
Commissioner of Insurance



Department Description

The mission of the Louisiana Department of Insurance is to regulate the insurance industry in the state (licensing of producers, insurance adjusters, public adjusters, and insurers), and to serve as advocate for the state's insurance consumers.

In addition, the department supports a variety of policies that assist women and children—such as Family and Medical Leave and Flex time for its employees. Overall, the department believes that when necessary forms of insurance are both available and affordable to the state's citizens, all individuals as well as businesses and industries in the state benefit.

The Department of Insurance operates under two programs: Administration/Fiscal and Market Compliance. Together these programs work collectively to accomplish these goals:

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

For additional information, see:

[Commissioner of Insurance](#)

Commissioner of Insurance Budget Summary

| | Prior Year Actuals FY 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | 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 | 27,543,899 | 27,713,242 | 27,713,242 | 28,857,635 | 27,893,536 | 180,294 |
| Statutory Dedications | 1,089,291 | 1,125,183 | 1,125,183 | 1,125,183 | 1,125,183 | 0 |
| Interim Emergency Board | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 558,198 | 548,593 | 548,593 | 548,593 | 548,593 | 0 |
| Total Means of Financing | \$ 29,191,388 | \$ 29,387,018 | \$ 29,387,018 | \$ 30,531,411 | \$ 29,567,312 | \$ 180,294 |
| Expenditures & Request: | | | | | | |
| Commissioner of Insurance | \$ 29,191,388 | \$ 29,387,018 | \$ 29,387,018 | \$ 30,531,411 | \$ 29,567,312 | \$ 180,294 |
| Total Expenditures & Request | \$ 29,191,388 | \$ 29,387,018 | \$ 29,387,018 | \$ 30,531,411 | \$ 29,567,312 | \$ 180,294 |
| Authorized Full-Time Equivalents: | | | | | | |
| Classified | 252 | 247 | 246 | 246 | 239 | (7) |
| Unclassified | 29 | 27 | 28 | 28 | 28 | 0 |
| Total FTEs | 281 | 274 | 274 | 274 | 267 | (7) |



04-165 — Commissioner of Insurance

Agency Description

The mission of the Louisiana Department of Insurance is to regulate the insurance industry in the state (licensing of producers, insurance adjusters, public adjusters, and insurers), and to serve as advocate for the state’s insurance consumers.

In addition, the department supports a variety of policies that assist women and children—such as Family and Medical Leave and Flex time for its employees. Overall, the department believes that when necessary forms of insurance are both available and affordable to the state’s citizens, all individuals as well as businesses and industries in the state benefit.

The Department of Insurance operates under two programs: Administration/Fiscal and Market Compliance. Together these programs work collectively to accomplish these goals:

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

For additional information, see:

[Commissioner of Insurance](#)

Commissioner of Insurance Budget Summary

| | Prior Year Actuals FY 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | 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 | 27,543,899 | 27,713,242 | 27,713,242 | 28,857,635 | 27,893,536 | 180,294 |
| Statutory Dedications | 1,089,291 | 1,125,183 | 1,125,183 | 1,125,183 | 1,125,183 | 0 |
| Interim Emergency Board | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 558,198 | 548,593 | 548,593 | 548,593 | 548,593 | 0 |
| Total Means of Financing | \$ 29,191,388 | \$ 29,387,018 | \$ 29,387,018 | \$ 30,531,411 | \$ 29,567,312 | \$ 180,294 |
| Expenditures & Request: | | | | | | |
| Administrative | \$ 10,781,703 | \$ 11,240,857 | \$ 11,240,857 | \$ 11,488,584 | \$ 11,296,799 | \$ 55,942 |



Commissioner of Insurance Budget Summary

| | Prior Year Actuals FY 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | Total Recommended Over/Under EOB |
|---|---------------------------------------|-------------------------|--|------------------------------|-----------------------------|---|
| Market Compliance | 18,409,685 | 18,146,161 | 18,146,161 | 19,042,827 | 18,270,513 | 124,352 |
| Total Expenditures & Request | \$ 29,191,388 | \$ 29,387,018 | \$ 29,387,018 | \$ 30,531,411 | \$ 29,567,312 | \$ 180,294 |
| Authorized Full-Time Equivalents: | | | | | | |
| Classified | 252 | 247 | 246 | 246 | 239 | (7) |
| Unclassified | 29 | 27 | 28 | 28 | 28 | 0 |
| Total FTEs | 281 | 274 | 274 | 274 | 267 | (7) |



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); Act 459 of 2007 (Consumer Advocacy)

Program Description

The mission of the Administration 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 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 Administrative program includes the following activities:

The Office of the Commissioner - Provides management oversight to the entire department and coordinates the administration of all provisions of the Louisiana Insurance Code- Title 22 of the Louisiana Revised Statutes. The Office of Commissioner also entails the following:

- Internal Audit- Reviews the department's internal processes and controls and recommends changes as necessary.
- Public Affairs- Communicates the Department's message through printed materials including press releases, brochures, weekly newspaper columns, radio scripts, and news letter articles; accepts media calls and public information requests; coordinates media interview requests and speaking engagements for the Commissioner and DOI staff; responsible the Department's Web site content and public information disseminated by the Department; writes Department's Public Service Announcements; coordinates consumer information booths at conferences, fairs or festivals.
- Office of Minority Affairs- Provides assistance to minority and disadvantaged persons who wish to participate in the insurance industry as producers or as employees of insurance companies or related service companies.
- Consumer Advocacy- Provides assistance to the public by receiving inquiries and complaints, preparing and disseminating information as the department deems appropriate to inform or assist consumers, provide direct assistance and advocacy for consumers, provide direct assistance and advocacy for consumers who request such assistance, report apparent or potential violations of law.

Office of Management & Finance - Oversees the management of the department's fiscal, budget and human resources, IT, purchasing, supplies, equipment, inventory/property control, administrative services and is responsible for strategic and operational planning for the entire department. In addition, Office of Management & Finance entails the following divisions:

- Fiscal Affairs-Deposits revenue to the State Treasury, handles accounts payable and receivable, travel and statutory deposits.



- Information Technology- Maintains the department's databases and systems, assists various divisions in developing on-line access to certain information services for the public, insurance industry and department staff.
- Assessments & Data Management- Invoices and collects Assessments (LA Insurance Rating, Fraud & HIPPA), receipts all revenue, classifies some revenue, maintains database on injury lawsuits in the state.
- Human Resources- Manages the department's human resources and building security.
- Administrative Services- Maintains records and performs physical inventory, handles mail and messenger services, building maintenance, fleet management, contracts, and leases.
- Strategic Operational Planning- Prepares strategic and operational plans for the department, collects information for and writes legislative fiscal notes and fiscal, economic and family impact statements; serves as liaison with the Legislative Fiscal Office and House Fiscal Affairs.
- Budget- Manages the department's appropriation by compiling the necessary information for budget development, budget projections, monitoring budget changes through expenditures, revenue collections, legislation and mid-year adjustments.
- Purchasing- Procures stock and special supplies, equipment, furniture and printing services by using ISIS and/or obtaining bids according to state law and purchasing rules and regulations. Maintains office inventory including data base.

Summary of Activities

| General Fund | Total Amount | Table of Organization | Description |
|--------------|---------------------|-----------------------|--|
| \$0 | \$3,616,420 | 21 | Office of the Commissioner- provides management oversight to the entire department and coordinates the administration of all provisions of the Louisiana insurance code- Title 22. In addition this activity holds the Internal Audit Division, Office of Public Affairs, Office of Minority Affairs, and Office of Consumer Advocacy. |
| \$0 | \$7,682,419 | 47 | Office of Management & Finance- Oversees the management of the department's fiscal, budget, human resources, information technology, purchasing, supplies, equipment, inventory/property control, administrative services and is responsible for strategic and operational planning for the entire department. |
| | | 0 | Non T.O. FTE Ceiling Recommended for FY 2010-2011 |
| \$0 | \$11,298,839 | 68 | Grand Total of Activities Recommended including Non T.O. FTE Ceiling |



Administrative Budget Summary

| | Prior Year Actuals FY 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | 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 | 10,751,703 | 11,210,857 | 11,210,857 | 11,458,584 | 11,266,799 | 55,942 |
| 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 | \$ 10,781,703 | \$ 11,240,857 | \$ 11,240,857 | \$ 11,488,584 | \$ 11,296,799 | \$ 55,942 |
| Expenditures & Request: | | | | | | |
| Personal Services | \$ 5,302,164 | \$ 5,267,433 | \$ 5,267,433 | \$ 5,490,713 | \$ 5,469,327 | \$ 201,894 |
| Total Operating Expenses | 1,923,644 | 2,170,057 | 2,170,057 | 2,181,381 | 2,170,057 | 0 |
| Total Professional Services | 1,104,680 | 1,097,378 | 1,097,378 | 1,109,430 | 967,390 | (129,988) |
| Total Other Charges | 2,003,157 | 2,125,475 | 2,125,475 | 2,135,183 | 2,118,011 | (7,464) |
| Total Acq & Major Repairs | 448,058 | 580,514 | 580,514 | 571,877 | 572,014 | (8,500) |
| Total Unallotted | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures & Request | \$ 10,781,703 | \$ 11,240,857 | \$ 11,240,857 | \$ 11,488,584 | \$ 11,296,799 | \$ 55,942 |
| Authorized Full-Time Equivalents: | | | | | | |
| Classified | 64 | 62 | 62 | 62 | 60 | (2) |
| Unclassified | 8 | 8 | 8 | 8 | 8 | 0 |
| Total FTEs | 72 | 70 | 70 | 70 | 68 | (2) |

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 funded by the Insurance Fraud Investigation Fund (R.S. 40:1428) 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 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | 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 | \$ 0 | 0 | Mid-Year Adjustments (BA-7s): |
| \$ 0 | \$ 11,240,857 | 70 | Existing Oper Budget as of 12/1/09 |
| Statewide Major Financial Changes: | | | |
| \$ 0 | \$ 15,132 | 0 | Civil Service Training Series |
| \$ 0 | \$ 60,355 | 0 | State Employee Retirement Rate Adjustment |
| \$ 0 | \$ 383,592 | 0 | Salary Base Adjustment |
| \$ 0 | \$ (196,160) | 0 | Attrition Adjustment |
| \$ 0 | \$ (61,025) | (2) | Personnel Reductions |
| \$ 0 | \$ (129,988) | 0 | Salary Funding from Other Line Items |
| \$ 0 | \$ 572,014 | 0 | Acquisitions & Major Repairs |
| \$ 0 | \$ (580,514) | 0 | Non-Recurring Acquisitions & Major Repairs |
| \$ 0 | \$ (25,865) | 0 | Risk Management |
| \$ 0 | \$ (136) | 0 | Legislative Auditor Fees |
| \$ 0 | \$ 21,121 | 0 | Maintenance in State-Owned Buildings |
| \$ 0 | \$ 527 | 0 | Capitol Park Security |
| \$ 0 | \$ (1,071) | 0 | UPS Fees |
| \$ 0 | \$ (662) | 0 | Civil Service Fees |
| \$ 0 | \$ (1,378) | 0 | CPTP Fees |
| Non-Statewide Major Financial Changes: | | | |
| \$ 0 | \$ 11,296,799 | 68 | Recommended FY 2010-2011 |
| \$ 0 | \$ 0 | 0 | Less Supplementary Recommendation |
| \$ 0 | \$ 11,296,799 | 68 | Base Executive Budget FY 2010-2011 |
| \$ 0 | \$ 11,296,799 | 68 | Grand Total Recommended |



Professional Services

| Amount | Description |
|------------------|---|
| \$967,390 | Professional service contracts used to assist the department on information technology projects, on-site training, and other miscellaneous contracts. |
| \$967,390 | TOTAL PROFESSIONAL SERVICES |

Other Charges

| Amount | Description |
|--------------------|---|
| | Other Charges: |
| | This program does not have funding for Other Charges for Fiscal Year 2010-2011. |
| \$0 | SUB-TOTAL OTHER CHARGES |
| | Interagency Transfers: |
| \$181,643 | Department of Public Safety & Corrections/ Security |
| \$41,420 | Civil Service Fees |
| \$4,796 | 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 |
| \$2,219 | DOA - Forms Management |
| \$3,268 | DOA - State Mail |
| \$12,315 | DOA - State Printing |
| \$163,730 | Legislative Auditor Fees |
| \$823,729 | Maintenance of State-owned Buildings |
| \$266,028 | Office of Risk Management Fees |
| \$433,076 | Office of Telecommunications Management Fees |
| \$891 | Secretary of State-Miscellaneous-Boxes |
| \$67 | Secretary of State - Dues and Subscriptions |
| \$74,500 | Secretary of State - Miscellaneous including microfilming of state records |
| \$50,690 | Treasury Banking fees |
| \$13,887 | UPS fees |
| \$2,118,011 | SUB-TOTAL INTERAGENCY TRANSFERS |
| \$2,118,011 | TOTAL OTHER CHARGES |

Acquisitions and Major Repairs

| Amount | Description |
|------------------|--|
| \$572,014 | To replace personal computers, servers, and power vault storage units are needed |
| \$572,014 | TOTAL ACQUISITIONS AND MAJOR REPAIRS |



Performance Information

1. (KEY) Through the Office of the Commissioner activity, to retain accreditation by the National Association of Insurance Commissioners (NAIC).

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 June 2009.

Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|-----------------------|---|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Percentage of NAIC accreditation retained (LAPAS CODE - 6389) | 100% | 100% | 100% | 100% | 100% | 100% |

Administrative General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of licensed domestic insurers (LAPAS CODE - 912) | 115 | 114 | 114 | 118 | 114 |
| Number of licensed foreign/alien insurance companies (LAPAS CODE - 913) | 1,408 | 1,415 | 1,392 | 1,331 | 1,408 |
| Number of surplus lines companies approved and monitored (LAPAS CODE - 914) | 148 | 151 | 152 | 150 | 162 |
| Total number of companies licensed and approved (LAPAS CODE - 911) | 1,671 | 2,694 | 2,322 | 1,711 | 1,728 |



2. (SUPPORTING) Through the Office of the Commissioner activity, for the Internal Audit Division to identify the adequacy or weakness of the department's internal control processes by performing scheduled internal audits and to assure that there are no repeat audit findings in the legislative auditor's report.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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:

Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|-----------------------|---|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| S | Number of internal audits performed (LAPAS CODE - 6393) | 2 | 4 | 4 | 4 | 4 | 4 |
| S | Number of repeat internal audit findings (LAPAS CODE - 887) | 0 | 0 | 0 | 0 | 0 | 0 |
| S | Number of repeat findings in the 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 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Percentage of internal audit recommendations accepted (LAPAS CODE - 6394) | 100% | 100% | 100% | 100% | 100% |

3. (SUPPORTING) Through the Office of the Commissioner activity, for the Office of Minority Affairs to assist minorities and other disadvantaged persons who wish to participate in the insurance industry in the state as producers or as employees or related service companies.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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.

Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|-----------------------|--|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| S | Number of appointments by standard companies of minority/disadvantaged producers, facilitated by the Office of Minority Affairs (LAPAS CODE - 10161) | 13 | 12 | 6 | 6 | 67 | 67 |
| S | Number of persons attending semi-annual training seminars (LAPAS CODE - 13793) | 90 | 108 | 30 | 30 | 95 | 95 |

4. (KEY) Through the Office of the Commissioner activity, to provide assistance to the public by receiving inquiries and complaints, prepare and disseminate information to inform or assist consumers, provide direct assistance and advocacy for consumers who request such assistance, report apparent or potential violations of law.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

Children's Budget Link: N/A

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: Generally the Office of Consumer Advocacy is the second point of assistance for consumer who complains of a licensee's actions. Initially, complainants are referred to the consumer affairs division of the Office of Property and Casualty, Health, or Licensing and Life and Annuity, unless OCA receives a complaint under exigent circumstances.



Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|-----------------------|---|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Average number of days to conclude a complaint investigation (LAPAS CODE - 22837) | 60 | 31 | 120 | 120 | 90 | 90 |
| K | Number of community based presentations (LAPAS CODE - 22838) | 40 | 54 | 40 | 40 | 40 | 40 |

Administrative General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 | |
| Number of inquiries received (LAPAS CODE - 22839) | Not Applicable | Not Applicable | Not Applicable | 66 | 130 | |
| Number of complaints received (LAPAS CODE - 22840) | Not Applicable | Not Applicable | Not Applicable | 29 | 35 | |
| Number of inquiries/complaint investigations concluded (LAPAS CODE - 22841) | Not Applicable | Not Applicable | Not Applicable | 85 | 165 | |
| Number of public information packets distributed to consumers (LAPAS CODE - 22842) | Not Applicable | Not Applicable | Not Applicable | 710 | 4,829 | |
| Amount of claim payments/premium refunds recovered for complainants (LAPAS CODE - 22843) | \$ Not Applicable | \$ Not Applicable | \$ Not Applicable | \$ 237,857 | \$ 218,697 | |

5. (SUPPORTING)Through the Office of Management & Finance activity, for the Fiscal Affairs Division to collect, each fiscal year, revenue that the department is responsible to collect on its own behalf and on behalf of the state.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| S | Total amount of revenues collected from taxes, assessments, fees, penalties and miscellaneous in \$ millions (LAPAS CODE - 890) | Not Applicable | \$ 422.60 | Not Applicable | \$ 422.20 | \$ 431.80 | \$ 431.80 |

Administrative General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of different tax types collected (LAPAS CODE - 898) | 7 | 7 | 7 | 7 | 7 |
| Number of different fees and assessments collected (LAPAS CODE - 899) | 67 | 64 | 66 | 64 | 71 |
| Taxable premiums in (\$billions) (LAPAS CODE - 891) | \$ 12.84 | \$ 13.43 | \$ 14.70 | \$ 15.20 | \$ 15.60 |
| Tax collections as percentage of taxable premiums (LAPAS CODE - 893) | 1.56% | 1.60% | 1.62% | 1.83% | 1.81% |
| Total premiums subject to Louisiana Insurance Rating assessment in billions (LAPAS CODE - 894) | \$ 6.01 | \$ 6.30 | \$ 6.60 | \$ 7.28 | \$ 7.56 |
| Total amount of LA Insurance Rating assessment collected in \$ millions (LAPAS CODE - 895) | \$ 58.41 | \$ 60.86 | \$ 63.91 | \$ 71.01 | \$ 74.75 |
| LA Insurance Rating assessment collection as percentage of subject premiums. (LAPAS CODE - 896) | 0.97% | 0.97% | 0.97% | 0.98% | 0.99% |
| Amount reverted at end of fiscal year (in millions) (LAPAS CODE - New) | \$ 9.05 | \$ 8.40 | \$ 9.30 | \$ 11.40 | \$ 14.40 |
| Total fees collected in millions (LAPAS CODE - 6397) | \$ 17.69 | \$ 17.89 | \$ 19.03 | \$ 21.28 | \$ 22.46 |

6. (SUPPORTING)Through the Office of Management & Finance activity, for the Information Technology Division to provide maintenance and support of the department's various databases, internet access and other IT systems, and to continue progress on ongoing initiatives to improve consumer and industry service and information access via internet.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| S | Number of technology projects planned to maximize employee productivity, improve or maintain compatibility with regulated entities, and warehouse data (LAPAS CODE - 22835) | 2 | 3 | 3 | 3 | 3 | 2 |
| This is a new performance indicator and only reflects performance at continuation budget level for FY 09-10 | | | | | | | |
| S | Percent of technology planned projects completed (LAPAS CODE - 22836) | 100% | 100% | 100% | 100% | 100% | 100% |
| This is a new performance indicator and only reflects the performance at continuation budget level for FY 09-10. | | | | | | | |



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 and insurers); and serve as advocate for the state's insurance consumers by enforcing existing laws fairly and consistently and by proposing new laws as necessary

The Market Compliance Program includes the following activities:

Office of Receivership – Oversees, with court-approval, the liquidation of assets of companies in receivership and brings them to a final court-approved closure.

Office of Licensing & Compliance - Oversees the licensing of producers and insurers in the state, investigates complaints related to Life & Annuity coverage's, reviews and approves/disapproves Life & Annuity contract/policy forms. In addition this the Office of Licensing & Compliance entails the following:

- Producer Licensing- Oversees new and renewal licensing of producers, insurance adjusters and public adjusters.
- Company Licensing- Oversees the licensing of all insurers and insurance related entities that require licensure in the state, including initial applications for license and all subsequent filings and applications.
- Consumer Affairs- Investigates consumer complaints related to Life & Annuity coverage's.
- Forms Review- Reviews and approves or disapproves all Life & Annuity contract/policy forms.

Office of Health Insurance - Reviews initial and renewal licensing applications from Medical Necessity Review Organizations (MNRO's) and performs statutory examinations of MNRO's, investigates health insurance related consumer complaints, reviews and approves/disapproves contract/policy forms, advertising and rates, provides health-insurance related information to senior citizens. In addition, this activity entails the following:

- HIPPA Quality Management- Investigates consumer complaints and performs forms review/approval of contract/policy forms, advertising and rates related to major medical and excess/stop-loss health related coverage's, enforces state and federal laws related to HIPPA, and handles complaints related to prompt payment of major medical claims.



- Supplemental Health/MNRO- Investigates consumer complaints and handles forms, advertising and rate review and approval/disapproval for Medicare Insurance Supplements; reviews licensing applications (initial and renewal), forms and performs statutory examinations of MNRO's and investigates health-insurance related to MNRO's.
- Senior Health Insurance Information Program (SHIIP)- Provides information and programs to assist seniors in matters related to health coverage's and benefits (Medicare, Medicaid, Medicare Supplements, Medicare HMO's for example) to maximize benefits and savings.
- Health Care Commission- Makes recommendations to the commissioner of insurance for reform of health care more affordable and available for Louisiana citizens.

Office of Financial Solvency - Monitors the financial health regulated entities through statutorily mandated field examinations and annual financial analysis, performs market conduct examinations of companies and producers, collects all insurance premium and surplus lines taxes. In addition, this activity entails the following:

- Financial Examinations- Performs financial examinations (field) and financial analysis of regulated entities to monitor their financial well-being and takes remedial action as necessary.
- Market Conduct Examinations- Performs market conduct examinations of insurers and producers to assure that policyholders, claimants and beneficiaries are being treated fairly and in line with laws, rules and regulations.
- Insurance Premium and Surplus Lines Tax- Performs annual desk examinations of all insurer tax returns filed, perform field examinations of selected surplus lines brokers, and collects all premium and surplus lines taxes are collections for the State General Fund.
- Actual Services- Provides actuarial analysis of insurance legislation provides actuarial expertise in analysis of reserve liabilities of insurers.

Office of Property & Casualty Insurance - Performs preparatory and support work for insurance rating in handling of rate and rule change submissions and reviews and as necessary acts on rates requiring approval, investigates consumer complaints against Property & Casualty contract/policy forms. In addition, this activity entails the following:

- Rate & Rule- Performs preparatory, support and actuarial work related to rates and rules submissions.
- Consumer Affairs- Investigates consumer complaints against Property & Casualty insurers and producers.
- Forms Review- Reviews and approves/disapproves Property & Casualty forms filings.
- LA Property & Casualty Insurance Commission- Reviews and examines factors affecting the availability and affordability of property and casualty insurance (auto, homeowners and worker's compensation) and report's recommendations to the Governor, the Commissioner of Insurance and the Legislature.

Office of Legal Services - Represents the department in hearings, promulgates rules and regulations, provides legal and policy opinions as requested by department staff, oversees the investigation of suspected incidents of claim fraud and producer/company fraud in the state. In addition this activity entails the following:

- Legal Services- Represents the department in hearings, promulgates rules and regulations, provides internal legal and policy opinions, as requested by department staff.

- Fraud- Investigates suspected incidents of claim fraud and producer/company fraud, and as appropriate, refers cases to law enforcement for further handling; performs background checks for producer and company licensing divisions.
- LA Auto Theft & Insurance Fraud Prevention Authority- Combats vehicles insurance fraud, including fraud by theft and other criminal acts. By law, the Authority solicits and accepts gifts, grants, donations, loans and other assistance from various entities which are deposited into a statutory dedicated fund. Provides bait cars and license plate readers to law enforcement and auto theft programs to the middle and high school students.

Summary of Activities

| General Fund | Total Amount | Table of Organization | Description |
|--------------|---------------------|-----------------------|--|
| \$0 | \$550,262 | 5 | Office of Receivership- In rehabilitation, the insurance company is run by this office. The functions of the insurance company are performed, such as billing and collection of premium, investment funds, payment of claims and all the accompanying legal, accounting and information technology. The company is not dissolved; insurance policies are not cancelled, and their functions are taken over by the office of receivership. |
| \$0 | \$2,617,890 | 39 | Office of Licensing & Compliance- Reviews applications, and where applicable renewal, of insurance companies', producers', agencies', claims adjusters', surplus lines brokers' licenses to do business in the state. |
| \$0 | \$2,555,171 | 34 | Office of Health Insurance- Holds four (4) divisions for the regulation of health insurance under the Insurance Code; Senior Health Insurance Information Program (SHIIP), HIPPA Quality Management, Louisiana Health Care Commission and Supplemental Health/Medical Necessity Review. |
| \$0 | \$6,327,749 | 45 | Office of Financial Solvency- Performs on-site examinations and in-house analysis to monitor the solvency of domestic life, health, property & casualty insurers, HMO's and title insurers. |
| \$0 | \$3,180,448 | 50 | Office of Property & Casualty- Reviews and approves or disapproves proposed rates and rules that are submitted by insurance companies or rating organizations that are authorized to engage in the business of insurance in the state of Louisiana. In addition, the office investigates complaints against property and casualty insurers and producers, and reviews and approves or disapproves property and casualty contract/policy forms. |
| \$0 | \$3,044,561 | 26 | Office of Legal Services- provides representation for the department at all regulatory hearings against licensees, drafts and promulgates rules and regulations which are authorized or required by the legislature, and provides internal legal and policy opinions, as requested by department staff. |
| | | 0 | Non T.O. FTE Ceiling Recommended for FY 2010-2011 |
| \$0 | \$18,276,081 | 199 | Grand Total of Activities Recommended including Non T.O. FTE Ceiling |



Market Compliance Budget Summary

| | Prior Year Actuals FY 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | 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 | 16,792,196 | 16,502,385 | 16,502,385 | 17,399,051 | 16,626,737 | 124,352 |
| Statutory Dedications | 1,059,291 | 1,095,183 | 1,095,183 | 1,095,183 | 1,095,183 | 0 |
| Interim Emergency Board | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 558,198 | 548,593 | 548,593 | 548,593 | 548,593 | 0 |
| Total Means of Financing | \$ 18,409,685 | \$ 18,146,161 | \$ 18,146,161 | \$ 19,042,827 | \$ 18,270,513 | \$ 124,352 |
| Expenditures & Request: | | | | | | |
| Personal Services | \$ 14,596,725 | \$ 14,307,445 | \$ 14,307,445 | \$ 15,140,010 | \$ 14,874,162 | \$ 566,717 |
| Total Operating Expenses | 723,347 | 770,338 | 770,338 | 777,125 | 770,338 | 0 |
| Total Professional Services | 2,376,132 | 2,392,618 | 2,392,618 | 2,419,559 | 1,955,821 | (436,797) |
| Total Other Charges | 709,681 | 675,760 | 675,760 | 706,133 | 670,192 | (5,568) |
| Total Acq & Major Repairs | 3,800 | 0 | 0 | 0 | 0 | 0 |
| Total Unallotted | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures & Request | \$ 18,409,685 | \$ 18,146,161 | \$ 18,146,161 | \$ 19,042,827 | \$ 18,270,513 | \$ 124,352 |
| Authorized Full-Time Equivalents: | | | | | | |
| Classified | 188 | 185 | 184 | 184 | 179 | (5) |
| Unclassified | 21 | 19 | 20 | 20 | 20 | 0 |
| Total FTEs | 209 | 204 | 204 | 204 | 199 | (5) |

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 funded by the Administrative Fund (R.S. 22:1071(D)(3)(b) (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 (R.S. 22:2134); and the Insurance Fraud



Investigation Fund (R.S. 22:2134) 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 2008-2009 | Enacted FY 2009-2010 | Existing Oper Budget as of 12/1/09 | Continuation FY 2010-2011 | Recommended FY 2010-2011 | Total Recommended Over/Under EOB |
|---|---------------------------------------|-------------------------|--|------------------------------|-----------------------------|---|
| Administrative Fund- Department of Insurance | \$ 620,606 | \$ 707,420 | \$ 707,420 | \$ 707,420 | \$ 672,420 | \$ (35,000) |
| Insurance Fraud Investigation Fund | 389,548 | 362,763 | 362,763 | 362,763 | 362,763 | 0 |
| Auto. Theft and Insurance Fraud Prev. Auth. Fund | 49,137 | 25,000 | 25,000 | 25,000 | 60,000 | 35,000 |

Major Changes from Existing Operating Budget

| General Fund | Total Amount | Table of Organization | Description |
|---|---------------|--------------------------|---|
| \$ 0 | \$ 0 | 0 | Mid-Year Adjustments (BA-7s): |
| \$ 0 | \$ 18,146,161 | 204 | Existing Oper Budget as of 12/1/09 |
| Statewide Major Financial Changes: | | | |
| 0 | 30,373 | 0 | Civil Service Training Series |
| 0 | 374,752 | 0 | State Employee Retirement Rate Adjustment |
| 0 | 901,832 | 0 | Salary Base Adjustment |
| 0 | (474,468) | 0 | Attrition Adjustment |
| 0 | (265,772) | (5) | Personnel Reductions |
| 0 | (436,797) | 0 | Salary Funding from Other Line Items |
| 0 | (5,568) | 0 | Administrative Law Judges |
| Non-Statewide Major Financial Changes: | | | |
| \$ 0 | \$ 18,270,513 | 199 | Recommended FY 2010-2011 |
| \$ 0 | \$ 0 | 0 | Less Supplementary Recommendation |
| \$ 0 | \$ 18,270,513 | 199 | Base Executive Budget FY 2010-2011 |
| \$ 0 | \$ 18,270,513 | 199 | Grand Total Recommended |



Professional Services

| Amount | Description |
|--------------------|--|
| \$1,955,821 | Accounting, auditing, and legal contracts to assist the department in fulfilling legislatively mandated examinations of insurers, actuarial reviews of rate submissions, outreach programs, etc. |
| \$1,955,821 | TOTAL PROFESSIONAL SERVICES |

Other Charges

| Amount | Description |
|------------------|---|
| | Other Charges: |
| \$60,000 | Services associated with the Auto Theft and Insurance Fraud Prevention Authority. |
| \$60,000 | SUB-TOTAL OTHER CHARGES |
| | Interagency Transfers: |
| \$56,000 | Office Of Elderly Affairs |
| \$57,181 | Department of Civil Service/ Law for administrative hearings |
| \$7,579 | DOA - State Mail |
| \$172,930 | Legal services provided by the Department of Justice |
| \$303,492 | Office of Telecommunications Management for telephone services |
| \$10,000 | Office of the State Register |
| \$2,500 | DOA - State Printing |
| \$139 | DOA - Forms Management |
| \$371 | Secretary of State - Miscellaneous Boxes |
| \$610,192 | SUB-TOTAL INTERAGENCY TRANSFERS |
| \$670,192 | TOTAL OTHER CHARGES |

Acquisitions and Major Repairs

| Amount | Description |
|------------|--|
| \$0 | This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2010-2011. |
| \$0 | TOTAL ACQUISITIONS AND MAJOR REPAIRS |

Performance Information

- (KEY)** Through the Office of Receivership activity, to bring to court-approved closure all estates of companies in receivership at the beginning of FY 2001 by the end of FY 2011, and to bring to court-approved closure within 5 years of their being in receivership estates of all companies placed in receivership after July 1, 2008.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 (LLHIGA). 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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Number of companies brought to final closure (LAPAS CODE - 904) | 5 | 6 | 3 | 3 | 2 | 2 |
| K | Total recovery of assets from liquidated companies (LAPAS CODE - 908) | \$ 51,400,000 | \$ 39,471,624 | \$ 41,846,965 | \$ 41,846,965 | \$ 18,592,845 | \$ 18,592,845 |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of companies in receivership at beginning of fiscal year (LAPAS CODE - 12273) | 18 | 19 | 20 | 18 | 15 |

2. (KEY) Through the Office of Licensing and Compliance activity, to oversee the licensing of producers in the state and to work with the Information Technology Division to effect a smooth transition to the e-commerce environment

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 for a two year period to Property & Casualty producers in one year, to Life and Health producers in alternating years. In April 2009, DOI began renewing licenses in the producer's birth month.



Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|--|---|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Number of new producer licenses issued (LAPAS CODE - 6416) | 20,000 | 25,615 | 28,000 | 28,000 | 28,000 | 28,000 |
| K | Number of producer license renewals processed (LAPAS CODE - 6417) | 32,000 | 37,525 | 38,000 | 38,000 | 38,000 | 38,000 |
| K | Number of company appointments processed (LAPAS CODE - 934) | 415,000 | 527,273 | 475,000 | 475,000 | 475,000 | 475,000 |
| At this time, DOI does not have a performance indicator for claims adjusters, but the department anticipates processing approximately 7,000 first time claims adjuster applications. | | | | | | | |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Total number of licensed producers (LAPAS CODE - 933) | 75,171 | 74,723 | 83,553 | 84,582 | 93,096 |

3. (KEY) Through the Office Licensing & Compliance activity, to review company applications for Certificates of Authority within an average of 90 days, all other licensing and registration applications within 60 days and complete reviews of Certificates of Compliance and No Objection Letters within an average of 30 days.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Average number of days to review Certificate of Authority/Surplus Lines applications (LAPAS CODE - 22844) | 60 | 78 | 90 | 90 | 90 | 90 |
| K | Average number of days to review all other licensing/ registration applications (LAPAS CODE - 22845) | 60 | 40 | 90 | 90 | 60 | 60 |
| K | Average number of days to review Certificate of Compliance/No Objection Letter requests (LAPAS CODE - 22846) | 30 | 19 | 60 | 60 | 30 | 30 |
| K | Percentage of all applications/requests processed within the performance standard (LAPAS CODE - 22847) | 70% | 83% | 60% | 60% | 75% | 75% |
| K | Average number of days to review all company filings and applications (LAPAS CODE - 6420) | 60 | 41 | 80 | 80 | 60 | 60 |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of company licensing applications and filings received (LAPAS CODE - 940) | 510 | 631 | 643 | 595 | 579 |
| Number of company licensing applications and filings processed (LAPAS CODE - 941) | 511 | 453 | 670 | 607 | 543 |

4. (KEY) Through the Office of Licensing & Compliance, for the Consumer Affairs Division to assist consumers by investigating to conclusion consumer complaints against Life & Annuity insurers and producers within 70 days.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| | | K Average number of days to investigate to conclusion a Life & Annuity (L&A) complaint (LAPAS CODE - 13958) | 55 | 33 | 70 | 70 | 70 |
| K Percentage of L&A complaint investigations completed within the performance standard (LAPAS CODE - 22848) | 85% | 86% | 70% | 70% | 70% | 70% | |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 | |
| Amount of claim payments/premium refunds recovered for complainants (LAPAS CODE - 13959) | \$ 1,398,588 | \$ 1,661,868 | \$ 1,184,194 | \$ 1,935,824 | \$ 1,633,359 | |
| Number of L&A complaints received (LAPAS CODE - 13960) | 597 | 486 | 490 | 464 | 441 | |
| Number of L&A complaint investigations concluded (LAPAS CODE - 13961) | 622 | 501 | 505 | 471 | 458 | |

5. (KEY) Through the Office of Licensing & Compliance activity, for the Policy Forms Review Division to pre-approve/disapprove all contract/policy forms, within 30 days.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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: Unless approved under the terms of the Interstate Insurance Product Regulation Compact, 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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Average number of days to process L&A contract/policy forms (LAPAS CODE - 13988) | 25 | 9 | 40 | 40 | 25 | 25 |
| K | Percentage of L&A contract/policy forms reviews completed within 30 days (LAPAS CODE - 22849) | 80% | 96% | 60% | 60% | 60% | 60% |
| K | Percentage of L&A contract/policy forms approved (LAPAS CODE - 13987) | 70% | 91% | 70% | 70% | 70% | 70% |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of L&A contract/policy forms received (LAPAS CODE - 13990) | 8,923 | 7,626 | 7,998 | 8,468 | 8,273 |
| Number of L&A contract/policy forms processed (LAPAS CODE - 13991) | 9,012 | 7,606 | 7,960 | 8,450 | 8,234 |

6. (KEY) Through the Office of Health Insurance activity, for the HIPAA Quality Management Division to investigate to conclusion consumer health-insurance related complaints.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 | Actual Yearend Performance | Performance Standard as Initially Appropriated | Existing Performance Standard | Performance At Continuation Budget Level | Performance At Executive Budget Level |
| | | FY 2008-2009 | FY 2008-2009 | FY 2009-2010 | FY 2009-2010 | FY 2010-2011 | FY 2010-2011 |
| K | Average number of days to investigate a consumer health complaint (LAPAS CODE - 987) | 42 | 29 | 42 | 42 | 42 | 42 |
| K | Percentage of health complaint investigations concluded within 42 days (LAPAS CODE - 22856) | 50% | 83% | 70% | 70% | 70% | 70% |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | | |
|--|------------------------------|-------------------|-------------------|-------------------|-------------------|--|
| | Prior Year Actual | Prior Year Actual | Prior Year Actual | Prior Year Actual | Prior Year Actual | |
| | FY 2004-2005 | FY 2005-2006 | FY 2006-2007 | FY 2007-2008 | FY 2008-2009 | |
| Amount of claim payments/premium refunds recovered for health coverage complainants (LAPAS CODE - 989) | \$ 1,471,247 | \$ 1,144,461 | \$ 1,366,944 | \$ 1,135,576 | \$ 1,266,820 | |
| Number of health complaints received (LAPAS CODE - 6424) | 1,045 | 1,098 | 1,319 | 1,349 | 1,500 | |
| Number of health complaint investigations concluded (LAPAS CODE - 6425) | 1,013 | 1,060 | 1,362 | 1,347 | 1,384 | |

7. (KEY) Through the Office of Health Insurance activity, for HIPAA Quality Management Division to pre-approve or disapprove all contract forms, rates and advertising within an average of thirty days.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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. 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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Average number of days to process health contract/policy forms (LAPAS CODE - 12290) | 30 | 16 | 30 | 30 | 30 | 30 |
| K | Percentage of Health contract/policy forms reviews completed within the performance standard (LAPAS CODE - 22857) | 85% | 96% | 79% | 79% | 65% | 65% |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Percentage of health contract/policy forms, advertising and rates approved (LAPAS CODE - 985) | 75% | 81% | 88% | 77% | 74% |
| Number of health contract and/or policy forms, advertising and rates received (LAPAS CODE - 986) | 5,497 | 6,465 | 5,409 | 6,168 | 5,668 |
| Number of health contract/policy forms, advertising and rates processed (LAPAS CODE - 10212) | 5,354 | 6,556 | 5,544 | 6,282 | 6,337 |

8. (KEY) Through the Office of Health Insurance activity, for the Supplemental Health/MNRO Section to review licensing applications and filings (new and renewal) for MNROs and perform statutory examinations.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 cycle began in fiscal 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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Number of MNROs examined (LAPAS CODE - 14044) | 78 | 16 | 21 | 21 | 36 | 36 |
| K | Average number of days to process MNRO Applications (LAPAS CODE - 22858) | 90 | 157 | 120 | 120 | 120 | 120 |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of MNRO filings and applications (new and renewal) received (LAPAS CODE - 12134) | 107 | 129 | 109 | 103 | 109 |
| Number of MNRO filings and applications (new and renewal) processed (LAPAS CODE - 12147) | 129 | 124 | 105 | 102 | 104 |
| Average number of days to process MNRO annual reports (LAPAS CODE - 22859) | Not Available | 31 | 26 | 30 | 26 |

9. (KEY) Through the Office of Health Insurance activity, for the Senior Health Insurance Information Program to assist senior citizens with awareness of health insurance programs available to them.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 supplement of 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 FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Number of seniors receiving services (telephone, home-site, fairs, group presentations, etc.) (LAPAS CODE - 12125) | 25,000 | 34,722 | 12,500 | 12,500 | 14,000 | 14,000 |
| K | Number of senior health group presentations provided (LAPAS CODE - 999) | 275 | 206 | 175 | 175 | 200 | 200 |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Estimated savings to counseled senior health clients (LAPAS CODE - 995) | \$ 1,339,948 | \$ 1,634,375 | \$ 460,324 | \$ 4,834,350 | \$ 4,218,517 |
| Number in attendance at senior health group presentations (LAPAS CODE - 996) | 5,476 | 13,678 | 9,452 | 29,019 | 17,816 |
| Number of senior health volunteer counselor training sessions conducted (LAPAS CODE - 17795) | 4 | 8 | 0 | 11 | 8 |
| Number of senior health publications distributed (LAPAS CODE - 1000) | 52,750 | 63,226 | 35,152 | 66,887 | 111,433 |

10. (KEY) Through the Office of Financial Solvency activity, to monitor the financial soundness of regulated entities by performing examinations (according to statutorily mandated schedules) and financial analyses each year.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 department has an aggressive program of financial examinations and analyses. A field examination takes place on-site and is required by statute to be no less frequent than once every 5 years. Analysis occurs in the department, using various filings, results of previous and current examinations, complaints and other data to determine if a company merits examination sooner than its scheduled date. By law, a company can be examined more frequently than every five years when indicated. This system allows for earlier detection of problems and earlier remediation. A market conduct examination may be conducted in concert with a financial examination or without connection to a financial examination. Complaints may trigger a market conduct examination. Because of the NAIC accreditation process, the office is able to rely on financial analyses and examinations by accredited insurance departments in a foreign insurer's domiciliary state. A zone examination is an examination involving other states in which a company does business; zone exams are fairly rare.

Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|-----------------------|---|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Number of market conduct examinations performed (LAPAS CODE - 6411) | 18 | 9 | 4 | 4 | 5 | 5 |
| K | Number of companies analyzed - market conduct (LAPAS CODE - 11937) | 84 | 160 | 211 | 211 | 140 | 140 |
| K | Percentage of domestic companies examined - financial (LAPAS CODE - 11938) | 18% | 16% | 10% | 10% | 17% | 17% |
| K | Percentage of filings by domestic companies analyzed - financial (LAPAS CODE - 11939) | 100% | 65% | 100% | 100% | 100% | 100% |
| K | Percentage of companies other than domestic companies analyzed - financial (LAPAS CODE - 11940) | 5% | 6% | 4% | 4% | 3% | 3% |
| S | Number of zone examinations in which participating states file dissenting (minority) reports (LAPAS CODE - 13869) | 0 | 0 | 0 | 0 | 0 | 0 |



Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of companies examined - financial (LAPAS CODE - 6410) | 35 | 43 | 27 | 42 | 24 |
| Number of companies analyzed - financial (LAPAS CODE - 6412) | 182 | 176 | 116 | 184 | 194 |
| Number of companies in administrative supervision at beginning of fiscal year (LAPAS CODE - 13768) | 4 | 3 | 3 | 2 | 2 |
| Number of companies placed in administrative supervision during fiscal year (LAPAS CODE - 921) | 2 | 0 | 0 | 0 | 7 |
| Number of companies returned to good health/ removed from supervision during fiscal year (LAPAS CODE - 922) | 3 | 0 | 1 | 0 | 1 |
| Average number of months a company remains in administrative supervision (LAPAS CODE - 923) | 23.27 | 24.27 | 25.50 | 25.72 | 23.14 |
| Number of filings of domestic companies analyzed (LAPAS CODE - 22850) | Not Available | Not Available | 638 | 711 | 637 |

11. (KEY) Through the Office of Financial Solvency activity, to continue to perform field audits of selected surplus lines brokers and desk examinations of all premium tax returns.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Additional taxes and penalties assessed as a result of audit in \$ millions (LAPAS CODE - 889) | \$ 0.70 | \$ 0.82 | \$ 1.50 | \$ 1.50 | \$ 0.70 | \$ 0.70 |
| S | Percentage of surplus lines brokers examined (LAPAS CODE - 6396) | 8% | 7% | 6% | 6% | 5% | 5% |
| S | Number of field examinations of surplus lines brokers performed (LAPAS CODE - 900) | 90 | 116 | 80 | 80 | 90 | 90 |
| S | Number of desk examinations performed for tax purposes (LAPAS CODE - 901) | 2,700 | 3,115 | 2,800 | 2,800 | 3,000 | 3,000 |

12. (KEY) Through the Office of Property & Casualty activity, for the Consumer Affairs Division to investigate to conclusion consumer complaints against Property & Casualty insurers and producers within an average of 80 days.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Average number of days to conclude a P&C complaint investigation (LAPAS CODE - 10204) | 80 | 224 | 95 | 95 | 80 | 80 |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Amount of claim payments and/or premium refunds recovered for P&C complainants (LAPAS CODE - 954) | \$ 4,877,372 | \$ 29,249,809 | \$ 32,392,279 | \$ 14,129,221 | \$ 8,475,358 |
| Number of P&C complaints received (LAPAS CODE - 14211) | 1,920 | 10,021 | 4,398 | 2,551 | 3,010 |
| Number of P&C complaints investigations concluded (LAPAS CODE - 14212) | 1,995 | 6,718 | 8,143 | 3,609 | 3,186 |

13. (KEY) Through the Office of Property & Casualty, to pre-approve or disapprove all contract forms for use by consumers within 30 days.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| K | Average number of days to process P&C contract/policy forms (LAPAS CODE - 13939) | 25 | 16 | 35 | 35 | 35 | 35 |
| K | Percentage of P&C contracts/policy forms reviews completed within 30 days (LAPAS CODE - 22852) | 85% | 70% | 65% | 65% | 65% | 65% |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Percentage of P&C contract/policy forms approved (LAPAS CODE - 13940) | 52% | 41% | 52% | 52% | 54% |
| Number of P&C contract/policy forms received (LAPAS CODE - 13942) | 19,849 | 18,198 | 22,194 | 25,465 | 22,614 |
| Number of P&C contract/policy forms processed (LAPAS CODE - 13943) | 19,579 | 18,074 | 20,266 | 25,095 | 24,121 |
| Percentage of P&C contract/policy forms disapproved (LAPAS CODE - New) | 43% | 48% | 41% | 34% | 28% |

14. (SUPPORTING)Through the Office of Property & Casualty, for the Rate and Rule Division to provide necessary preparatory activities for rate and rule change submissions that require action by the Department of Insurance.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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: Elimination of the Louisiana Insurance Rating Commission, which met only monthly, significantly reduces the average number of total days from submission to decision.



Performance Indicators

| Level | Performance Indicator Name | Performance Indicator Values | | | | | |
|-------|--|---|---|---|--|---|--|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| S | Average number of days from receipt of submission/ rate filing by Office of Property & Casualty to referral to actuarial staff (LAPAS CODE - 13945) | 24 | 16 | 20 | 20 | 18 | 18 |
| S | Average number of days from receipt of filing/ submission by actuary from Office of Property & Casualty support staff to actuary's recommendation (LAPAS CODE - 13949) | 14 | 13 | 9 | 9 | 13 | 13 |
| S | Average number of days from receipt of rate filing/ submission to final action by DOI (LAPAS CODE - 20282) | 30 | 27 | 29 | 29 | 31 | 31 |

Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Total written premiums for calendar year ending during fiscal year (property, casualty, surety and inland marine) subject to regulation by the DOI - in \$ billions (Includes surplus lines and residual market) (LAPAS CODE - 974) | \$ 6.900 | \$ 8.180 | \$ 9.060 | \$ 9.940 | \$ 9.380 |
| Total premiums written for calendar year ending during fiscal year (property, casualty, surety & inland marine) classified as surplus lines in \$ billions (LAPAS CODE - 22853) | \$ 0.87 | \$ 0.90 | \$ 1.26 | \$ 1.06 | \$ 0.99 |
| Total written premiums for calendar year ending during fiscal year (property, casualty, surety & inland marine) classified as residual market in millions (LAPAS CODE - 22854) | \$ 117.80 | \$ 130.00 | \$ 187.70 | \$ 265.90 | \$ 281.07 |
| Number of submissions reviewed by actuary (LAPAS CODE - 971) | 741 | 646 | 623 | 594 | 559 |
| Average percentage change in rates at fiscal year end (LAPAS CODE - 22181) | 2.14% | 2.00% | 0.70% | 0.21% | 0.75% |



15. (KEY) Through the Office of Legal Services activity, for the Fraud Section to reduce incidences of insurance fraud in the state through investigation of reported incidents and consumer awareness.

State Outcome Goals Link: Transparent, Accountable, and Effective Government

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. DOI performs biographical background checks on the officers, directors, persons who direct the company on a daily basis and owners of 10% or more of the company. Background checks on producers are limited to those who disclose that they have been charged or convicted of a crime or who had an action taken against him/her by an insurance department, security regulator or other administrative entity.

Performance Indicators

| L e v e l | Performance Indicator Name | Performance Indicator Values | | | | | |
|---|-------------------------------|--|---|---|---|--|---|
| | | Yearend Performance Standard FY 2008-2009 | Actual Yearend Performance FY 2008-2009 | Performance Standard as Initially Appropriated FY 2009-2010 | Existing Performance Standard FY 2009-2010 | Performance At Continuation Budget Level FY 2010-2011 | Performance At Executive Budget Level FY 2010-2011 |
| | | K Percentage of initial claim fraud complaint investigations completed within 10 days (LAPAS CODE - 12276) | 85% | 97% | 60% | 60% | 85% |
| K Percentage of background checks completed within 15 days (LAPAS CODE - 12278) | 85% | 65% | 60% | 60% | 85% | 85% | |



Market Compliance General Performance Information

| Performance Indicator Name | Performance Indicator Values | | | | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Prior Year Actual FY 2004-2005 | Prior Year Actual FY 2005-2006 | Prior Year Actual FY 2006-2007 | Prior Year Actual FY 2007-2008 | Prior Year Actual FY 2008-2009 |
| Number of claim fraud investigations opened (LAPAS CODE - 12282) | 2,604 | 1,290 | 1,560 | 1,090 | 1,747 |
| Number of claim fraud investigations referred to law enforcement (LAPAS CODE - 959) | 241 | 267 | 346 | 285 | 425 |
| Number of producer/company investigations opened (LAPAS CODE - 12279) | 130 | 251 | 114 | 67 | 97 |
| Number of producer/company investigations referred to law enforcement (LAPAS CODE - 12281) | 15 | 20 | 23 | 40 | 12 |
| Number of background checks performed for company and producer licensing divisions (LAPAS CODE - 962) | 1,576 | 1,430 | 2,221 | 1,778 | 1,715 |
| Number of claims adjuster investigations opened (LAPAS CODE - New) | Not Applicable | Not Applicable | Not Applicable | 13 | 8 |

