DELAWARE DEPARTMENT OF INSURANCE

MARKET CONDUCT EXAMINATION REPORT

Hartford Underwriters Insurance Company
   NAIC #30104
Hartford Fire Insurance Company
   NAIC #19682
Hartford Accident and Indemnity Company
   NAIC #22357
Sentinel Insurance Company
   NAIC #11000
Trumbull Insurance Company
   NAIC #27120

One Hartford Plaza
Hartford, CT USA 06155-0001

As of

September 30, 2017
REPORT ON EXAMINATION

OF THE

Hartford Underwriters Insurance Company
Hartford Fire Insurance Company
Hartford Accident and Indemnity Company
Sentinel Insurance Company
Trumbull Insurance Company

AS OF

September 30, 2017

The above-captioned Report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted and filed as an official record of this Department.

In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover, this 29th day of March, 2019.

Trinidad Navarro
Insurance Commissioner
I, Trinidad Navarro, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of September 30, 2017 on

Hartford Underwriters Insurance Company
Hartford Fire Insurance Company
Hartford Accident and Indemnity Company
Sentinel Insurance Company
Trumbull Insurance Company

is a true and correct copy of the document filed with this Department.

Attest By:

In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover, this 28th day of March, 2019.

Trinidad Navarro
Insurance Commissioner
## Table of Contents

EXECUTIVE SUMMARY ................................................................. 2  
METHODOLOGY ............................................................................. 4  
COMPANY HISTORY AND PROFILE ........................................... 5  
COMPANY OPERATIONS AND MANAGEMENT ............................... 7  
COMPLAINT HANDLING............................................................... 8  
MARKETING AND SALES .......................................................... 8  
PRODUCER LICENSING .............................................................. 9  
POLICYHOLDER SERVICES .......................................................... 9  
UNDERWRITING AND RATING .................................................. 11  
CLAIMS HANDLING ................................................................... 13  
CONCLUSION ............................................................................. 15
Dear Commissioner Navarro:

In compliance with the instructions contained in Examination Authority Numbers 11000-17-732, 22357-17-733, 19682-17-734, 30104-17-735 and 27120-17-736, and pursuant to statutory provisions including 18 Del. C. §318-322, a comprehensive market conduct examination has been conducted of the affairs and practices of:

- Hartford Underwriters Insurance Company – NAIC #30104
- Hartford Fire Insurance Company - NAIC #19682
- Hartford Accident and Indemnity Company - NAIC #22357
- Sentinel Insurance Company – NAIC #11000
- Trumbull Insurance Company – NAIC #27120

The examination was performed as of September 30, 2017.

The examination consisted of two phases, two brief on-site phases for training and recorded consumer phone call reviews and an off-site phase. The on-site phase of the examination was conducted at the following Company location:

1 Griffin Road North
Windsor, CT  06095

The off-site examination phase was performed at the offices of the Delaware Department of Insurance, hereinafter referred to as the Department, or other suitable locations. Hartford Underwriters Insurance Company (HUIC), Hartford Fire Insurance Company (HFIC), Hartford Accident and Indemnity Company (HAIC), Sentinel Insurance Company (Sentinel) and Trumbull Insurance Company (Trumbull), are hereinafter collectively referred to as the "Hartford Company", unless otherwise noted.

The report of examination herein is respectfully submitted.
EXECUTIVE SUMMARY

The Hartford Financial Services Group, Inc. (The Hartford), together with its subsidiaries, is a holding company for a group of subsidiaries that provide property and casualty insurance, group benefits, and mutual funds to individual and business customers in the United States. The Hartford conducts business principally in five reporting segments, including Commercial Lines, Personal Lines, Property & Casualty Other Operations, Group Benefits and Mutual Funds. Windsor, CT is their primary location for Personal Lines Operations for the Hartford Underwriters Insurance Company, Hartford Fire Insurance Company, Hartford Accident and Indemnity Company, Sentinel Insurance Company and Trumbull Insurance Company.

The examination was a comprehensive review of the Hartford Company’s activities related to its Private Passenger Automobile line of business in the following areas of operation: Company Operations and Management, Complaint Handling, Marketing and Sales, Producer Licensing, Policyholder Services, Underwriting and Rating, and Claims Handling. The examination period was September 30, 2015 through September 30, 2017.

The following exceptions were noted.

- 1 Exception
  18 Del. C. §2304 (26) Failure to respond to regulatory inquiries.
  No person shall, with such frequency as to indicate a general business practice, fail to provide preliminary substantive responses to inquiries from the Department of Insurance regarding the denial of claims, cancellation, non-renewal, or refusal of benefits, refusal to pre-authorize benefits, or violations of this title, within 21 calendar days of such inquiry. A response in compliance with this subsection shall not preclude the provision of additional information responsive to the inquiry.

The Trumbull Insurance Company failed to respond to an inquiry from the Department of Insurance within 21 calendar days of receipt of the inquiry.

- 11 Exceptions
  18 Del. C. §2304 (1) Misrepresentations and false advertising of insurance policies.
  No person shall make, issue, circulate or cause to be made, issued or circulated any estimate, circular, statement, sales presentation, omission or comparison which:
The envelopes and the solicitations sent by the Hartford Company showed and contained misleading information.

- **3 Exceptions**
  18 Del. C. § 2304 (2) False information and advertising generally. — *No person shall make, publish, disseminate, circulate or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated or placed before the public, in a newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way, an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of the insurance business, which is untrue, deceptive or misleading.*

Policyholders were told incorrect information regarding the Defensive Drivers Course discount and the length of an accident surcharge.

In addition, the Hartford Company was providing incorrect information to Universal Private Passenger Automobile Program policyholders regarding the percentage of the applicable discount and the availability of the Advanced Course since February 5, 2011. The application of the percentages was correct during this period, however if a consumer contacted the company to request information regarding the discounts, they were informed that the discount was 5% rather than the 10% or 15% available depending on the course successfully completed. The resource utilized by the consumer representatives displaying this incorrect information has subsequently been corrected.

- **1 Exception**
  18 Del. C. § 3915 Cash refund on cancellation of policy.  
  *(a) No insurer shall honor a request for a cash refund on cancellation of a policy by the insured until such time as the insured has provided sufficient evidence to the insurer that one of the following has occurred:*  
  *(1) The insured has other insurance in effect which provides at least such minimum insurance coverage as is set forth in § 2118 of Title 21.*
(2) The insured vehicle is no longer owned by the insured.
(3) The vehicle is no longer operable or capable of being repaired so as to become operable.
(4) The insured becomes self-insured under the provisions of § 2904 of Title 21.

(b) The requirement of "sufficient evidence" under subsection (a) of this section is satisfied by the insured providing the insurer with an affidavit certifying that any 1 of the conditions set forth in subsection (a) of this section has occurred. The insurer shall notify any insured who requests a cash refund on cancellation of a policy of the requirements of this section, and shall provide an appropriate form of affidavit, approved by the Insurance Commissioner (who is expressly authorized to approve appropriate forms of such affidavit), for execution by the insured. Any form of affidavit presented to or executed by an insured under this section shall bear a notice to the effect that false statements therein are punishable pursuant to § 1233 of Title 11.

A Trumbull file had no evidence of a signed Delaware affidavit.

- 3 Exceptions
  18 Del. Admin. C. 902 §1.2.1 The Following Claim Settlement Practices When Committed or Performed with such Frequency as to indicate a General Practice are Prohibited:

  1.2.1.2 Failing to acknowledge and respond within 15 working days, upon receipt by the insurer, to communications with respect to claims by insureds arising under insurance policies.
  1.2.1.3 Failing to implement prompt investigation of claims arising under insurance policies within 10 working days upon receipt of the notice of loss by the insurer.

The HUIC, in two claims, and the Trumbull, in one claim, did not provide any evidence of an investigation to identify and or contact the third parties in their claim files.

**METHODOLOGY**

This examination was performed in accordance with Market Regulation standards established by the Department and examination procedures suggested by the NAIC. While the examiner’s report on the errors found in individual files, the examination also focuses on general business practices of the Hartford Company.
The Hartford Company identified the universe of files for each segment of the review. Based on the universe sizes, random sampling was utilized to select the files reviewed during this examination. However, the examiners utilized the policy listings for the Private Passenger Auto rating review already provided by the Company in their 2-7-2018 response to the 10-16-2017 Market Analysis data call.

Delaware Market Conduct Examination Reports generally note only those items to which the Department, after review, takes exception. An exception is any instance of Company activity that does not comply with an insurance statute or regulation. Exceptions contained in the Report may result in imposition of penalties. Generally, practices, procedures, or files that were reviewed by Department examiners during the course of an examination may not be referred to in the Report if no improprieties were noted. However, the Examination Report may include management recommendations addressing areas of concern noted by the Department, but for which no statutory violation was identified. This enables company management to review these areas of concern in order to determine the potential impact upon company operations or future compliance.

Throughout the course of the examination, company officials were provided status memoranda, which referenced specific policy and/or claim numbers with citation to each section of law violated. Additional information was requested to clarify apparent violations. Written summaries were provided to the Hartford Company on the exceptions found. An exit conference was conducted with Hartford Company officials to discuss the various types of exceptions identified during the examination and to review written summaries provided on the exceptions found.

**COMPANY HISTORY AND PROFILE**

The Hartford Underwriters Insurance Company was incorporated by the State of Connecticut on December 22, 1987 pursuant to Connecticut General Statutes, Section 33-236. On July 1, 1988, New York Underwriters Insurance Company, a New York domiciled corporation was merged into the Company and changed its name to Hartford Underwriters Insurance Company. New York Underwriters was incorporated on August 11, 1925 and began business on January 1, 1926. The Company is licensed in all States and the District of Columbia.

According to its 2017 Annual Statement filed with the Department, the Hartford Underwriters Insurance Company reported Private Passenger Automobile No-Fault
(Personal Injury Protection) premium in Delaware in the amount of $1,237,040, Other Private Passenger Automobile Liability premium in Delaware in the amount of $2,946,837, and Private Passenger Automobile Physical Damage premium in Delaware in the amount of $1,806,338.

The HFIC derives its corporate existence and powers from a charter granted in May 1810 by the General Assembly of the State of Connecticut. From 1970 until 1995, The Company was a subsidiary of ITT Corporation. From December 20, 1995, until the present time, the Company has been an affiliate of The Hartford Financial Services Group, Inc., a publicly traded Company on the NYSE. The Company is licensed in all States, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, and Canada.

According to its 2017 Annual Statement filed with the Department, the Hartford Fire Insurance Company reported Private Passenger Automobile No-Fault (Personal Injury Protection) premium in Delaware in the amount of $4,612, Other Private Passenger Automobile Liability premium in Delaware in the amount of $9,639, and Private Passenger Automobile Physical Damage premium in Delaware in the amount of $7,342.

The HAIC was incorporated on August 12, 1913 under the laws of Connecticut and commenced business the same day. A restated charter was accepted by shareholders in 1966. The Company is licensed in all States, the District of Columbia and Puerto Rico.

According to its 2017 Annual Statement filed with the Department, the HAIC reported Private Passenger Automobile No-Fault (Personal Injury Protection) premium in Delaware in the amount of $27,091, Other Private Passenger Automobile Liability premium in Delaware in the amount of $127,116, and Private Passenger Automobile Physical Damage premium in Delaware in the amount of $125,516.

Trumbull was incorporated on October 10, 1986 under the laws of the State of Connecticut and commenced business on December 30, 1986. Formally Hartford Insurance Company of Connecticut, the name was changed April 1992. Trumbull is the surviving corporation of a merger with Hartford Insurance Company of Alabama, an Alabama corporation incorporated in August 1979. The Company is licensed in all States) except Hawaii) and the District of Columbia.

According to its 2017 Annual Statement filed with the Department, the Trumbull reported Private Passenger Automobile No-Fault (Personal Injury Protection) premium in Delaware in the amount of $1,930,297, Other Private Passenger Automobile Liability premium in Delaware in the amount of $6,502,009, and Private Passenger Automobile Physical Damage premium in Delaware in the amount of $3,367,027.
The Sentinel was a 1963 acquisition when the Hartford Fire Insurance Company acquired Pacific Insurance Company, Limited and its subsidiary, Sentinel Insurance Company, Ltd. On October 14, 1999, Sentinel Insurance Company, Ltd. was re-domesticated from the State of Hawaii to the State of Connecticut. At that time, its name was changed from Sentinel Insurance Company of Connecticut to Sentinel Insurance Company, Ltd. The Company is licensed in all States and the District of Columbia.

According to its 2017 Annual Statement filed with the Department, the Sentinel reported Private Passenger Automobile No-Fault (Personal Injury Protection) premium in Delaware in the amount of $14,662, Other Private Passenger Automobile Liability premium in Delaware in the amount of $34,769, and Private Passenger Automobile Physical Damage premium in Delaware in the amount of $15,662.

**COMPANY OPERATIONS AND MANAGEMENT**

The Hartford Company provided information documenting its management and operational procedures in areas for which they conduct business for the State of Delaware, including:

- A Company Written Overview
- Organizational Charts
- Management Structure
- Entities involved in the sale/service of Property and Casualty products
- List and description of all fines, penalties and recommendations from any state on any line of business during the past 5 years.
- Annual Statements for the prior three years
- Third Party Entity contracts & any audits performed on them
- Internal Audits conducted within the past three years.
- Anti-Fraud Procedures and annual reports
- Privacy Procedures

These were reviewed, and no exceptions were noted.
COMPLAINT HANDLING

The Hartford Company was requested to provide a list of all Complaints received during the examination period. The Hartford Company identified a universe of 64 Consumer Complaints with no Complaints reported by the Department. All 64 Consumer Complaints were requested, received, and reviewed.

The complaint files and the complaint log were reviewed for compliance with the Delaware statutes and regulations including, but not limited to: 18 Del. C. §2304 (17). This Section of the Code requires maintenance of a complete record of all complaints received, since the date of its last examination. The record shall indicate the total number of complaints, their classification by line of insurance, the nature of each complaint, the disposition of the complaint and the time it took to process each complaint.

The Hartford Company also provided their Complaint Handling guidelines and procedures. These were reviewed and found sufficient.

The following exception was noted in the review of the Complaint documents:

1 Exception - 18 Del. C. §2304 (26) Failure to respond to regulatory inquiries.

The Trumbull failed to respond to inquiries from the Department of Insurance within 21 calendar days of receipt of the inquiry in one file. It took the Company 32 calendar days to reply.

Recommendation: It is recommended that the Hartford Company provide additional training to ensure inquiries from the Department are responded to timely as required by 18 Del. C. §2304 (26).

MARKETING AND SALES

The Marketing and Sales examination was conducted in accordance with the laws, regulations, and rules of the state of Delaware and the Delaware Department of Insurance. The Hartford Company provided a list of 41 Marketing and Sales materials in use during the examination period. All 41 items were reviewed to ascertain compliance with NAIC Standard C1 – Compliance with State Statutes, Rules, and Regulations, and 18 Del. C. § 2304 (1) Misrepresentations and false advertising of insurance policies and (2) – False information and advertising generally. More specifically, the content was reviewed to verify that sources were cited, as appropriate, when percentages, numbers, and monetary amounts were quoted within the ad content.
The Hartford Company provided documentation of the development/approval process for Marketing and Sales materials, as well as a copy of the procedures for notifying agents about new products and changes in insurance statutes and regulations. These documents were reviewed.

The following exceptions were noted.

11 Exceptions - 18 Del. C. §2304 (1) Misrepresentations and false advertising of insurance.

The envelopes and the solicitations sent by the Hartford Company showed and contained misleading information. It was determined that statements on such documents erroneously indicated that consumers were receiving rate reductions, however the mailings were simply solicitations with no definitive premium calculations or offers.

Recommendation: It is recommended that the Hartford Company review its procedures to ensure its solicitations comply with 18 Del. C. §2304 (1).

PRODUCER LICENSING

The examination of Producer Licensing was conducted and performed in accordance with the laws and regulations of the state of Delaware and the Delaware Department of Insurance. The Hartford Company provided a list of all Captive and Independent active and terminated producers appointed with the Hartford Company in Delaware for the examination period. There were 1,018 Captive agents and 4,102 Independent agents. A random sample of 114 and 115, respectively, was selected and reviewed, to ensure they were properly licensed and appointed in accordance with Delaware laws and regulations. These were also compared against the state’s records. There were no exceptions.

The Hartford Company also provided their agent recruitment process, the appointment/verification & termination procedures and their commissions schedules and incentives/awards. These were reviewed and no exceptions were noted.

POLICYHOLDER SERVICES

The examination of Policyholder Service was conducted and performed in accordance
with the laws and regulations of the state of Delaware and the Delaware Department of Insurance. The Company provided a copy of their policies and procedures related to the handling of consumer inquiries and requests for information used for the examination period. These were reviewed and found appropriate, with the exceptions noted below.

3 Exceptions - 18 Del. C. § 2304 (2) False information and advertising generally,

Seventy-three phone calls from consumers, primarily made during the first three months of 2018, were reviewed by the examination team. The purpose of this review was to determine the accuracy of data provided to consumers, specifically in reference to available Defensive Driving Course discounts. It was determined that eight calls made reference to such discount. Two calls were found to be inaccurate, providing consumers with incorrect information. The first indicated the discount percentage was only 5% and during the second the program was not explained correctly.

Of the remaining sixty-three calls, one additional error was noted when incorrect surcharge information was relayed to the consumer.

In addition, the examiners found that the Hartford Company was using a manual page for their Universal Private Passenger Automobile Program since its February 5, 2011 inception that showed a 5% discount for successfully completing the Motor Vehicle Accident Prevention (MVAP) course.

However, a “Motor Vehicle Accident Prevention (MVAP) Course Discount” of 10% for the Motor Vehicle Accident Prevention Course (commonly known as the Basic Course) and 15% for completion of both the Basic and the Refresher Motor Vehicle Accident Prevention Course (commonly known as the Advanced Course) was instituted July 14, 1982 for automobiles or July 19, 1990 for motorcycles by Regulation No. 37 – Defensive Driving Course Discount.

Consequently, the Hartford Company was providing inaccurate information to Universal Private Passenger Automobile Program policyholders regarding the percentage of the discount and the availability of the Advanced Course since February 5, 2011. The application of the percentages through underwriting was correct during this period, however the information provided to consumers was incorrect. The internal reference page displaying this incorrect information has subsequently been corrected.

Recommendation: It is recommended that the Hartford Company provide additional training to its service personnel on the availability and application of the Defensive Drivers Course discounts.
UNDERWRITING AND RATING

The examination of Underwriting and Rating was conducted and performed in accordance with the laws and regulations of the state of Delaware and the Delaware Department of Insurance. The Hartford Company provided a copy of their Private Passenger Auto Underwriting and Rating Manuals, along with notices issued to insureds that pertain to credit information, deductibles, and disclosures used for the examination period. These were reviewed and no exceptions were noted.

Private Passenger Automobile-Policies with Defensive Driver Credit Rating
A Market Analysis Data Call was submitted to the Hartford Company on October 16, 2017, and from their February 7, 2018 response, 28 private passenger automobile policies from the HUIC (out of a population of 662) and 28 private passenger automobile policies from Trumbull (out of a population of 901) were selected. The files were reviewed to ensure compliance with Delaware laws and regulations, with special emphasis placed on ensuring the proper application of the Motor Vehicle Accident Prevention (MVAP) Course Discount. After manual review of the 28 Hartford Underwriters Insurance Company policies, with no exceptions noted, the sample size for Trumbull was decreased due to the complexity of the manual rating process.

There were no exceptions in either Company.

Private Passenger Automobile-Rewrites
The Hartford Company was requested to provide a listing of all private passenger automobile policies changed or re-written during the examination period. The Hartford Company provided a list of 436 Rewrites (Trumbull–340, HUIC–89 and HAIC–7), and a company weighted random sample of 86 (Trumbull–59, HUIC–20 and HAIC–7) was selected for review to ensure they were handled in compliance with Delaware laws and regulations.

There were no exceptions.

Private Passenger Automobile-Terminations
The Hartford Company was requested to provide a listing of all private passenger automobile policies terminated during the examination period. The Hartford Company provided a list of 2,575 terminations and the examiners segmented their review by Company Initiated, Insured Requested and Non-Payments.

The following exception and observation are noted:
Private Passenger Automobile-Terminations: 58 Company Initiated
For the examination period there were two company-initiated termination for the HAIC, 20 for the HUIC and 36 for Trumbull, totaling 58. HFIC and Sentinel did not have any.

All 58 company-initiated terminations were selected for review to ensure the actions taken were in compliance with Delaware laws and regulations.

No exceptions were noted; however, the Hartford Company does not send a notice to the insured when they have been reinstated. Rather, they rely on the subsequent bill that shows a “billing reinstatement fee” as the sole means of notifying the policyholder in writing.

Recommendation: It is recommended that the Hartford Company institute a policy of sending a separate reinstatement notice and not rely solely on the premium notice to relay the message.

Private Passenger Automobile-Terminations: 1,637 Insured requested
During the examination period there were 18 insured requested terminations for the HAIC, 2 for the HFIC, 518 for the HUIC, 14 for the Sentinel and 1,085 for the Trumbull, totaling 1,637.

A weighted sample representing each Hartford company under examination of 114 insured requested terminations was selected (HAIC-9, HFIC-2, HUIC-32, Sentinel-7 and Trumbull-64) to ensure the actions taken were in compliance with Delaware laws and regulations.

1 Exception - 18 Del. C. § 3915 Cash refund on cancellation of policy.

One Trumbull file had no evidence of a signed Delaware affidavit.

Recommendation: It is recommended that the Hartford Company provide additional training to ensure the affidavit is received and placed in the file as required by 18 Del. C. § 3915 (a) and (b).

Private Passenger Automobile-Terminations: 880 Non-Payments
For the examination period there were 9 non-payment terminations for the HAIC, 242 for the HUIC, 11 for the Sentinel and 618 for the Trumbull, totaling 880. The HFIC did not have any.

A weighted random sample representing each Hartford company under examination of 113 non-pay terminations was selected (HAIC-9, HUIC-30, Sentinel-11 and Trumbull-64).
63) to ensure the actions taken were in compliance with Delaware laws and regulations.

There were no exceptions.

CLAIMS HANDLING

The examination of claims was conducted and performed in accordance with the laws and regulations of the state of Delaware and the Delaware Department of Insurance. The Hartford Company provided the requested documents and access to their claims system that allowed the examiners access to their procedures and reference materials related to the handling of claims used for the examination period. These were reviewed and found appropriate.

The Hartford Company also provided access to their claims system that allowed the examiners access to of all newsletters, bulletins and other documents regularly sent to claims adjusters. A random sample of these documents were selected and reviewed, and there were no issues with their content.

The Hartford Company provided a list of 6,296 claims and the examiners segmented their review by Paid, Closed Without Payment and Denied claims.

Private Passenger Automobile-5,051 Paid Claims
For the examination period there were 138 paid claims for the HAIC, 6 for the HFIC, 1,801 for the HUIC, 31 for the Sentinel and 3,075 for the Trumbull, totaling 5,051. A weighted sample representing each Hartford company under examination of 109 paid claims were selected (HAIC-10, HFIC-6, HUIC-30, Sentinel-5 and Trumbull-58) for review.

There were no exceptions noted.

Private Passenger Automobile-1,089 Closed Without Payment Claims
For the examination period there were 30 closed without payment claims for the HAIC, 3 for the HFIC, 366 for the HUIC, 8 for the Sentinel and 682 for the Trumbull, totaling 1,089.

A weighted sample representing each Hartford company under examination of 107 closed without payment claims were selected (HAIC-5, HFIC-3, HUIC-30, Sentinel-8 and Trumbull-61) for review.

3 Exceptions - 18 Del. Admin. C. § 902 Prohibited Unfair Claim Settlement
Practices:

The three files (HUIC-2, Trumbull-1) all included a policyholder striking vehicles or property and providing incomplete contact information for the third party. Neither Company provided any evidence of an investigation to identify and or contact the third parties.

Recommendation: The Hartford Company should review its claims handling procedures to ensure proper investigation is followed in compliance with 18 Del. Admin. C. § 902 1.2.1.2 and 1.2.1.3.

Private Passenger Automobile-156 Denied Claims
For the examination period there were four denied claims for the HAIC, zero for the HFIC, 58 for the HUIC, zero for the Sentinel and 94 for the Trumbull, totaling 156. The Hartford Fire Insurance Company and for the Sentinel Insurance Company did not have any denied claims.

A weighted sample of 76 denied claims were selected (HUIC-25 and Trumbull-47) for review.

There were no exceptions noted.
CONCLUSION

The recommendations made below identify corrective measures the Department finds necessary as a result of the Exceptions and Observations noted in the Report. Location in the Report is referenced in parenthesis.

1. It is recommended that the Hartford Company provide additional training to ensure inquiries from the Department are responded to timely as required by 18 Del. C. §2304 (26). (Complaint Handling)

2. It is recommended that the Hartford Company review its procedures to ensure its solicitations comply with 18 Del. C. §2304 (1). (Marketing and Sales)

3. It is recommended that the Hartford Company provide additional training to its service personnel on the availability and application of the Defensive Drivers Course discounts to comply with comply with 18 Del. C. §2304 (2). (Policyholder Services)

4. It is recommended that they Hartford Company institute a policy of sending a separate reinstatement notice and not rely solely on the premium notice to relay the message. (Underwriting and Rating)

5. It is recommended that the Hartford Company provide additional training to ensure the affidavit is received and placed in the file as required by 18 Del. C. § 3915 (a) and (b). (Underwriting and Rating)

6. It is recommended that the Hartford Company should review its claims handling procedures to ensure proper investigation is followed in compliance with 18 Del. Admin. C. § 902 1.2.1.2 and 1.2.1.3. (Claims Handling)

The examination conducted by Joe Krug, Mark Plesha, Jim Myers and Ray Hartsfield is respectfully submitted.

Mark Plesha, CPCU, AIE, MCM, CWCP, AIS, IR
Delaware Department of Insurance