

Commissioner of Insurance

Department Description

The mission of the Department of Insurance is to regulate the insurance industry in the state and to serve as advocate for the state's insurance consumers. The department continues to assist consumers in the aftermath of Hurricanes Katrina and Rita, and expect this effort to be ongoing through the fiscal year covered by this plan. The department is also working to help stabilize the property insurance market in the state so that insurance can remain available at a fair price.

The goals of the department are:

To regulate the insurance industry in the state (licensing of producers, insurance adjusters, public adjusters, insurers, and serve as advocate for insurance consumers) and work to stabilize the property insurance market post Hurricane Katrina and Rita.

To provide necessary administrative and operational support to the entire department, and attract insurers to the state in order to promote a more competitive market.

The Department of Insurance is composed of one agency: Commissioner of Insurance.

For additional information, see:

[Commissioner of Insurance](#)

Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Means of Financing:						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State General Fund by:						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	24,621,081	27,282,487	27,330,211	28,012,828	29,302,150	1,971,939
Statutory Dedications	848,516	1,008,616	1,008,616	1,043,706	1,238,594	229,978
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	255,936	255,936	255,936	263,555	263,555	7,619
Total Means of Financing	\$ 25,725,533	\$ 28,547,039	\$ 28,594,763	\$ 29,320,089	\$ 30,804,299	\$ 2,209,536
Expenditures & Request:						
Commissioner of Insurance	\$ 25,725,533	\$ 28,547,039	\$ 28,594,763	\$ 29,320,089	\$ 30,804,299	\$ 2,209,536



Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Total Expenditures & Request	\$ 25,725,533	\$ 28,547,039	\$ 28,594,763	\$ 29,320,089	\$ 30,804,299	\$ 2,209,536
Authorized Full-Time Equivalents:						
Classified	248	251	250	250	254	4
Unclassified	29	29	28	28	28	0
Total FTEs	277	280	278	278	282	4



04-165 — Commissioner of Insurance

Agency Description

The mission of the Commissioner of Insurance is to regulate the insurance industry in the state and to serve as advocate for the state's insurance consumers. The agency continues to assist consumers in the aftermath of Hurricanes Katrina and Rita, and expect this effort to be ongoing through the fiscal year covered by this plan. The agency is also working to help stabilize the property insurance market in the state so that insurance can remain available at a fair price.

The goals of the department are:

- I. To regulate the insurance industry in the state (licensing of producers, insurance adjusters, public adjusters, insurers, and serve as advocate for insurance consumers) and work to stabilize the property insurance market post Hurricane Katrina and Rita.
- II. To provide necessary administrative and operational support to the entire department, and attract insurers to the state in order to promote a more competitive market.

The Commissioner of Insurance is composed of two programs: Administration/Fiscal Program and Market Compliance Program.

For additional information, see:

[Commissioner of Insurance](#)

Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Means of Financing:						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State General Fund by:						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	24,621,081	27,282,487	27,330,211	28,012,828	29,302,150	1,971,939
Statutory Dedications	848,516	1,008,616	1,008,616	1,043,706	1,238,594	229,978
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	255,936	255,936	255,936	263,555	263,555	7,619
Total Means of Financing	\$ 25,725,533	\$ 28,547,039	\$ 28,594,763	\$ 29,320,089	\$ 30,804,299	\$ 2,209,536
Expenditures & Request:						
Administrative	\$ 9,095,292	\$ 8,964,770	\$ 9,012,494	\$ 9,094,702	\$ 10,823,760	\$ 1,811,266



Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Market Compliance	16,630,241	19,582,269	19,582,269	20,225,387	19,980,539	398,270
Total Expenditures & Request	\$ 25,725,533	\$ 28,547,039	\$ 28,594,763	\$ 29,320,089	\$ 30,804,299	\$ 2,209,536
Authorized Full-Time Equivalents:						
Classified	248	251	250	250	254	4
Unclassified	29	29	28	28	28	0
Total FTEs	277	280	278	278	282	4



165_1000 — Administrative

Program Authorization: The Louisiana Constitution of 1974, Article IV, Section 11; Title 36, Chapter 17 of the Louisiana Revised Statutes; Title 22 of the Louisiana Revised Statutes; Act 83 of 1977 (Reorganization Act); Act 477 of 1992 (Reorganization Act); Act 850 of 1984 (Equal Opportunity in Insurance); Act 517 of 1992, (Operations of the Louisiana Insurance Guaranty Association with the Louisiana Department of Insurance); Act 1312 of 1999 (Insurance Fraud Assessment); Act 293 of 2003 (Insurance Fraud); Act 351 of 2003 (Flexible Rating)

Program Description

The mission of the Administration/Fiscal Program is to provide necessary administrative and operational support to all areas of the department, and to attract insurers to do business in the state.

The goal of the Administration/Fiscal Program is:

- I. To provide necessary administrative and operational support to the entire department, and to attract insurers to do business in the state.

The Administration/Fiscal Program is organizationally composed of the Office of the Commissioner and Office of Management and Finance.

Office of the Commissioner - Internal Audit, Minority Affairs (LRS36:687), and Public Affairs (LRS 36:690).

Office of Management and Finance - (LRS 36:684) Fiscal Affairs, Information Technology, Assessments and Data Management, Human Resources, Administrative Services, Strategic and Operational Planning.

Administrative Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Means of Financing:						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State General Fund by:						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	9,065,292	8,934,770	8,982,494	9,064,702	10,793,760	1,811,266
Statutory Dedications	30,000	30,000	30,000	30,000	30,000	0
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Total Means of Financing	\$ 9,095,292	\$ 8,964,770	\$ 9,012,494	\$ 9,094,702	\$ 10,823,760	\$ 1,811,266
Expenditures & Request:						



Administrative Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Personal Services	\$ 5,213,794	\$ 4,771,741	\$ 4,781,191	\$ 4,960,862	\$ 5,166,260	\$ 385,069
Total Operating Expenses	1,879,144	1,758,823	1,792,867	1,810,077	1,870,221	77,354
Total Professional Services	123,613	260,176	242,327	248,571	1,164,835	922,508
Total Other Charges	1,685,996	1,881,490	2,084,873	2,070,192	2,093,044	8,171
Total Acq & Major Repairs	192,745	292,540	111,236	5,000	529,400	418,164
Total Unallotted	0	0	0	0	0	0
Total Expenditures & Request	\$ 9,095,292	\$ 8,964,770	\$ 9,012,494	\$ 9,094,702	\$ 10,823,760	\$ 1,811,266
Authorized Full-Time Equivalents:						
Classified	61	61	61	61	61	0
Unclassified	7	7	7	7	7	0
Total FTEs	68	68	68	68	68	0

Source of Funding

This program is funded from Fees and Self-generated Revenues and Statutory Dedications. Fees and Self-generated Revenue funds are derived from various fees and licenses authorized by R.S. 22. The Statutory Dedications are from the Insurance Fraud Investigation Fund from assessments on various insurance policies written in Louisiana. (Per R.S. 39:36B. (8), see table below for a listing of expenditures out of each Statutory Dedicated Fund).

Administrative Statutory Dedications

Fund	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Insurance Fraud Investigation Fund	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 0

Major Changes from Existing Operating Budget

General Fund	Total Amount	Table of Organization	Description
\$ 0	\$ 47,724	0	Mid-Year Adjustments (BA-7s):
\$ 0	\$ 9,012,494	68	Existing Oper Budget as of 12/01/06
Statewide Major Financial Changes:			
\$ 0	\$ 56,884	0	Annualize Classified State Employee Merits
\$ 0	\$ 43,811	0	Classified State Employees Merit Increases



Major Changes from Existing Operating Budget (Continued)

General Fund	Total Amount	Table of Organization	Description
\$ 0	\$ 15,571	0	Civil Service Training Series
\$ 0	\$ 44,675	0	State Employee Retirement Rate Adjustment
\$ 0	\$ 18,657	0	Group Insurance for Active Employees
\$ 0	\$ 7,222	0	Group Insurance for Retirees
\$ 0	\$ 160,663	0	Salary Base Adjustment
\$ 0	\$ (86,701)	0	Attrition Adjustment
\$ 0	\$ 5,000	0	Acquisitions & Major Repairs
\$ 0	\$ (111,236)	0	Non-Recurring Acquisitions & Major Repairs
\$ 0	\$ (17,830)	0	Risk Management
\$ 0	\$ (3,536)	0	Legislative Auditor Fees
\$ 0	\$ (12,492)	0	Maintenance in State-Owned Buildings
\$ 0	\$ 9,516	0	Capitol Park Security
\$ 0	\$ 2,046	0	UPS Fees
\$ 0	\$ 7,684	0	Civil Service Fees
\$ 0	\$ 207	0	CPTP Fees
\$ 0	\$ 2,328	0	State Treasury Fees
\$ 0	\$ 513,900	0	Office of Information Technology Projects
Non-Statewide Major Financial Changes:			
\$ 0	\$ 16,660	0	This adjustment provides for non-statewide IAT expenditures - State Printing, Treasury Banking Fees, State Mail, etc.
\$ 0	\$ 996,820	0	This technical adjustment transfers funding from the Market Compliance Program to the Administration/Fiscal Program for the following approved OIT projects: Banking Fees/Credit Card Acceptance Project, Legal Systems Re-engineering Project and Industry Access System Re-engineering Project.
\$ 0	\$ 17,130	0	Funding provided for two positions in the Fraud Division, one position under the Louisiana Automobile Theft and Insurance Fraud Prevention Authority, and the information technology related costs associated with these positions. All information technology expenditures are budgeted in the Administration/Fiscal Program.
\$ 0	\$ 124,287	0	Pay increase for state employees
\$ 0	\$ 10,823,760	68	Recommended FY 2007-2008
\$ 0	\$ 0	0	Less Hurricane Disaster Recovery Funding
\$ 0	\$ 10,823,760	68	Base Executive Budget FY 2007-2008
\$ 0	\$ 10,823,760	68	Grand Total Recommended



Professional Services

Amount	Description
\$242,327	Professional service contracts used to assist the department on information technology projects, on-site training, and other miscellaneous contracts.
\$425,000	Legal Systems Re-engineering Project will integrate multiple on-line legal systems into the department's database and bring them into compliance with the department's information technology software development standards.
\$497,508	Industry Access System Re-engineering Project will modify the current system such that the new system will become a portal to all of the department's systems accessed by industry and the general public.
\$1,164,835	TOTAL PROFESSIONAL SERVICES

Other Charges

Amount	Description
	Other Charges:
	This program does not have funding for Other Charges for Fiscal Year 2007-2008.
\$0	SUB-TOTAL OTHER CHARGES
	Interagency Transfers:
\$188,554	Capitol Security - Public Safety Services
\$48,313	Civil Service Fees
\$6,465	CPTP Training
\$25,000	Department of Public Safety - Defensive Driving
\$10,752	Department of Public Safety - Rental space for computers in the data center
\$10,000	Dept of Labor - Unemployment Compensation
\$685	DOA - Forms Management
\$3,268	DOA - State Mail
\$12,315	DOA - State Printing
\$47,126	Legislative Auditor Fees
\$847,440	Maintenance of State-owned Buildings
\$254,424	Office of Risk Management Fees
\$433,077	Office of Telecommunications Management Fees
\$67	Secretary of State - Dues and Subscriptions
\$891	Secretary of State - Miscellaneous Boxes
\$20,983	Treasury Banking fees
\$15,480	UPS fees
\$168,204	Third Party Leases for LEAF payments to DOA as per the Office of Finance and Support Services for replacement acquisitions.
\$2,093,044	SUB-TOTAL INTERAGENCY TRANSFERS
\$2,093,044	TOTAL OTHER CHARGES

Acquisitions and Major Repairs

Amount	Description
\$529,400	Replacement of computers, software, printers, servers, accessories, and tables.
\$529,400	TOTAL ACQUISITIONS AND MAJOR REPAIRS



Performance Information

1. (KEY) Work with all areas of the department, the legislature, other state agencies and private interests to increase the number of financially sound, consumer responsive insurers doing business in the state.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: The National Association of Insurance Commissioners (NAIC) is the national organization that exists to promote effective insurance regulations and protection of consumers. The accreditation remains in effect until suspended or revoked. Periodic audits are conducted by the NAIC to determine if continued accreditation is appropriate. This indicator is expressed as a percentage because the LAPAS system can accept only numeric expression. The most recent review of DOI by NAIC occurred in 2003.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Percentage of accreditation by the National Association of Insurance Commissioners retained (LAPAS CODE - 6389)	100%	100%	100%	100%	100%	100%

Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values					
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	
Number of licensed domestic insurers (LAPAS CODE - 912)	162	119	116	115	114	
Number of licensed foreign/alien insurance companies (LAPAS CODE - 913)	1,768	1,335	1,391	1,408	1,415	
Number of surplus lines companies approved and monitored (LAPAS CODE - 914)	142	140	149	148	151	
Total number of companies licensed and approved (LAPAS CODE - 911)	2,079	2,125	2,486	1,671	2,694	



2. (SUPPORTING) To assure compliance with state laws, rules and regulations by review of the department's processes and procedures through internal audits.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Performance Indicators

Level	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
S	Number of repeat internal audit findings (LAPAS CODE - 887)	0	0	0	0	0	0
S	Number of repeat findings in legislative auditor's report (LAPAS CODE - 6395)	0	0	0	0	0	0

Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values					
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	
Number of internal audits scheduled (LAPAS CODE - 13786)	Not Applicable	3	5	4	4	
Number of internal audits performed (LAPAS CODE - 6393)	5	3	3	4	4	
Percentage of internal audit recommendations accepted (LAPAS CODE - 6394)	100%	100%	100%	100%	100%	
Number of different tax types collected (LAPAS CODE - 898)	9	8	8	7	7	
Number of different fees and assessments collected (LAPAS CODE - 899)	38	40	33	67	64	
In FY 2004-2005, the Fiscal division began reporting the number of categories into which it uses in its internal allocations. The number of fees and assessments has not increased two-fold; only the way the Fiscal division is reporting the data has changed.						
Taxable premiums in (\$billions) (LAPAS CODE - 891)	\$ 10	\$ 11	\$ 12	\$ 13	\$ 13	



Administrative General Performance Information (Continued)

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Tax collections as percentage of taxable premiums (LAPAS CODE - 893)	1%	2%	2%	2%	2%
Total premiums subject to Louisiana Insurance Rating Commission (LIRC) assessment in billions (LAPAS CODE - 894)	\$ 4	\$ 5	\$ 5	\$ 6	\$ 6
Total amount of LIRC assessment collected in millions (LAPAS CODE - 895)	\$ 43	\$ 47	\$ 52	\$ 58	\$ 61
LIRC assessment collection as percentage of subject premiums (LAPAS CODE - 896)	1%	1%	1%	1%	1%
Total fees collected in millions (LAPAS CODE - 6397)	\$ 15	\$ 16	\$ 17	\$ 18	\$ 18
Total amount of revenues collected from taxes, assessments, fees, penalties and miscellaneous in millions (LAPAS CODE - 890)	\$ 203	\$ 235	\$ 270	\$ 280	\$ 308

3. (SUPPORTING) Increase the scope of services and information through the DOI website. Maintain, support and update or expand as necessary the department's various databases and systems.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: The indicators for this division may change over the term of the strategic plan as initiatives are completed and new ones begin. Indicator 13789 (Percentage completion of online access to producer licensing renewal) is completed and has been dropped.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
S	Percentage completion of on-line access to consumer complaint filing (LAPAS CODE - 13790)	50%	80%	50%	50%	50%	50%



Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of service request forms received (LAPAS CODE - 6399)	1,719	2,080	3,557	3,211	2,535
Percentage of service requests satisfactorily fulfilled within 2 business days (LAPAS CODE - 10148)	93%	78%	81%	99%	76%

4. (SUPPORTING) Make available via the internet, by mail, etc., and through training/educational seminars information to assist minority and disadvantaged persons who wish to obtain employment in the insurance industry or related service companies. Conduct a survey every other year to determine the minority/disadvantaged persons employed as professionals or para-professionals with insurers doing business in Louisiana.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: - A standard company is an insurer that rates a risk up or down from standard rates, depending upon various factors, and uses standard terms and conditions in its policies. It has been difficult for minority/disadvantaged producers to obtain the contract or company appointment that would allow them to sell the standard insurers' products to their clients. We continue with informal counseling and educational/training across the state, as well as with college outreach.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
S	Number of standard companies to which disadvantaged/minority producers have access (LAPAS CODE - 10161)	12	11	12	12	12	12
S	Number of persons attending semi-annual training seminars (LAPAS CODE - 13793)	80	0	80	80	80	80
Hurricane Katrina and its aftermath prevented the presentation of formal educational/training seminars in FY 2006-2007, but the department did continue with college outreach and information training sessions across the state.							





165_2000 — Market Compliance

Program Authorization: The Louisiana Constitution of 1974, Article IV, Section 11; Title 36, Chapter 17 of the Louisiana Revised Statutes; Title 22 of the Louisiana Revised Statutes; Act 83 of 1977 (Reorganization Act); Act 477 of 1992 (Reorganization Act); Act 850 of 1984 (Equal Opportunity in Insurance); Act 517 of 1992, (Operations of the Louisiana Insurance Guaranty Association with the Louisiana Department of Insurance); Act 1312 of 1999 (Insurance Fraud Assessment); Act 293 of 2003 (Insurance Fraud); Act 158 of 2000 (Producer Licensing), Act 351 of 2003 (Flexible Rating), Act 711 of 2004 (Automobile Theft and Insurance Fraud Prevention Authority)

Program Description

The mission of the Market Compliance Program is to regulate the insurance industry in the state and to serve as advocate for insurance consumers.

The goals of the Market Compliance Program are:

- I. To regulate the insurance industry in the state (licensing of producers, insurance adjusters, public adjusters, insurers, and serve as advocate for insurance consumers) and work to stabilize the property insurance market post Hurricane Katrina and Rita.

The Market Compliance Program is organizationally composed of the Office of Licensing and Compliance, the Office of Financial Solvency, the Office of Property & Casualty Insurance, the Office of Life and Annuity, the Office of Health Insurance, and the Office of Receivership.

Office of Licensing and Compliance - Initial and renewal licensing of insurance producers; licensing of insurers; insurance fraud investigation and prevention; legal support services.

Office of Financial Solvency - Financial examinations and analyses of domestic insurers; market conduct examinations; examination of surplus lines brokers; collection of insurance premium and surplus lines taxes on behalf of the state's general fund.

Office of Property & Casualty Insurance - Consumer complaint investigations and contract/policy forms review; activities related to insurance rating; support activities for insurance rating commission; actuarial services.

Office of Life and Annuity - Consumer complaint investigations and contract/policy forms review

Office of Health Insurance - Consumer complaint investigations and contract/policy forms, advertising and rate review; Senior Health Insurance Information Program (SHIIP); licensing and examination of Medical Necessity Review Organizations (MNROs).

Office of Receivership - Management of the assets of companies in receivership; liquidation of the assets of companies in receivership through final, court-approved closure.



Market Compliance Budget Summary

	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Means of Financing:						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State General Fund by:						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	15,555,789	18,347,717	18,347,717	18,948,126	18,508,390	160,673
Statutory Dedications	818,516	978,616	978,616	1,013,706	1,208,594	229,978
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	255,936	255,936	255,936	263,555	263,555	7,619
Total Means of Financing	\$ 16,630,241	\$ 19,582,269	\$ 19,582,269	\$ 20,225,387	\$ 19,980,539	\$ 398,270
Expenditures & Request:						
Personal Services	\$ 12,583,779	\$ 13,179,159	\$ 13,516,157	\$ 14,123,321	\$ 14,939,728	\$ 1,423,571
Total Operating Expenses	797,204	998,528	961,455	982,838	999,020	37,565
Total Professional Services	2,669,624	4,750,812	4,372,548	4,456,035	3,354,274	(1,018,274)
Total Other Charges	578,160	653,770	646,528	661,897	684,121	37,593
Total Acq & Major Repairs	1,474	0	15,555	1,296	3,396	(12,159)
Total Unallotted	0	0	70,026	0	0	(70,026)
Total Expenditures & Request	\$ 16,630,241	\$ 19,582,269	\$ 19,582,269	\$ 20,225,387	\$ 19,980,539	\$ 398,270
Authorized Full-Time Equivalents:						
Classified	187	190	189	189	193	4
Unclassified	22	22	21	21	21	0
Total FTEs	209	212	210	210	214	4

Source of Funding

This program is funded from Fees and Self-generated Revenues, Statutory Dedications and Federal Funds. The Fees and Self-generated Revenues are derived from various fees and licenses authorized by R.S. 22 and the La. Insurance Rating Commission assessment authorized by R.S. 22:1419. The Statutory Dedications are from the Administrative Fund (Health Insurance Portability Administrative Act) comprised of penalties and an assessment not to exceed .0005 of the amount of premiums received in this state by Health insurers during the preceding year ending December 31. Statutory Dedications are also from the Automobile Theft and Insurance



Fraud Prevention Authority Fund; and the Insurance Fraud Investigation Fund from assessments on various policies written in Louisiana. The Federal Funds are provided under the Health Care Financing Research, Demonstration and Evaluations Information Grant made under the authority of Section 4360 of the Omnibus Budget Reduction act of 1990 (Public Law 101-508). (Per R.S. 39:36B.(8), see table below for a listing of expenditures out of each Statutory Dedicated fund.)

Market Compliance Statutory Dedications

Fund	Prior Year Actuals FY 2005-2006	Enacted FY 2006-2007	Existing FY 2006-2007	Continuation FY 2007-2008	Recommended FY 2007-2008	Total Recommended Over/Under EOB
Administrative Fund- Department of Insurance	\$ 533,316	\$ 635,284	\$ 635,284	\$ 653,269	\$ 653,269	\$ 17,985
Insurance Fraud Investigation Fund	283,183	264,543	264,543	281,648	405,325	140,782
Auto. Theft and Insurance Fraud Prev. Auth. Fund	2,017	78,789	78,789	78,789	150,000	71,211

Major Changes from Existing Operating Budget

General Fund	Total Amount	Table of Organization	Description
\$ 0	\$ 0	(2)	Mid-Year Adjustments (BA-7s):
\$ 0	\$ 19,582,269	210	Existing Oper Budget as of 12/01/06
Statewide Major Financial Changes:			
0	172,317	0	Annualize Classified State Employee Merits
0	147,882	0	Classified State Employees Merit Increases
0	39,125	0	Civil Service Training Series
0	129,765	0	State Employee Retirement Rate Adjustment
0	60,408	0	Group Insurance for Active Employees
0	31,995	0	Group Insurance for Retirees
0	645,854	0	Salary Base Adjustment
0	(404,941)	0	Attrition Adjustment
0	1,296	0	Acquisitions & Major Repairs
0	(15,555)	0	Non-Recurring Acquisitions & Major Repairs
0	(42,874)	0	Administrative Law Judges
Non-Statewide Major Financial Changes:			
0	7,642	0	This adjustment provides for non-statewide IAT expenditures - State Printing, Treasury Banking Fees, State Mail, etc.
0	(996,820)	0	This technical adjustment transfers funding from the Market Compliance Program to the Administration/Fiscal Program for the following approved OIT projects: Banking Fees/ Credit Card Acceptance Project, Legal Systems Re-engineering Project and Industry Access System Re-engineering Project.
0	71,211	0	This adjustment provides for an increase under the cooperative endeavor agreement between the Louisiana Automobile Theft and Insurance Fraud Prevention Authority and the National Insurance Crime Bureau to fund the bait vehicle program.



Major Changes from Existing Operating Budget (Continued)

General Fund	Total Amount	Table of Organization	Description
0	26,000	0	Funding provided for a department sponsored conference focused on Auto Theft and Motor Vehicle Insurance Fraud.
0	150,295	3	Funding provided for two positions in the Fraud Division, one position under the Louisiana Automobile Theft and Insurance Fraud Prevention Authority, and the information technology related costs associated with these positions. All information technology expenditures are budgeted in the Administration/Fiscal Program.
0	53,557	1	Annualize funding for a reinstated Act 194 position in the Market Compliance Program.
0	(70,026)	0	Non-recur funding related to Act 194 reductions
0	391,139	0	Pay increase for state employees
\$ 0	\$ 19,980,539	214	Recommended FY 2007-2008
\$ 0	\$ 0	0	Less Hurricane Disaster Recovery Funding
\$ 0	\$ 19,980,539	214	Base Executive Budget FY 2007-2008
\$ 0	\$ 19,980,539	214	Grand Total Recommended

Professional Services

Amount	Description
\$3,354,274	Accounting, auditing, and legal contracts to assist the department in fulfilling legislatively mandated examinations of insurers, actuarial reviews of rate submissions, outreach programs, etc.
\$3,354,274	TOTAL PROFESSIONAL SERVICES

Other Charges

Amount	Description
Other Charges:	
\$150,000	Services associated with the Auto Theft and Insurance Fraud Prevention Authority.
\$150,000	SUB-TOTAL OTHER CHARGES
Interagency Transfers:	
\$37,110	Division of Administrative Law for administrative hearings
\$3,603	DOA - State Mail
\$172,930	Legal services provided by the Department of Justice
\$303,492	Office of Telecommunications Management for telephone services
\$15,360	Office of the State Register
\$1,116	DOA - State Printing
\$139	DOA - Forms Management
\$371	Secretary of State - Miscellaneous Boxes



Other Charges (Continued)

Amount	Description
\$534,121	SUB-TOTAL INTERAGENCY TRANSFERS
\$684,121	TOTAL OTHER CHARGES

Acquisitions and Major Repairs

Amount	Description
\$3,396	Replacement of desk chairs.
\$3,396	TOTAL ACQUISITIONS AND MAJOR REPAIRS

Performance Information

- 1. (KEY) Work with Information Technology (IT) division to increase access to department services and information via internet/website. Work with National Association of Insurance Commissioners (NAIC) to develop nationwide standards for insurance regulation and consumer protection and propose legislation as necessary to support those standards.**

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: A company appointment is the contract between the producer and the insurance company that allows the producer to offer the company's products for sale to his/her clients. Licenses are issued to Property & Casualty producers in one year, to Life and Health producers in alternating years.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Number of new producer licenses issued (LAPAS CODE - 6416)	15,500	21,756	15,500	15,500	15,500	15,500
K	Number of producer license renewals processed (LAPAS CODE - 6417)	29,500	38,744	29,500	29,500	29,500	29,500
K	Number of company appointments processed (LAPAS CODE - 934)	385,000	435,019	385,000	385,000	385,000	385,000



Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Total number of licensed producers (LAPAS CODE - 933)	57,892	66,509	67,839	75,171	74,723

2. (KEY) Develop instructions for insurers to follow in preparing applications and filings for submission to the department and return to insurers those filings that do not comply with the instructions.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Performance Indicators

L e v e l Performance Indicator Name	Performance Indicator Values					
	Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K Percentage of company filings and applications processed during the fiscal year in which they are received (LAPAS CODE - 11942)	90%	77%	90%	90%	90%	90%
K Average number of days to review company filings and applications (LAPAS CODE - 6420)	60	31	60	60	60	60

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of company licensing applications and filings received (LAPAS CODE - 940)	625	380	338	510	631
Number of company licensing applications and filings processed (LAPAS CODE - 941)	595	360	328	511	453



3. (KEY) To assist consumers by investigating to conclusion consumer complaints against Life & Annuity insurers and producers.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: A consumer complaint may or may not result in a claim payment or premium refund from the insurer or producer, depending on the facts of the matter giving rise to the complaint. Complaints are investigated to determine whether the insurer or producer performed in compliance with the law and terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not be happy with the way a claim was handled, but the company or producer may have acted properly and within the law.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Average number of days to investigate to conclusion a Life & Annuity (L&A) complaint (LAPAS CODE - 13958)	55	45	55	55	55	55
K	Amount of claim payments/premium refunds recovered for complainants (LAPAS CODE - 13959)	\$ 1,000,000	\$ 1,661,868	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of L&A complaints received (LAPAS CODE - 13960)	501	531	611	597	486
Complaints received during the last ninety days of the fiscal year may be counted in the next fiscal year.					
Number of L&A complaints investigations concluded (LAPAS CODE - 13961)	547	506	628	622	501
Complaints received during the last ninety days of the fiscal year may be counted in the next fiscal year.					



4. (KEY) To pre-approve/disapprove all contract/policy forms, rates and advertising within an average of thirty days.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: All contract/policy forms must be reviewed/approved by DOI before they can be offered for sale in the state. Delays in the process can result in the state's consumers not having access to those products and to insurers not being able to sell those products. Good efficiency in this area is important to our department-wide efforts to attract more companies to do business in the state.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Average number of days to process L&A contract/policy forms (LAPAS CODE - 13988)	25	13	25	25	25	25
K	Percentage of L&A contract/policy forms approved (LAPAS CODE - 13987)	70%	92%	70%	70%	70%	70%

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of L&A contract/policy forms received (LAPAS CODE - 13990)	7,350	8,096	10,083	8,923	7,626
Number of L&A contract/policy forms processed (LAPAS CODE - 13991)	9,761	8,536	9,897	9,012	7,606

5. (KEY) To reduce incidences of insurance fraud in the state through investigation of reported incidents and consumer awareness.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.



Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: An initial investigation means a complaint is investigated to determine whether a full investigation should be initiated, or if the report should be entered into the database and maintained for possible additional investigation at a later date. Most delays in completion of background checks are the result of insurers or producers not fully completing applications and filings. The fraud division is working with producer and company licensing divisions to educate insurers and producers in this area.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Percentage of initial claim fraud complaint investigations completed within 10 working days (LAPAS CODE - 12276)	85%	97%	85%	85%	85%	85%
K	Percentage of background checks completed within 15 working days (LAPAS CODE - 12278)	85%	92%	85%	85%	85%	85%

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of claim fraud investigations opened (LAPAS CODE - 12282)	837	1,025	1,552	2,604	1,290
Number of claim fraud investigations referred to law enforcement agencies (LAPAS CODE - 959)	58	80	191	241	267
Number of producer/company investigations opened (LAPAS CODE - 12279)	538	255	595	130	251
Number of producer/company investigations referred to law enforcement (LAPAS CODE - 12281)	24	28	42	15	20
Number of background checks performed of company and producer licensing divisions (LAPAS CODE - 962)	3,395	1,452	2,167	1,576	1,430



6. (KEY) Monitor regulated entities to detect all adverse financial and other conditions, take remedial steps as necessary, and maintain compliance with NAIC standards for financial and market conduct examinations.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: The examination and analysis program has resulted in earlier detection of troubled companies. The financial examination (onsite/field examination) and analysis components of the program complement each other. Analysis is the annual review of required filings, ongoing operations and examination findings, while onsite/field examination involves the companies' financial status. Each company has a score, developed via weighted criteria, that will determine its position on the exam schedule. Companies may be examined earlier based on these scores. DOI is currently examining companies more frequently than the statutory mandate of at least once every five years. Market conduct exams may occur as result of complaints or problems detected in other states, and may be performed in conjunction with financial exam or independent of any financial exam. Financial exam findings are considered in the annual analysis and findings from the analysis feed into the scheduling of financial examinations. A change in law now allows domestic companies to maintain their financial records outside of the state, which has increased our examination costs and somewhat slowed examination scheduling to accommodate travel.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Number of market conduct examinations performed (LAPAS CODE - 6411)	30	18	30	30	30	30
K	Number of market conduct examinations performed as a result of complaints (LAPAS CODE - 11937)	20	8	20	20	20	20
K	Percentage of domestic companies examined - financial (LAPAS CODE - 11938)	18%	27%	18%	18%	18%	18%

Approximately 2% (10% overall in a five-year cycle) of companies do not require examination per statute; therefore, the percentage of companies requiring examination at least every five years is 18%.



Performance Indicators (Continued)

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Percentage of domestic companies analyzed - financial (LAPAS CODE - 11939)	100%	78%	100%	100%	100%	100%
K	Percentage of companies other than domestic companies analyzed - financial (LAPAS CODE - 11940)	20%	4%	20%	20%	20%	20%
S	Number of zone examinations in which participating states file dissenting (minority) reports (LAPAS CODE - 13869)	0	0	0	0	0	0

A zone examination is a financial examination in which examiners from other states in which the company operates may participate. Zone exams are fairly rare when the exam and analysis program is working well, which it has done for several years now.

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of companies examined - financial (LAPAS CODE - 6410)	31	26	30	35	43
Number of companies examined - market conduct (LAPAS CODE - 20428)	30	26	35	41	18
Number of companies analyzed - financial (LAPAS CODE - 6412)	585	245	285	152	176
Number of companies in administrative supervision at beginning of fiscal year (LAPAS CODE - 13768)	7	5	7	4	3
Number of companies placed in administrative supervision during fiscal year (LAPAS CODE - 921)	6	1	2	2	0
Number of companies returned to good health/ removed from supervision during fiscal year (LAPAS CODE - 922)	5	1	3	3	0
Average number of months a company remains in administrative supervision (LAPAS CODE - 923)	22	23	23	23	24



7. (KEY) Continue to perform field audits of selected surplus lines brokers and desk examinations of all premium tax returns.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: A surplus lines broker is a person who solicits, negotiates or procures a policy of insurance with an approved, unauthorized insurer, known as a surplus lines company, when insurance cannot be obtained from insurers licensed to do business in the state. All premium tax returns undergo desk examination. A change has resulted in an increase in the number of surplus lines brokers licensed in the state; we are performing more examinations, but the percentage of brokers examined has decreased.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Additional taxes and penalties assessed as a result of audit (in millions) (LAPAS CODE - 889)	\$ 1.50	\$ 4.20	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
K	Percentage of surplus lines brokers examined (LAPAS CODE - 6396)	10%	9%	10%	10%	10%	10%
S	Number of field examinations of surplus lines brokers performed (LAPAS CODE - 900)	60	81	60	60	60	60
S	Number of desk examinations performed for tax purposes (LAPAS CODE - 901)	2,050	2,357	2,050	2,050	2,050	2,050

8. (KEY) To assist consumers by investigating to conclusion consumer complaints against Property & Casualty insurers and producers.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable



Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: A consumer complaint may or may not result in a claim payment or premium refund from the insurer or producer, depending on the facts of the matter giving rise to the complaint. Complaints are investigated to determine whether the insurer or producer performed in compliance with the law and terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not be happy with the way a claim was handled, but the company or producer may have acted properly and within the law.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Number of days to conclude a Property & Casualty (P&C) complaint investigation (LAPAS CODE - 10204)	80	91	80	90	80	80
K	Amount of claim payments and/or premium refunds recovered for P&C complainants (LAPAS CODE - 954)	\$ 3,000,000	\$ 29,249,809	\$ 3,000,000	\$ 2,500,000	\$ 3,000,000	\$ 3,000,000

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of P&C complaints received (LAPAS CODE - 14211)	2,501	2,413	2,274	1,920	5,330
Number of P&C complaints investigations concluded (LAPAS CODE - 14212)	1,891	2,402	2,271	1,995	6,718
In prior years, P&C and L&A complaints/claims and forms were done together, by one unit, and no distinct records were kept by type of claim or form. These are now handled by separate units and the data are tracked for each.					

9. (KEY) To pre-approve/disapprove all Property & Casualty contract/policy forms within an average of thirty days.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable



Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: All contract/policy forms must be reviewed and approved by DOI before they can be offered for sale in the state. Delays in the process can result in the state's consumers not having access to those products and to insurers not being able to sell those products. Good efficiency in this area is important to our department-wide efforts to attract more companies to do business in the state.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
		K	Average number of days to process P&C contract/policy forms (LAPAS CODE - 13939)	25	40	25	25
K	Percentage of P&C contract/policy forms approved (LAPAS CODE - 13940)	35%	60%	35%	35%	35%	35%

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values					
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	
Number of P&C contract/policy forms received (LAPAS CODE - 13942)	3,425	2,022	25,763	19,849	18,198	
Number of P&C contract/policy forms processed (LAPAS CODE - 13943)	1,891	24,264	24,852	19,579	18,074	

10. (SUPPORTING)Develop and distribute instructions for industry to follow in preparing rate/rule filings for submission. Increase the use of automated tracking for rate/rule filings to determine turn-around times whether acted upon by LIRC or by the department.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable



Explanatory Note: Changes in laws governing insurance rate/rule approval over the last few years have led to flexible rating and use and file. The LIRC no longer acts upon all rate/rule changes in the state. All changes are reviewed by the department's actuarial staff and appropriate action is taken as a result of the actuary's recommendations. The Rate and Rule division personnel perform preparatory, review and support services to the LIRC and to the department's actuarial staff.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
S	Average number of days from receipt of filing/ submission by OPAC staff to placement on rating commission agenda (LAPAS CODE - 13945)	24	27	24	24	24	24
S	Average number of days from receipt of filing/ submission by actuary from OPAC support staff to actuary's recommendation (LAPAS CODE - 13949)	32	14	32	19	19	19
S	Average number of days from receipt of rate filing/ submission to completion of review by DOI (LAPAS CODE - 20282)	30	14	30	30	30	30

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Total written premiums (property, casualty, surety and inland marine) subject to regulation by the DOI - in billions (LAPAS CODE - 974)	\$ 4.641	\$ 5.600	\$ 6.430	\$ 6.900	\$ 8.180
Number of submissions reviewed by actuary (LAPAS CODE - 971)	414	587	697	741	646
Average percentage change in rates at fiscal year end (LAPAS CODE - NEW)	6.53%	12.21%	5.64%	2.14%	2.00%

11. (KEY)To assist consumers by investigating to conclusion consumer complaints against Health insurers and producers.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable



Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: A consumer complaint may or may not result in a claim payment or premium refund from the insurer or producer, depending on the facts of the matter giving rise to the complaint. Complaints are investigated to determine whether the insurance company or producer performed in compliance with the law and the terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not be happy with the way the claim was handled, but the company or producer may have acted properly and within the law.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Average number of days to investigate to conclude a consumer health complaint (LAPAS CODE - 987)	60	66	60	60	60	60
K	Amount of claim payments/premium refunds recovered for health coverage complainants (LAPAS CODE - 989)	\$ 1,500,000	\$ 1,144,461	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values					
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	
Number of health complaints received (LAPAS CODE - 6424)	1,962	1,477	1,266	1,045	1,098	
Number of health complaint investigations concluded (LAPAS CODE - 6425)	2,112	1,516	1,270	1,013	1,060	

12. (KEY)To pre-approve/disapprove all Health contract/policy forms within an average of thirty days.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable



Explanatory Note: All contract/policy forms must be reviewed and approved by DOI before they can be offered for sale in the state. Delays in the process can result in consumers not having access to new products and to insurers not being able to sell new products. Efficiency in this area is strong support for our department-wide effort to attract insurers to the state. New laws, rules and regulations, as well as the policy form matrix and better-trained staff have all contributed to improvements in this area. The Office of Health approves rates and advertising in addition to contract/policy forms and rates.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Average number of days to process health contract/policy forms, advertising and rates (LAPAS CODE - 12990)	30	19	30	30	30	30
K	Percentage of health contract/policy forms, advertising and rates approved (LAPAS CODE - 985)	65%	81%	65%	65%	65%	65%

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of health insurance contract/policy forms, advertising and rates received (LAPAS CODE - 986)	7,181	7,988	6,747	5,497	6,465
Number of health insurance contract/policy forms, advertising and rates processed (LAPAS CODE - 10212)	9,620	8,142	6,729	5,354	6,556

13. (KEY)To perform statutory examinations of Medical Necessity Review Organizations (MNRO) and to review all new and renewal MNRO licensing applications.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable



Explanatory Note: MNRO's (Medical Necessity Review Organizations) must, by statute, be examined no less frequently than once every three years. The first examination cycle began in FY 2003/04. Complaints or other indications of problems may lead to examination of an MNRO earlier than its scheduled examination date. Exit examinations may also occur earlier than the scheduled statutory examination date.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
K	Number of Medical Necessity Review Organizations (MNROs) to be examined per statutory schedule (desk examinations) (LAPAS CODE - 14038)	60	11	60	60	60	60
K	Number of MNROs examined (LAPAS CODE - 14044)	60	11	60	60	60	60

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of MNRO filings and applications - new and renewal - received (LAPAS CODE - 12134)	100	97	145	107	129
Number of MNRO filings and applications - new and renewal - processed (LAPAS CODE - 12147)	128	97	112	129	124
"Processed" means that an application or filing has been reviewed and approved or disapproved.					

14. (KEY) To assist senior citizens with awareness of health insurance programs available to them.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable

Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable



Explanatory Note: SHIIP (Senior Health Insurance Information Program) is funded by federal grant. Savings to seniors are calculated using a formula developed by the Federal Health Care Financing Administration. Savings may result when assistance leads to the percentage not covered by Medicare being counted, or a client learning that he/she is eligible for other programs that can lead to Medicaid paying deductibles, premiums or co-payments, or in determining the best supplemental or Medicare HMO coverage for the client's needs. Savings, if any, depend upon the situation of the individual senior being counseled.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard	Actual Yearend Performance	Performance Standard as Initially Appropriated	Existing Performance Standard	Performance At Continuation Budget Level	Performance At Executive Budget Level
		FY 2005-2006	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	FY 2007-2008
K	Estimated savings to counseled senior health clients (LAPAS CODE - 995)	\$ 1,000,000	\$ 1,634,375	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
K	Number of seniors receiving services (telephone, home-site, fairs, group presentations, etc.) (LAPAS CODE - 12125)	16,000	31,630	16,000	16,000	16,000	16,000

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of senior health group presentations provided (LAPAS CODE - 999)	136	131	151	131	285
Number in attendance at senior health group presentations (LAPAS CODE - 996)	4,867	5,476	7,265	5,476	13,678
Number of senior health volunteer counselor training sessions conducted (LAPAS CODE - 17795)	14	4	3	4	8
Number of senior health publications distributed (LAPAS CODE - 1000)	63,762	52,750	63,811	52,750	63,226

15. (KEY)Manage the estates of companies in receivership through liquidation of assets and court-approved closure.

Louisiana: Vision 2020 Link: Objective I.8 - To improve the efficiency and accountability of government agencies.

Children's Budget Link: Not Applicable



Human Resource Policies Beneficial to Women and Families Link: Not Applicable

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): Not Applicable

Explanatory Note: Recovered assets of companies in receivership go to the companies' creditors, two of which are the Louisiana Insurance Guaranty Association (LIGA) and the Louisiana Life and Health Insurance Guaranty Association (LHIGA). Neither the Department of Insurance nor the State General Fund receive any monies from the recovered assets of these companies. All final closures must be court approved.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2005-2006	Actual Yearend Performance FY 2005-2006	Performance Standard as Initially Appropriated FY 2006-2007	Existing Performance Standard FY 2006-2007	Performance At Continuation Budget Level FY 2007-2008	Performance At Executive Budget Level FY 2007-2008
		K	Number of companies brought to final closure (LAPAS CODE - 904)	3	2	3	3
K	Total recovery of assets from liquidated companies (LAPAS CODE - 908)	\$ 4,000,000	\$ 5,740,962	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2001-2002	Prior Year Actual FY 2002-2003	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006
Number of companies in receivership at beginning of fiscal year (LAPAS CODE - 12273)	22	19	18	19	19
Number of companies brought to final court-approved closure during fiscal year (LAPAS CODE - 21776)	1	0	1	1	1



