within my personal knowledge, and I know them to be
8 true.

9 I declare under penalty of perjury under the laws of the State of California that
10 the foregoing is true and correct, and that this Verification was executed on March 13,
11 2025, at Somerset, California.

12

13 */s/ Brian Brosnahan*
14 Brian Brosnahan

Exhibit A



August 18, 2024

VIA EMAIL

California Department of Insurance
Custodian of Records
300 Capitol Mall
Suite 1700
Sacramento, CA 95814
Phone: (916) 492-3657
Email: CustodianOfRecords@insurance.ca.gov

Re: Request for Records Concerning Consumer Complaints about Life Insurance, including Annuities, pursuant to the California Public Records Act and the California Constitution

To the Custodian of Records:

Pursuant to the California Public Records Act (“CPRA”) and article 1, section 3, subdivision (b) of the California Constitution, the Life Insurance Consumer Advocacy Center (LICAC) hereby requests that the California Department of Insurance (“Department”) provide a full and complete copy of the following records:¹

1. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving life insurance or annuities, including statistics concerning the resolution of such complaints:
 - a. Premium or billing
 - b. Surrenders
 - c. Cancellations
 - d. Rating or underwriting
 - e. Suitability
 - f. Agent Misrepresentation
 - g. Any other type of consumer complaint about life insurance or annuities

2. Any description of, or key to, any codes used by the Department, including the Consumer Services Branch and the Investigations Branch, to classify or track information about consumer complaints involving life insurance or annuities.

¹ The term “records” includes, but is not limited to, documents and communications, whether created or maintained in printed, typed, hand-written, facsimile, or email or other digital form.



LICAC requests these records in an electronic format such as Portable Document Format (“PDF”).

Please produce records for as far back in time as such records are maintained by the Department. If there are no records responsive to the requested materials, please confirm in writing that such records do not exist, and if responsive records used to exist but have been lost, stolen, or destroyed, please (1) identify the date of loss, theft, or destruction and (2) provide a copy of all available evidence of the loss, theft, or destruction.

Any records withheld from production for inspection under the CPRA should be separately identified and accompanied by the claimed justification for withholding those records as required by Government Code section 7922.000. The justification should state the nature of the record withheld and the specific exemption under which the record is being withheld and provide an explanation of why the public interest is served by withholding the record. LICAC reserves the right to challenge your decision to withhold any materials or portions of documents.

LICAC is prepared to pay reasonable duplication fees in connection with this CPRA request. However, agencies have discretion to waive fees in order to provide greater access to public records pursuant to Government Code section 7922.505. (See *North Co. Parents Org. v. California Dep’t of Educ.* (1994) 23 Cal.App.4th 144, 148.) As the information that is the subject of this request is of primary benefit to the public and LICAC is a non-profit, 501(c)(4) social welfare organization, we suggest that the Department waive any search and duplication fees. Consistent with Government Code section 7922.535(a), we expect to hear from the Department within ten days. Please contact us if you have any questions concerning this request. We may be reached at 415-305-7117 and via email. Thank you.

Respectfully submitted,

Brian P. Brosnahan

Brian P. Brosnahan
Executive Director
Life Insurance Consumer Advocacy Center

Exhibit B

Subject: PRA-2024-00429: Complaint Statistics

Date: Wednesday, August 21, 2024 at 1:59:03 PM Pacific Daylight Time

From: Youn, Destiny <Destiny.Youn@insurance.ca.gov>

To: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

CC: bbrosnahan99@gmail.com <bbrosnahan99@gmail.com>, 'Richard M Weber' <dick@ethicaledgeconsulting.com>, 'Jerry Vanderzanden' <vdzanden@outlook.com>, Lor, Chao <Chao.Lor@insurance.ca.gov>, Bare, Carla <Carla.Bare@insurance.ca.gov>

Good afternoon,

On August 19, 2024, the California Department of Insurance (“Department”) Custodian of Records received your request for information regarding the above-referenced matter, which has been treated as a request pursuant to the California Public Records Act. (Gov. Code, § 7920.000 et seq.)

Specifically, your request seeks the following information:

1. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving life insurance or annuities, including statistics concerning the resolution of such complaints:
 - a. Premium or billing
 - b. Surrenders
 - c. Cancellations
 - d. Rating or underwriting
 - e. Suitability
 - f. Agent Misrepresentation
 - g. Any other type of consumer complaint about life insurance or annuities
2. Any description of, or key to, any codes used by the Department, including the Consumer Services Branch and the Investigations Branch, to classify or track information about consumer complaints involving life insurance or annuities.

The Department has concluded its search and does not have responsive information as it does not maintain any reports that would provide the data or statistics you are seeking. In the event you are interested other consumer complaint data, you can find them in the Life Insurance Composite Report here: [Life Complaint Composite Report \(ca.gov\)](#).

Please feel free to reach out if you have any further questions.

Sincerely,

Destiny Youn
Legal Analyst
Legal Branch | Government Law Bureau
California Department of Insurance
300 Capitol Mall, 17th Floor

Sacramento, CA 95814
916-492-3004

CONFIDENTIALITY NOTICE: *This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication. Thank you for your cooperation.*

Exhibit C

From: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

Sent: Saturday, August 24, 2024 4:40 PM

To: 'Youn, Destiny' <Destiny.Youn@insurance.ca.gov>

Cc: 'bbrosnahan99@gmail.com' <bbrosnahan99@gmail.com>; 'Richard M Weber' <dick@ethicaledgeconsulting.com>; 'Jerry Vanderzanden' <vdzanden@outlook.com>; 'Lor, Chao' <Chao.Lor@insurance.ca.gov>; 'Bare, Carla' <Carla.Bare@insurance.ca.gov>

Subject: RE: PRA-2024-00429: Complaint Statistics

Dear Ms. Youn,

Thank you for your email of August 21, 2024. I am afraid there must be some misunderstanding concerning my request, as it is clear from the Commissioner's 2023 Annual Report that the California Department of Insurance ("Department") maintains some or all of the data I am requesting. At page 78, the Report breaks consumer complaints down according to line of coverage and the "Top Ten Types of Complaints." Even just these "Top Ten" reasons include some of the same categories of complaint that were in my August 19, 2024, Public Records Act request.

In order to facilitate the Department's response, I would be happy to modify my Public Records Act request to more closely track the categories of complaint in the Annual Report, though my request will still list several categories of complaint that are not in the "Top Ten" types of complaints but may nevertheless be types of complaints tracked by the Department. I will also request the data separately for life insurance and annuities; LICAC has been informed by Department staff in the past that the Department's complaint data tracks complaints about life insurance separately from annuities.

Accordingly, pursuant to the California Public Records Act ("CPRA") and article 1, section 3, subdivision (b) of the California Constitution, LICAC hereby requests that the California Department of Insurance provide a full and complete copy of the following records:^[1]

1. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving life insurance, including statistics concerning the resolution of such complaints:
 - a. Denial of Claim

- b. Claim Handling Delay
 - c. Unsatisfactory Settlement Offer
 - d. Premium and Rating
 - e. Nonrenewal
 - f. Cancellation
 - g. Premium Refund
 - h. Coverage Question
 - i. Premium Notice/Billing Problem
 - j. Surrender
 - k. Underwriting
 - l. Suitability
 - m. Agent Misrepresentation
 - n. Any other type of consumer complaint about life insurance
2. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving annuities, including statistics concerning the resolution of such complaints:
- a. Denial of Claim
 - b. Claim Handling Delay
 - c. Unsatisfactory Settlement Offer
 - d. Premium and Rating
 - e. Nonrenewal
 - f. Cancellation
 - g. Premium Refund
 - h. Coverage Question
 - i. Premium Notice/Billing Problem
 - j. Surrender
 - k. Underwriting
 - l. Suitability
 - m. Agent Misrepresentation
 - n. Any other type of consumer complaint about annuities
3. Any description of, or key to, any codes used by the Department, including the Consumer Services Branch and the Investigations Branch, to classify or track information about consumer complaints involving life insurance or annuities.

LICAC requests these records in an electronic format such as Portable Document Format (“PDF”). If data exists only for some of the categories of life insurance or annuities complaints listed above but not others, please provide data for those categories for which data does exist. Please produce records for as far back in time as such records are maintained by the Department. If there are no records responsive to the requested materials, please confirm in writing that such records do not exist, and if responsive records used to exist but have been lost, stolen, or destroyed, please (1) identify the date of loss, theft, or destruction and (2) provide a copy of all available evidence of the loss, theft, or destruction.

Any records withheld from production for inspection under the CPRA should be separately identified and accompanied by the claimed justification for withholding those records as required by Government Code section 7922.000. The justification should state the nature of the record withheld and the specific exemption under which the record is being withheld and provide an explanation of why the public interest is served by withholding the record. LICAC reserves the right to challenge your decision to withhold any materials or portions of documents.

LICAC is prepared to pay reasonable duplication fees in connection with this CPRA request. However, agencies have discretion to waive fees in order to provide greater access to public records pursuant to Government Code section 7922.505. (See *North Co. Parents Org. v. California Dep’t of Educ.* (1994) 23 Cal.App.4th 144, 148.) As the information that is the subject of this request is of primary benefit to the public and LICAC is a non-profit, 501(c)(4) social welfare organization, we suggest that the Department waive any search and duplication fees.

Consistent with Government Code section 7922.535(a), we expect to hear from the Department within ten days. Please contact us if you have any questions concerning this request. We may be reached at 415-305-7117 and via email. Thank you

Respectfully submitted,

Brian P. Brosnahan
Executive Director
Life Insurance Consumer Advocacy Center

Exhibit D

California Department of Insurance

ANNUAL REPORT OF THE COMMISSIONER



2023

PROTECT
PREVENT
PRESERVE



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

August 1, 2024

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Dear Governor Newsom,

The California Department of Insurance (CDI or Department) respectfully submits the *2023 Annual Report of the Insurance Commissioner* as required by California Insurance Code section 12922. As set forth in statute, this report describes the condition of the insurance market in California and the vital work we do at CDI regulating the nation's largest insurance market.

My number one priority since Day One has been to protect consumers, which includes safeguarding a robust and thriving insurance market. And our market is under unprecedented stress, unlike anything we have experienced in the more than 35 years since voters established our current system of insurance regulation. As you know, given our state's current insurance availability crisis, I unveiled the [Sustainable Insurance Strategy](#) last fall, the largest insurance reform since voters passed Proposition 103 in 1988. This ambitious strategy is aimed at safeguarding the overall health of the insurance market, comprised of consumers, homeowners, and business owners, while ensuring long-term sustainability and consumer protection.

My strategy represents a proactive and comprehensive approach to safeguarding the interests of Californians in the face of climate change. Specifically, the strategy seeks to return FAIR Plan policyholders to the admitted market, allows new models recognizing mitigation and hardening requirements to appropriately price rates and provide discount benefits to policyholders, mandates more accountability on intervenor groups, and ensures more transparent efficiencies in my Department's rate review and approval process, while requiring insurance companies to write and renew more business in distressed areas of our state, among other key initiatives. I am grateful for your and your staff's continued support and partnership in enacting this transformational, lasting reform to protect insurance consumers and stabilize our state's insurance market.

We will finish our regulatory work by the end of this year, and many Californians are already seeing the benefits with more and more insurance companies writing more policies and not non-renewing their long-time customers. As the largest insurance market in the nation, California's insurance rates are far lower on average than in many

large states that face growing risks from climate change, particularly hurricanes on the East Coast and Gulf Coast. That said, we need to continue to be thorough, thoughtful, and deliberate because we are essentially compressing decades of deferral and delay into a one-year timeline of action. We have been surviving with 20th century regulations for 21st century problems.

The continued partnership with you, the State Legislature, and major stakeholders is essential to get the Sustainable Insurance Strategy across the finish line and in full implementation. Under my strategy, there is a clear benefit for consumers in areas where the FAIR Plan has become the only option. Consumers get greater insurance availability through these transformative regulatory reforms. More options mean better competition on cost and service.

I will continue working with you and all those who want to constructively work towards real solutions to create more resilient communities in our state and provide more insurance coverage options for Californians, especially with the growing threat of climate change.

Should you or your staff have any questions regarding this report, please do not hesitate to contact me or my staff at (916) 492-3622. Thank you for your continued partnership.

Sincerely,

A handwritten signature in black ink, appearing to read "Ricardo Lara". The signature is fluid and cursive, with a prominent vertical stroke on the left side.

RICARDO LARA

Insurance Commissioner

cc: Erika Contreras, Secretary of the Senate
Sue Parker, Chief Clerk of the Assembly
Senator Susan Rubio, Chair, Senate Insurance Committee
Assembly Member Lisa Calderon, Chair, Assembly Insurance Committee
Cara L. Jenkins, Legislative Counsel

2023 Highlights

California Department of Insurance

- **Commissioner Lara announced the Sustainable Insurance Strategy** to help make insurance more available and affordable to residents and businesses. The Sustainable Insurance Strategy uses a data-driven approach, based on **the multi-year wildfire data collections by CDI** to create a package of executive actions aimed at improving insurance choices and protecting Californians from increasing climate threats while addressing the long-term sustainability of the nation's largest insurance market. The **largest insurance reform** since state voters' passage of Proposition 103 nearly 35 years ago, California's Sustainable Insurance Strategy is a comprehensive approach building on Commissioner Lara's multi-year effort to modernize California's insurance market after meeting with thousands of Californians since he took office in 2019.
- **In response to seven Governor declarations of wildfire emergencies in California**, the Department worked in partnership with the California Department of Forestry and Fire Protection and the California Office of Emergency Services to implement then-Senator Ricardo Lara's Senate Bill 824, **providing a one-year protection to homes located adjacent to the declaration area**.
- As the co-chair of the National Association of Insurance Commissioners' (NAIC) Climate and Resiliency (EX) Task Force, Commissioner Lara worked with a **bipartisan group of state insurance regulators to develop a national Property and Casualty Market Intelligence (PCMI) Data Call**. The PCMI Data Call will **help insurance regulators to better understand insurance availability and affordability related to the climate-related risks to the U.S. insurance market**, considered the largest insurance market in the world.
- The Department continued its review and assessment of insurance company premium refund actions related to private passenger automobile insurance in an effort to determine whether or not insurance companies provided California drivers with an appropriate amount of premium relief as a result of the COVID-19 pandemic. To date, **premium relief for California drivers has totaled nearly \$2.62 billion and approximately \$3.27 billion for all COVID-19 impacted lines**.
- In 2023, **Department detectives had a total of 3,449 cases, executed 664 search warrants, made 557 arrests, and submitted 859 cases to district attorneys for prosecution**. 359 defendants were convicted and 420 defendants were sentenced from Fraud Division cases during the fiscal year.
- The Department's Legal Branch **recovered approximately \$8,220,000** in monetary penalties, costs recovery, and negotiated settlements in Qui Tam matters, resulting in **distributions over \$3,622,236 to CDI and the General Fund combined**.

- CDI **sponsored eleven (11) bills** in 2023, **five (5) of which were signed into law by the Governor** with three (3) bills vetoed and three (3) turning into two-year bills, and closely monitored, provided technical assistance to, took positions on, and/or **advocated for or against 376 bills** this past legislative calendar.
- The Diversity Initiative collaborated with cross-functional leadership at CDI alongside the Insurance Diversity Task Force to successfully launch **the first-ever Insurance Diversity Index** – a benchmarking tool that measures the progress that insurance companies are making on their commitments to board diversity, supplier diversity, and community impact investments. For consumers, the Index fosters greater transparency of insurance companies’ policies & practices. The Index was the result of a multi-year engagement effort with community leaders, industry, and key supplier & board diversity stakeholders. Upon its launch, the Index received widespread support, including from California’s Attorney General.
- In response to the *Braidwood* decision out of Texas, Commissioner **Lara reassured consumers that California law requires insurance coverage for preventive services** such as HIV pre-exposure prophylaxis (PrEP), screening for sexually transmitted infections (STIs), and breast and colorectal cancer screening without cost sharing on patients.
- The California Organized Investment Network (COIN) has begun **raising \$6.0 billion of capital in 2023** through its COIN Investment Bulletin program to **fund 25 approved investment opportunities** that benefit California’s underserved communities and environmental projects. The economic impact of these potential investments is estimated to **create over 31,000 jobs in the state**.
- In 2023, our efforts to serve consumers culminated in **201,765 telephone calls and in-person assistance with 56,827 complaints closed**.
- The Department **recovered \$133,434,301 for consumers** as a result of direct intervention on consumer complaints and market conduct examinations.
- Consumer Services Division staff **deployed to 52 Local Assistance Centers and assisted 2,230 consumers face-to-face** to help them receive additional living expense checks, contents advances, and to answer questions with regards to their rights and responsibilities.
- The Department prioritized informing consumers in their local communities about the Safer from Wildfires framework and the Sustainable Insurance Strategy along with the insurance resources available to them by **hosting 968 virtual and in-person meetings and events, including 17 with Members of Congress, 62 with the Senate, 97 with the Assembly, 563 with local government offices, and 229 with community-based organizations**.

- The California Low Cost Auto Program saw a **99.27% increase** in applications and a **165% increase** in website visits.
- During 2023, Ombudsman staff facilitated and closed **1,977 cases**. This included responding to 1,013 consumer requests for assistance, 720 legislative inquiries, 181 agent and applicant inquiries, 41 insurance industry inquiries, and 22 general requests including other state agencies.
- The Department enhanced consumer protection by sponsoring chaptered legislation that now **requires all individuals seeking to be a bail fugitive recovery person to be licensed by the Department**. The Bail Fugitive Recovery Agent must (1) meet the standards stated in the new California Insurance Code [section 1802.3](#), (2) comply with the requirements stated in the amended Chapter 7, [sections 1800 through 1823](#), and (3) comply with the Bail Fugitive Record Persons Act, commencing with California Penal Code [section 1299](#).
- The Department enhanced consumer protection by **requiring agents and brokers to complete the Department's one-hour study on insurance fraud**. The Department's twelve-hour and three-hour ethics training requirements now include the one-hour of study on insurance fraud to provide agents and brokers with the steps to report suspected fraud to the Department's Fraud Division.
- Commissioner Lara sponsored Assembly Bill 451 authored by Assembly Member Lisa Calderon (Chapter 136, Statutes of 2023), **to offer license examinations in Spanish, Simplified Chinese, Vietnamese, and Korean beginning January 1, 2024 and in Tagalog on July 1, 2024** to keep pace with the needs of its multilingual and multicultural insurance consumers by offering license examinations in the top five languages as identified by our licensees. This law also provides further opportunities for non-English speakers to earn a living as insurance producers and service non-English consumers who purchase insurance and ensure every citizen has equal access to the protection provided by various insurance products.

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2023 ANNUAL REPORT

**CONSUMER SERVICES *and* MARKET
CONDUCT BRANCH**

CONSUMER SERVICES & MARKET CONDUCT BRANCH

The Consumer Services and Market Conduct Branch (CSMCB) focuses on consumer assistance and protection by educating consumers, mediating consumer complaints, and enforcing insurance laws. CSMCB enforces insurance laws during the investigation of individual consumer complaints against insurers and agents/brokers and through on-site examinations of insurer claims and underwriting practices. CSMCB consists of two divisions, six bureaus, a market analysis unit, and a unit of legal staff dedicated to consumer issues:

Consumer Services Division (CSD)

- Consumer Communications Bureau (CCB)
- Claims Services Bureau (CSB)
- Health Claims Bureau (HCB)
- Rating and Underwriting Services Bureau (RUSB)

Market Conduct Division (MCD)

- Field Claims Bureau (FCB)
- Field Rating and Underwriting Bureau (FRUB)
- Market Analysis Unit (MAU)

Consumer Law Unit (CLU)

CSMCB RESULTS FOR CALENDAR YEAR 2023

Result Description	Result
Consumer Telephone Calls and In-Person Assistance	201,765
Complaint Cases Opened	58,525
Complaint Cases Closed	56,827
Total Amount of Consumer Dollars Recovered	\$129,868,724

Result Description	Result
Number of Market Conduct Exams Adopted by the Commissioner	89
Total Amount of Claims Dollars Recovered or Premium Returned to Consumers from Market Conduct Exams	\$3,565,577
CSMCB Grand Total Amount (Consumer Dollars Recovered, Claims Dollars Recovered or Premium Returned to Consumers)	\$133,434,301

CONSUMER SERVICES DIVISION

CSD responds to consumer inquiries and complaints involving insurance companies or agent and broker activities. The CSD is responsible for administering the program described in the California Insurance Code (CIC) Section 12921.1(a) for investigating complaints, responding to consumer inquiries, and bringing enforcement actions against insurers, agents, and brokers.

In accordance with CIC Section 12921.1(a)(10), this report includes a description of the operation of the complaint handling process, and the percentage of the Department's personnel years devoted to the handling and resolution of complaints.

The CCB staff respond to general insurance inquiries and answer questions about insurance claims and underwriting practices and administer the California Department of Insurance (CDI) Residential, Earthquake, and Automobile Mediation Programs.

The three written case units, CSB, HCB, and RUSB, are responsible for investigating, evaluating, and resolving written consumer complaints involving claims and rating and underwriting issues for all lines of insurance. In 2023, 122 full-time staff were devoted to the complaint handling operation. This represents almost nine percent of the 1398 total authorized positions in the Department.

All complaints are reviewed, and an investigation is generally initiated within three days of receipt. During this period, CDI contacts the appropriate insurers or agents and brokers. The time required to resolve a complaint varies depending on the case type and complexity of the issues presented. The average time for resolution is approximately 45 days from open to close. Complex cases involve the analysis of conflicting facts and applicable laws, as such, resolution of these cases may require a lengthier investigation. Conversely, cases involving less complex issues may be resolved within hours, days, or a few weeks. CDI informs consumers about the final resolution of their complaints as quickly as possible but no later than 30 days after final action. The cumulative results of our findings are published annually in the consumer complaint study available on CDI's public website at [Consumer Complaint Study](#).

Consumer Complaint Trends – The following tables identify notable complaint trends by line of coverage:

PERCENTAGE OF COMPLAINTS BY LINES OF COVERAGE

Coverage Type	2020	2021	2022	2023
Automobile	38.65%	31.19%	33.78%	35.23%
Accident & Health	21.53%	35.02%	33.09%	28.68%
Homeowners	15.06%	12.85%	12.98%	16.36%
Misc./Other	14.32%	11.64%	11.74%	11.21%
Life & Annuity	4.91%	4.42%	4.03%	3.38%
Fire, Allied Lines & CMP	3.41%	3.14%	2.91%	3.48%
Liability	2.00%	1.67%	1.41%	1.59%
Earthquake	0.12%	0.07%	0.06%	0.07%

TOP TEN TYPES OF COMPLAINT REASONS

Number	Types of Complaint Reasons	2020	2021	2022	2023
1	Denial of Claim	28%	27%	26.61%	27.48%
2	Claim Handling Delay	18%	22.10%	25.15%	25.02%
3	Unsatisfactory Settlement Offer	14%	13.64%	14.43%	14.28%
4	Premium & Rating	6%	5.73%	4.52%	5.00%
5	Nonrenewal	3%	2.55%	2.48%	3.77%
6	Cancellation	3%	3.33%	3.26%	3.70%
7	Premium Refund	5%	3.80%	3.06%	2.72%
8	Coverage Question	2%	2.22%	2.14%	1.94%
9	Premium Notice/Billing Problem	3%	2.01%	1.95%	1.85%
10	All Other Reasons	18%	17.62%	16.40%	14.24%

In accordance with reporting requirements of CIC Section 1858.35, the following table lists the number and type of complaints received by CDI from any person aggrieved by any rate charged, rating plan, rating system, or underwriting rule, and the disposition of these complaints.

**CIC SECTION 1858.35 COMPLAINTS BY TYPE/REASON
Calendar Year 2023**

Rank	Reason	Number of Complaints
1	Premium & Rating	1709
2	Nonrenewal	1455
3	Cancellation	1181
4	Coverage Question	672
5	Premium Refund	630
6	Premium Notice/Billing Problem	561
7	Surcharge	553
8	Agent Handling	256
9	Rescission	162
10	All Other Reasons	1319
	Total Number Reasons	8498
	Total Number of Complaints	7384

Note: Many consumer complaints involve more than one issue. This explains the difference between the total number of complaints and total number of complaint types/reasons above. The complaint type/reason column also describes the various concerns addressed.

**CIC SECTION 1858.35 COMPLAINTS BY FINAL DISPOSITION
Calendar Year 2023**

Rank	Final Disposition	Number of Complaints	Recovery Amount
1	Company Position Substantiated	5956	\$200,217.16
2	Compromised Settlement/Resolution	926	\$531,633.11
3	Company Position Overturned	523	\$868,465.32
4	Question of Fact/Contract Provision/Legal Issue	81	\$5853.44
5	Referred for Possible Disciplinary Action	34	\$18,034.26
6	All Other Disposition Codes	32	\$5078.50

Rank	Final Disposition	Number of Complaints	Recovery Amount
	Total Number of Dispositions	7552	\$1,629,281.79
	Total Number of Complaints	7384	\$1,629,281.79

Note: Many consumer complaints involve more than one issue and therefore may result in more than one disposition. This explains the difference between the total number of complaints and total number of dispositions above.

Disaster Response

CSD also coordinates CDI’s response to natural and other disasters affecting California insurance consumers and businesses. This response includes administration of the Emergency Disaster Assessment function described in CIC Section 16000, as well as assisting consumers affected by wildfires and other catastrophic events at Local Assistance and Disaster Recovery Centers, community events, and workshops.

In 2023, California continued to experience disasters. CSD monitored 15 wildfire, 2 earthquake, 1 landslide and 4 atmospheric river events. We had an unprecedented 51 deployments to assist survivors throughout the state at various Local Assistance and Disaster Recovery Centers and 1 deployment to assist fire survivors in Maui.

Residential Property, Earthquake, and Automobile Physical Damage Mediation Program

CSD administers CDI’s Residential Property, Earthquake Claims, and Automobile Physical Damage Mediation Program. The Program was established in 1995 in response to earthquake claims from the Northridge Earthquake of January 17, 1994. The Legislature has since expanded the program to include automobile physical damage and residential property disputes subject to specific guidelines. Residential property and earthquake (EQ) mediation are contingent upon a gubernatorial declaration of a state of emergency. Pursuant to CIC Section 10089.83, the results of the Program for calendar year 2023 are contained in the table below titled “Formal Mediation Program Results for Calendar 2023”.

**FORMAL MEDIATION PROGRAM RESULTS
Calendar Year 2023**

RESULT DESCRIPTION	Residential	EQ	Auto	Totals
Number of mediation cases eligible	6	0	4	10
Number settled within 28-day settlement period	1	0	2	3
Number sent to mediation	5	0	2	7

RESULT DESCRIPTION	Residential	EQ	Auto	Totals
Number of cases rejected by insurer	0	0	0	0
Number of cases rejected by consumers	0	0	0	0
Number accepted by insurer	5	0	2	7
Number of settlements rejected within 3 day waiting period	0	0	0	0
Number of Cases Closed	6	0	4	10
Number of Cases Pending	0	0	0	0
Amount initially claimed	\$3,050,300.00	\$0	\$110,786.32	\$3,161,086.32
Amount of settlements	\$1,548,040.50	\$0	\$131,741.82	\$1,679,782.32

Independent Medical Review Program

CSD also administers an Independent Medical Review (IMR) program, which determines when treatment is medically necessary. This includes determining which complaints qualify for the program, guiding the consumer through the IMR process, working with the IMR organization, communicating the final decision to all parties, and developing statistics related to IMR results, which are made public with appropriate privacy protections on the Department’s public website at [Independent Medical Review Statistics](#).

**2023 INDEPENDENT MEDICAL REVIEW SUMMARY REPORT
Annual Rate of IMR Cases by Total Insured Population**

Plan Type	Covered Lives as of 12/31/2023
Major Medical Plans Non-Grandfathered Large Group	605,344
Major Medical Plans Non-Grandfathered Small Group	98,744
Major Medical Plans Non-Grandfathered Individual	23

Plan Type	Covered Lives as of 12/31/2023
Major Medical Plans Grandfathered Large Group	7,450
Major Medical Plans Grandfathered Small Group	530
Major Medical Plans Grandfathered Individual	31,434
Student Health Plans	83,931
Total Insured Population	827,456
Total Number of IMR Cases	219
Annual Rate of IMR Cases by Insured Population	0.03%

Annual Rate of IMR Cases by Health Insurer

Insurance Company	IMR Case Count	Annual Rate
Aetna Life Insurance Company	115	0.0139%
Anthem Blue Cross Life & Health Insurance Company	32	0.0039%
Cigna Health & Life Insurance Company	31	0.0037%
Health Net Life Insurance Company	24	0.0029%

Insurance Company	IMR Case Count	Annual Rate
Unitedhealthcare Insurance Company	6	0.0007%
Nippon Life Insurance Company of America	5	0.0006%
Blue Shield of California Life & Health Insurance Company	3	0.0004%
Kaiser Permanente Insurance Company	2	0.0002%
Group Insurance Trust of the California Society of Certified Public Accountants (The)	1	0.0001%

The Number, Type and Resolution of IMR Cases by Health Insurer

Insurance Company	Total IMR Cases	Experimental: Denial Overturned	Experimental: Denial Upheld	Medical Necessity: Denial Overturned	Medical Necessity: Denial Upheld
Aetna Life Insurance Company	115	22	10	52	31
Anthem Blue Cross Life & Health Insurance Company	32	5	3	12	12
Cigna Health & Life Insurance Company	31	3	4	10	14
Health Net Life Insurance Company	24	0	0	18	6

Insurance Company	Total IMR Cases	Experimental: Denial Overturned	Experimental: Denial Upheld	Medical Necessity: Denial Overturned	Medical Necessity: Denial Upheld
Unitedhealth care Insurance Company	6	0	0	4	2
Nippon Life Insurance Company of America	5	0	0	5	0
Blue Shield of California Life & Health	3	0	0	0	3
Kaiser Permanente Insurance Company	2	0	0	2	0
Group Insurance Trust of the California Society of Certified Public Accountants (The)	1	1	0	0	0

Health Care Provider Bill of Rights Report

No complaints involving CIC Section 10133.65(f) were received for calendar year 2023.

MARKET CONDUCT DIVISION

MCD examines admitted insurance companies to evaluate their compliance with legal requirements and to initiate corrective or enforcement actions when necessary. These examinations are generally scheduled at regular fixed intervals. Scheduled re-examinations and targeted examinations supplement the routine examinations when special circumstances, or the results of market analysis of consumer complaints and other data, dictate more in-depth examination. Depending upon their size, complexity,

and nature, exams are either conducted in the insurers’ offices located nationwide or in-house at CDI’s offices, with insurers shipping materials and files to CDI staff.

Following operational adjustments made during the global COVID-19 pandemic, market conduct examination work primarily continued to be conducted remotely via telework during 2023.

Within MCD, FCB examines claim handling practices, and FRUB examines rating and underwriting practices. This division of oversight reflects the traditional division of operations in the industry and in the laws regulating them.

MCD also maintains the Market Analysis Unit which evaluates patterns in consumer complaints, enforcement actions, exam activity, and other data on a national basis to identify issues that may be of regulatory concern in California and to assist in the planning and scheduling of examinations.

The following is a summary of MCD’s accomplishments for the year 2023. The table displays exams completed, dollars returned to consumers, and legal actions taken as a result of MCD work. The column labeled “Div. Office” reflects multistate examination and enforcement activity done in cooperation with other states. This work is completed directly by MCD Division Office Staff and CDI Legal rather than being assigned to FCB or FRUB.

MARKET CONDUCT DIVISION RESULTS
Calendar Year 2023

RESULTS CATEGORY	BUREAU EXAMINATIONS (FRUB AND FCB)	DIV. OFFICE	MCD Totals
Number of Exams Adopted by the Commissioner	89	0	89
Amount of Claims Dollars Recovered or Premium Returned to Consumers in Examinations and Enforcement Actions	\$3,515,753	\$49,824	\$3,565,577
Number of Enforcement Actions Completed on Examinations	0	0	0

RESULTS CATEGORY	BUREAU EXAMINATIONS (FRUB AND FCB)	DIV. OFFICE	MCD Totals
Penalties Assessed in Enforcement Actions Completed	\$0	\$0	\$0

FIELD CLAIMS BUREAU

FCB conducts market conduct examinations of the claim’s practices of all licensed California insurers. Each exam focuses on compliance with the California Insurance Code (CIC) and the California Fair Claims Settlement Practices regulations. FCB seeks to ensure equitable treatment of policyholders and claimants in accordance with insurance contracts and California law. The provisions of law cited in FCB examinations vary by line of insurance. However, those that are common across life, disability, and property and casualty insurance involve delay, incomplete documentation, and improper handling, which may include improper settlement, failure to pursue investigation, and improper denial. FCB obtains remedial claim actions from insurers as a result of the examinations it conducts. Many of the issues which lead to these actions are displayed in its reports which are published on CDI’s website.

FIELD RATING AND UNDERWRITING BUREAU

FRUB conducts market conduct examinations of the rating and underwriting practices of all licensed insurers, including reviews of the advertising, marketing, risk selection and declination, underwriting, pricing, and policy termination practices of life, health, property, and casualty insurers. FRUB examinations focus on compliance with rate and product filing requirements, consistency within the insurer’s adopted rating and underwriting processes, fairness and accuracy in marketing and communications to consumers, and overall conformity of rating and underwriting with the California law. FRUB obtains remedial actions from the insurers it examines in the form of revisions to incorrect and illegal practices and premium refunds to consumers when errors and violations resulting in premium overcharges are discovered.

CIC § 12921.4(b) – In accordance with CIC § 12921.4(b), the Market Analysis Unit reviewed the complaint data of each insurance carrier that was authorized to transact business in California during 2023. The analysis of complaint data focused on the following areas: insurer, insurance line of business, and type of violation. In addition to raw numbers of complaints, the analysis includes the development of a complaint index for each insurer, calculated as the insurer’s complaint share divided by its market share. This allows for the comparison of results among insurers of differing sizes.

Complaint totals are among the primary criteria driving the MCD's examination schedule. The 10 insurers with the largest number of closed complaints in 2023 (ranging from 821 for the tenth-ranked company to 1,565 for the company ranked first) have all been examined within the last three years or are scheduled to be examined in the next two years (seven are in progress and three are on the upcoming examination schedule). One of the 10 companies with the most closed complaints have been the subjects of enforcement action within the last five years or are pending enforcement action.

Complaints by line of business remain an important criterion for focusing on MCD examination resources. The five lines of business generating the highest number of complaints were:

- Private passenger auto - 15,923
- Homeowners - 7,045
- Home warranty (Warranty Contract) - 2,202
- Group accident and health - 1,376
- Individual accident and health – 976

These lines were among the most frequently examined by the Division's FCB and FRUB during 2023. Within each line of business, MCD also prioritizes those insurers with the most complaints. All insurers in the top 10 of complaints in each line have been examined in the last three years or are scheduled to be examined in the next two years.

An analysis of complaints sorted by type of violation is completed for each examination initiated for the MCD's bureaus. The results of this analysis allow the examiners in charge to identify areas that should be scrutinized more closely. Whenever a trend or pattern in violation data is observed, the information is shared with those Department employees that have a use or need for the data.

A geographic analysis, established by ZIP Code, of consumer complaints was conducted for the year 2023. Complaints within those geographic regions identified as having high concentrations of complaints relative to the region's population will be the subject of further analysis in 2024.

Exhibit E

Subject: RE: PRA-2024-00429: Complaint Statistics

Date: Saturday, September 7, 2024 at 1:09:31 PM Pacific Daylight Time

From: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

To: 'Youn, Destiny' <Destiny.Youn@insurance.ca.gov>

CC: bbrosnahan99@gmail.com <bbrosnahan99@gmail.com>, 'Richard M Weber' <dick@ethicaledgeconsulting.com>, 'Jerry Vanderzanden' <vdzanden@outlook.com>, 'Lor, Chao' <Chao.Lor@insurance.ca.gov>, 'Bare, Carla' <Carla.Bare@insurance.ca.gov>

Hello Ms. Youn,

I am following up on LICAC's Public Records Act request below, which I sent on August 24, 2024. Government Code Section 7922.535(a) requires that the Department of Insurance respond to the request within ten days, yet we have not received any response. Please promptly respond to the LICAC's Public Records Act request.

Brian Brosnahan

Exhibit F

Subject: RE: PRA-2024-00429: Complaint Statistics

Date: Monday, September 9, 2024 at 8:46:24 AM Pacific Daylight Time

From: Youn, Destiny <Destiny.Youn@insurance.ca.gov>

To: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

CC: bbrosnahan99@gmail.com <bbrosnahan99@gmail.com>, 'Richard M Weber' <dick@ethicaledgeconsulting.com>, 'Jerry Vanderzanden' <vdzanden@outlook.com>, Lor, Chao <Chao.Lor@insurance.ca.gov>, Bare, Carla <Carla.Bare@insurance.ca.gov>

Good morning,

Please note that the information that is published within the Commissioner's Annual Report is required by statute to compile and report. Additional information can be found on the Consumer Complaint Study page, and the data sought aside from what is published is not maintained by the Department.

If you would like prior copies of the Annual Reports that are not published on the Department's website, please let me know and I can provide them to you.

Sincerely,

Destiny Youn
Legal Analyst
Legal Branch | Government Law Bureau
California Department of Insurance
300 Capitol Mall, 17th Floor
Sacramento, CA 95814
916-492-3004

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Exhibit G

Subject: RE: PRA-2024-00429: Complaint Statistics

Date: Friday, September 20, 2024 at 9:42:28 AM Pacific Daylight Time

From: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

To: 'Youn, Destiny' <Destiny.Youn@insurance.ca.gov>

CC: bbrosnahan99@gmail.com <bbrosnahan99@gmail.com>, 'Richard M Weber' <dick@ethicaledgeconsulting.com>, 'Jerry Vanderzanden' <vdzanden@outlook.com>, 'Lor, Chao' <Chao.Lor@insurance.ca.gov>, 'Bare, Carla' <Carla.Bare@insurance.ca.gov>

Dear Ms. Youn,

Thank you for your email of September 9, 2024. It appears there continues to be some misunderstanding concerning LICAC's PRA request, so I will modify my request to add a very specific category of information that the Commissioner obviously has – "all reports and data that were used in the preparation of the tables and data presented at page 78 of the California Insurance Commissioner's 2023 Annual Report."

For your convenience, I restate LICAC's full PRA request below:

Pursuant to the California Public Records Act ("CPRA") and article 1, section 3, subdivision (b) of the California Constitution, LICAC hereby requests that the California Department of Insurance provide a full and complete copy of the following records:

1. All reports and data that were used in the preparation of the tables and data presented at page 78 of the California Insurance Commissioner's 2023 Annual Report
2. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving life insurance, including statistics concerning the resolution of such complaints:
 - a. Denial of Claim
 - b. Claim Handling Delay
 - c. Unsatisfactory Settlement Offer
 - d. Premium and Rating
 - e. Nonrenewal
 - f. Cancellation
 - g. Premium Refund
 - h. Coverage Question

- i. Premium Notice/Billing Problem
 - j. Surrender
 - k. Underwriting
 - l. Suitability
 - m. Agent Misrepresentation
 - n. Any other type of consumer complaint about life insurance
3. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving annuities, including statistics concerning the resolution of such complaints:
- a. Denial of Claim
 - b. Claim Handling Delay
 - c. Unsatisfactory Settlement Offer
 - d. Premium and Rating
 - e. Nonrenewal
 - f. Cancellation
 - g. Premium Refund
 - h. Coverage Question
 - i. Premium Notice/Billing Problem
 - j. Surrender
 - k. Underwriting
 - l. Suitability
 - m. Agent Misrepresentation
 - n. Any other type of consumer complaint about annuities
4. Any description of, or key to, any codes used by the Department, including the Consumer Services Branch and the Investigations Branch, to classify or track information about consumer complaints involving life insurance or annuities.

LICAC requests these records in an electronic format, including Excel or other worksheets, or Portable Document Format (“PDF”) for those documents that do not exist as worksheets. If data exists only for some of the categories of life insurance or annuities complaints listed above but not others, please provide data for those categories for which data does exist. Please produce records for as far back in time as such records are maintained by the Department. If

there are no records responsive to the requested materials, please confirm in writing that such records do not exist, and if responsive records used to exist but have been lost, stolen, or destroyed, please (1) identify the date of loss, theft, or destruction and (2) provide a copy of all available evidence of the loss, theft, or destruction.

Any records withheld from production for inspection under the CPRA should be separately identified and accompanied by the claimed justification for withholding those records as required by Government Code section 7922.000. The justification should state the nature of the record withheld and the specific exemption under which the record is being withheld and provide an explanation of why the public interest is served by withholding the record. LICAC reserves the right to challenge your decision to withhold any materials or portions of documents.

LICAC is prepared to pay reasonable duplication fees in connection with this CPRA request. However, agencies have discretion to waive fees in order to provide greater access to public records pursuant to Government Code section 7922.505. (See *North Co. Parents Org. v. California Dep't of Educ.* (1994) 23 Cal.App.4th 144, 148.) As the information that is the subject of this request is of primary benefit to the public and LICAC is a non-profit, 501(c)(4) social welfare organization, we suggest that the Department waive any search and duplication fees.

Consistent with Government Code section 7922.535(a), we expect to hear from the Department within ten days. Please contact us if you have any questions concerning this request. We may be reached at 415-305-7117 and via email. Thank you

Respectfully submitted,

Brian P. Brosnahan
Executive Director
Life Insurance Consumer Advocacy Center

Exhibit H

From: brian@lifeinsuranceconsumeradvocacycenter.org
<brian@lifeinsuranceconsumeradvocacycenter.org>

Sent: Tuesday, October 8, 2024 11:38 AM

To: Youn, Destiny <Destiny.Youn@insurance.ca.gov>

Cc: bbrosnahan99@gmail.com; 'Richard M Weber' <dick@ethicaledgeconsulting.com>; 'Jerry Vanderzanden' <vdzanden@outlook.com>; Lor, Chao <Chao.Lor@insurance.ca.gov>; Bare, Carla <Carla.Bare@insurance.ca.gov>

Subject: RE: PRA-2024-00429: Complaint Statistics

Hello Ms. Youn,

I am following up on LICAC's Public Records Act request below, which I sent on September 20, 2024. Government Code Section 7922.535(a) requires that the Department of Insurance respond to the request within ten days, yet we have not received any response. Please promptly respond to the Public Records Act request.

Brian Brosnahan

Exhibit I

Subject: RE: PRA-2024-00429: Complaint Statistics

Date: Wednesday, October 9, 2024 at 7:52:41 AM Pacific Daylight Time

From: Youn, Destiny <Destiny.Youn@insurance.ca.gov>

To: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

CC: bbrosnahan99@gmail.com <bbrosnahan99@gmail.com>, 'Richard M Weber' <dick@ethicaledgeconsulting.com>, 'Jerry Vanderzanden' <vdzanden@outlook.com>, Lor, Chao <Chao.Lor@insurance.ca.gov>, Bare, Carla <Carla.Bare@insurance.ca.gov>

Good morning,

Thank you for your email below and I apologize for not responding sooner. Your modified request seeks “all reports and data that were used in the preparation of the tables and data presented at page 78 of the California Insurance Commissioner’s 2023 Annual Report.”

The Department has concluded its search and found responsive records. Please be advised that any reports and data that were used in preparation of the tables and data presented at page 78 of the Commissioner’s 2023 Annual Report are confidential and not disclosable pursuant to Insurance Code section 12919, Evidence Code section 1040, Government Code sections 7927.500, 7929.00, 7927.705, and 7922.00, and the deliberative process privilege.

Sincerely,

Destiny Youn
Legal Analyst
Legal Branch | Government Law Bureau
California Department of Insurance
300 Capitol Mall, 17th Floor
Sacramento, CA 95814
916-492-3004

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Exhibit J

From: brian@lifeinsuranceconsumeradvocacycenter.org <brian@lifeinsuranceconsumeradvocacycenter.org>

Sent: Monday, October 28, 2024 8:48 PM

To: 'Youn, Destiny' <Destiny.Youn@insurance.ca.gov>

Cc: 'bbrosnahan99@gmail.com' <bbrosnahan99@gmail.com>; 'Richard M Weber' <dick@ethicaledgeconsulting.com>; 'Jerry Vanderzanden' <vdzanden@outlook.com>; 'Lor, Chao' <Chao.Lor@insurance.ca.gov>; 'Bare, Carla' <Carla.Bare@insurance.ca.gov>

Subject: RE: PRA-2024-00429: Complaint Statistics

Dear Ms. Youn,

Thank you for your email of October 9, 2024. We have reviewed the privileges you reference and find there to be no colorable argument that the privileges apply here. As you know, Government Code Section 7922.000 provides,

An agency shall justify withholding any record by demonstrating that the record in question is exempt under express provisions of this division, or that on the facts of the particular case the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record.

Contrary to the express requirements of Section 7922.000, your email of October 9, 2024, provides no justification for any of the privileges CDI has invoked. Please reconsider CDI's refusal to provide the requested records or justify CDI's invocation of each privilege you cite.

Please also be aware that LICAC regards CDI's position to date as so unreasonable that the public needs to be informed. Please find attached a draft press release and a subset of the media outlets/reporters to whom LICAC would send the press release if CDI does not reconsider its position and provide the requested records. Of course, LICAC reserves the right to revise the press release to include discussion of any "justification" CDI may offer for continued withholding of the records.

Brian Brosnahan

Exhibit K

From: brian@lifeinsuranceconsumeradvocacycenter.org
<brian@lifeinsuranceconsumeradvocacycenter.org>

Sent: Friday, November 8, 2024 1:39 PM

To: Youn, Destiny <Destiny.Youn@insurance.ca.gov>

Cc: bbrosnahan99@gmail.com; 'Richard M Weber' <dick@ethicaledgeconsulting.com>; 'Jerry Vanderzanden' <vdzanden@outlook.com>; Lor, Chao <Chao.Lor@insurance.ca.gov>; Bare, Carla <Carla.Bare@insurance.ca.gov>

Subject: RE: PRA-2024-00429: Complaint Statistics

Hello Ms. Youn,

I have not received any response to my October 28, 2024, email (below).

Please provide the requested information, or a valid explanation to justify CDI's refuse to provide it, by the close of business on Wednesday, November 12, 2024. If I do not hear from you, LICAC will assume that CDI is refusing to do either and will notify media outlets as previously discussed.

Brian Brosnahan

Exhibit M

Tuesday, November 12, 2024 at 07:21:43 Pacific Standard Time

Subject: RE: PRA-2024-00429: Complaint Statistics

Date: Friday, November 8, 2024 at 2:08:02 PM Pacific Standard Time

From: Youn, Destiny

To: brian@lifeinsuranceconsumeradvocacycenter.org

CC: bbrosnahan99@gmail.com, 'Richard M Weber', 'Jerry Vanderzanden', Lor, Chao, Bare, Carla

Good afternoon,

Thank you for your email. To clarify, your revised request seeks the following Department records:

1. All reports and data that were used in the preparation of the tables and data presented at page 78 of the California Insurance Commissioner's 2023 Annual Report
2. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving life insurance, including statistics concerning the resolution of such complaints:
 - a. Denial of Claim
 - b. Claim Handling Delay
 - c. Unsatisfactory Settlement Offer
 - d. Premium and Rating
 - e. Nonrenewal
 - f. Cancellation
 - g. Premium Refund
 - h. Coverage Question
 - i. Premium Notice/Billing Problem
 - j. Surrender
 - k. Underwriting
 - l. Suitability
 - m. Agent Misrepresentation
 - n. Any other type of consumer complaint about life insurance
3. All statistics tracked or maintained by the Department concerning the following kinds of consumer complaints involving annuities, including statistics concerning the resolution of such complaints:
 1. Denial of Claim
 2. Claim Handling Delay
 3. Unsatisfactory Settlement Offer
 4. Premium and Rating
 5. Nonrenewal
 6. Cancellation
 7. Premium Refund

8. Coverage Question
 9. Premium Notice/Billing Problem
 10. Surrender
 11. Underwriting
 12. Suitability
 13. Agent Misrepresentation
 14. Any other type of consumer complaint about annuities
4. Any description of, or key to, any codes used by the Department, including the Consumer Services Branch and the Investigations Branch, to classify or track information about consumer complaints involving life insurance or annuities.

Regarding request 1, the Department has responsive records, which are not being produced. These records are privileged or confidential and exempt from disclosure under Insurance Code section 12919, Evidence Code section 1040, Government Code sections 7927.500, 7929.00, 7927.705, 7922.000, 7930.005, 7930.160, and 7923.600, the deliberative process privilege.

Regarding requests 2 and 3, the Department does not have statistical information to the specificity requested. However, you may review publicly available Company Performance & Comparison Data for the last three years and a listing of any violation issues in 2023 from the Department's [Company Search](#) portal. You may also generate a list of insurers based on lines of insurance through the Department's [Lines of Insurance Search](#) portal.

Lastly, regarding request 4, these records are privileged or confidential and exempt from disclosure under Insurance Code 12919, Government Code sections 7922.000, and 7922.580(c).

Sincerely,

Destiny Youn
Legal Analyst
Legal Branch | Government Law Bureau
California Department of Insurance
300 Capitol Mall, 17th Floor
Sacramento, CA 95814
916-492-3004

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