

# 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.

For additional information, see:

[Commissioner of Insurance](#)

## Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
<b>Means of Financing:</b>						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>State General Fund by:</b>						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	26,963,383	28,450,743	28,358,862	30,014,033	30,815,279	2,456,417
Statutory Dedications	1,293,744	1,381,137	1,381,137	1,425,756	1,503,505	122,368
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	790,683	744,339	1,841,684	1,841,684	1,841,684	0
<b>Total Means of Financing</b>	<b>\$ 29,047,810</b>	<b>\$ 30,576,219</b>	<b>\$ 31,581,683</b>	<b>\$ 33,281,473</b>	<b>\$ 34,160,468</b>	<b>\$ 2,578,785</b>



## Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
<b>Expenditures &amp; Request:</b>						
Commissioner of Insurance	\$ 29,047,810	\$ 30,576,219	\$ 31,581,683	\$ 33,281,473	\$ 34,160,468	\$ 2,578,785
<b>Total Expenditures &amp; Request</b>	\$ 29,047,810	\$ 30,576,219	\$ 31,581,683	\$ 33,281,473	\$ 34,160,468	\$ 2,578,785
<b>Authorized Full-Time Equivalents:</b>						
Classified	235	230	229	229	224	(5)
Unclassified	28	28	29	29	29	0
<b>Total FTEs</b>	263	258	258	258	253	(5)



## 04-165 — Commissioner of Insurance

### Agency Description

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 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
<b>Means of Financing:</b>						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>State General Fund by:</b>						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	26,963,383	28,450,743	28,358,862	30,014,033	30,815,279	2,456,417
Statutory Dedications	1,293,744	1,381,137	1,381,137	1,425,756	1,503,505	122,368
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	790,683	744,339	1,841,684	1,841,684	1,841,684	0
<b>Total Means of Financing</b>	<b>\$ 29,047,810</b>	<b>\$ 30,576,219</b>	<b>\$ 31,581,683</b>	<b>\$ 33,281,473</b>	<b>\$ 34,160,468</b>	<b>\$ 2,578,785</b>
<b>Expenditures &amp; Request:</b>						
Administrative	\$ 10,621,628	\$ 12,462,308	\$ 12,467,772	\$ 12,882,160	\$ 13,043,513	\$ 575,741
Market Compliance	18,426,182	18,113,911	19,113,911	20,399,313	21,116,955	2,003,044
<b>Total Expenditures &amp; Request</b>	<b>\$ 29,047,810</b>	<b>\$ 30,576,219</b>	<b>\$ 31,581,683</b>	<b>\$ 33,281,473</b>	<b>\$ 34,160,468</b>	<b>\$ 2,578,785</b>
<b>Authorized Full-Time Equivalents:</b>						
Classified	235	230	229	229	224	(5)
Unclassified	28	28	29	29	29	0
<b>Total FTEs</b>	<b>263</b>	<b>258</b>	<b>258</b>	<b>258</b>	<b>253</b>	<b>(5)</b>



## 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 program 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.

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 to promote a more competitive market, and stabilize the property insurance market.

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 the 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; is responsible for the Department's Web site content and public information disseminated by the Department; writes Department's Public Service Announcements; and coordinates consumer information booths at conferences, fairs or festivals.
- Office of Minority Affairs- Works to increase the active involvement of minorities and the disadvantaged in Louisiana's insurance industry by providing educational and information services to minorities and the disadvantaged to foster a greater awareness of the opportunities available in the insurance industry and of the skills, training, and education necessary to prepare for opportunities in employment, appointment as producers and contracting for services with insurance companies.
- Consumer Advocacy- Analyzes the LDI's consumer complaint records to improve both the regulation of the business of insurance and service to complainants. OCA conducts regular random reviews of complaint case files to determine the existence of patterns of behavior by regulated entities which require further examination by other LDI offices or divisions' staff. Additionally, OCA provides audit services of compliance staff in OPC, OHI, OLC-L, A, LTC to review their effectiveness in protecting consumers' interests. In



addition to its continued outreach efforts pertaining to current insurance trends and topics, the OCA oversees the Senior Health Insurance Program (SHIIP), which provides health-insurance related information to senior citizens and others eligible for Medicare. Since 2012, SHIIP's duties, under its federal grant expansion, support federal efforts to increase awareness of certain provisions of the Patient Protection and Affordable Care Act of 2010.

- **Office of Management & Finance** - Oversees the management of the department's fiscal, budget, revenue collections, IT, human resources, purchasing, supplies, equipment, inventory/property control, and 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.
  - Revenue Services- Invoices and collects assessments (LA Insurance Rating, Fraud & Administrative Fund), receipts all revenue, classifies all revenue, performs desk examinations of premium tax returns.
  - Information Technology- Maintains the department's databases and systems and assists various divisions in developing on-line access to certain information services for the public, insurance industry and department staff.
  - 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.
  - 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- Maintains office supply inventory and distribution of supplies; 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 portable devices for LDI personnel; maintains photocopiers and fax machines; also reviews and verifies all professional and consulting services contracts in accordance with agency policy and procedures and within the laws, rules and regulations of the state.
  - 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.

## Administrative Budget Summary

	Prior Year Actuals FY 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
<b>Means of Financing:</b>						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<b>State General Fund by:</b>						
Total Interagency Transfers	0	0	0	0	0	0



### Administrative Budget Summary

	Prior Year Actuals FY 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
Fees and Self-generated Revenues	10,591,628	11,687,969	11,596,088	12,010,476	12,171,829	575,741
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	744,339	841,684	841,684	841,684	0
<b>Total Means of Financing</b>	<b>\$ 10,621,628</b>	<b>\$ 12,462,308</b>	<b>\$ 12,467,772</b>	<b>\$ 12,882,160</b>	<b>\$ 13,043,513</b>	<b>\$ 575,741</b>

**Expenditures & Request:**

Personal Services	\$ 5,673,998	\$ 6,658,220	\$ 6,658,220	\$ 6,971,532	\$ 7,208,549	\$ 550,329
Total Operating Expenses	1,969,002	2,109,610	2,109,610	2,154,060	2,109,610	0
Total Professional Services	708,230	1,465,012	1,470,476	1,501,534	1,470,476	0
Total Other Charges	1,739,261	1,683,451	1,683,451	1,709,736	1,709,580	26,129
Total Acq & Major Repairs	531,137	546,015	546,015	545,298	545,298	(717)
Total Unallotted	0	0	0	0	0	0
<b>Total Expenditures &amp; Request</b>	<b>\$ 10,621,628</b>	<b>\$ 12,462,308</b>	<b>\$ 12,467,772</b>	<b>\$ 12,882,160</b>	<b>\$ 13,043,513</b>	<b>\$ 575,741</b>

**Authorized Full-Time Equivalents:**

Classified	60	67	67	67	65	(2)
Unclassified	8	8	8	8	8	0
<b>Total FTEs</b>	<b>68</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>73</b>	<b>(2)</b>

### 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 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	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	\$ 5,464	0	<b>Mid-Year Adjustments (BA-7s):</b>
\$ 0	\$ 12,467,772	75	<b>Existing Oper Budget as of 12/01/13</b>
<b>Statewide Major Financial Changes:</b>			
\$ 0	\$ 146,280	0	Classified State Employees Performance Adjustment
\$ 0	\$ 12,075	0	Civil Service Training Series
\$ 0	\$ 249,869	0	Louisiana State Employees' Retirement System Rate Adjustment
\$ 0	\$ 104,130	0	Louisiana State Employees' Retirement System Base Adjustment
\$ 0	\$ 18,183	0	Group Insurance Rate Adjustment for Active Employees
\$ 0	\$ 13,613	0	Group Insurance Rate Adjustment for Retirees
\$ 0	\$ (32)	0	Group Insurance Base Adjustment
\$ 0	\$ 303,520	0	Salary Base Adjustment
\$ 0	\$ (130,200)	0	Attrition Adjustment
\$ 0	\$ (167,109)	(2)	Personnel Reductions
\$ 0	\$ 545,298	0	Acquisitions & Major Repairs
\$ 0	\$ (546,015)	0	Non-Recurring Acquisitions & Major Repairs
\$ 0	\$ 29,623	0	Risk Management
\$ 0	\$ (24,215)	0	Legislative Auditor Fees
\$ 0	\$ 9,300	0	Maintenance in State-Owned Buildings
\$ 0	\$ (409)	0	Capitol Park Security
\$ 0	\$ 8	0	UPS Fees
\$ 0	\$ 20,283	0	Civil Service Fees
\$ 0	\$ (8,461)	0	State Treasury Fees
<b>Non-Statewide Major Financial Changes:</b>			
\$ 0	\$ 13,043,513	73	<b>Recommended FY 2014-2015</b>
\$ 0	\$ 0	0	<b>Less Supplementary Recommendation</b>
\$ 0	\$ 13,043,513	73	<b>Base Executive Budget FY 2014-2015</b>
\$ 0	\$ 13,043,513	73	<b>Grand Total Recommended</b>

## Professional Services

Amount	Description
\$1,470,476	Professional service contracts used to assist the department on information technology projects, on-site training, and other miscellaneous contracts.



## Professional Services (Continued)

Amount	Description
\$1,470,476	TOTAL PROFESSIONAL SERVICES

## Other Charges

Amount	Description
	<b>Other Charges:</b>
	This program does not have funding for Other Charges for Fiscal Year 2014-2015
\$0	<b>SUB-TOTAL OTHER CHARGES</b>
	<b>Interagency Transfers:</b>
\$196,049	Department of Public Safety & Corrections/ Security
\$74,756	Civil Service Fees
\$6,962	CPTP Training
\$25,000	Department of Public Safety - Defensive Driving
\$10,752	Department of Public Safety - Rental space for computers in the data center
\$3,182	DOA - State Mail
\$2,838	DOA - State Printing
\$29,363	Legislative Auditor Fees
\$683,954	Maintenance of State-owned Buildings
\$292,524	Office of Risk Management Fees
\$276,322	Office of Telecommunications Management Fees
\$90	Secretary of State - Dues and Subscriptions
\$74,500	Secretary of State - Miscellaneous including microfilming of state records
\$17,823	Treasury Banking fees
\$13,029	UPS fees
\$2,436	Other/Advertising
\$1,709,580	<b>SUB-TOTAL INTERAGENCY TRANSFERS</b>
\$1,709,580	<b>TOTAL OTHER CHARGES</b>

## Acquisitions and Major Repairs

Amount	Description
\$545,298	To replace personal computers, servers, and power vault storage units are needed
\$545,298	<b>TOTAL ACQUISITIONS AND MAJOR REPAIRS</b>

## Performance Information

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

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 LDI by NAIC occurred in June 2009.

### Performance Indicators

L e v e l	Performance Indicator Name	Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Indicator Values			
				Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
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 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of licensed domestic insurers (LAPAS CODE - 912)	114	111	97	98	85
Domestic Insurer- domiciled in Louisiana and licensed by the Louisiana Department of Insurance.					
Number of licensed foreign/alien insurance companies (LAPAS CODE - 913)	1,336	1,326	1,337	2,578	1,343
Foreign/Alien Insurer- domiciled in any state of the United States except Louisiana (foreign); domiciled in any other country other than the United States (alien). Foreign/Alien insurers are licensed to do business in the State of Louisiana.					
Total number of risk bearing companies licensed and approved (LAPAS CODE - 911)	1,728	1,761	1,741	2,852	1,764

**2. (SUPPORTING) Through 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.**

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 LDI's budget generally exceeds the \$30 million threshold contained in the preamble of the Appropriations Bill (HB1), which requires such agencies to allot within their table of organization positions that perform the function of internal auditing. The LDI has numerous staff, supervisors, and managers, who regularly track, reconcile, and inventory assets entrusted to the LDI. These functions include but are not limited to tracking appropriated budget revenue and expenditures, performing annual inventory of movable property, and processing over \$400 million in revenue the LDI collects on behalf of the State of Louisiana. The LDI maintains one position dedicated exclusively to planning and performing internal audits.

**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 2012-2013	FY 2012-2013	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2014-2015
S	Number of internal audits performed (LAPAS CODE - 6393)	4	1	4	4	4	4
S	Number of repeat internal audit findings (LAPAS CODE - 887)	0	0	0	0	0	0

**Administrative 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 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
Percentage of internal audit recommendations accepted (LAPAS CODE - 6394)	100%	100%	100%	100%	100%
Number of repeat findings in the legislative auditor's report (LAPAS CODE - 6395)	0	2	0	0	0

**3. (SUPPORTING) Through the Division 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 of insurers or related service companies.**

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: LDI conducts 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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
S	Number of educational seminars provided by the Division of Minority Affairs (LAPAS CODE - 24326)	2	4	3	3	16	16

## Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of persons attending educational training seminars (LAPAS CODE - 13793)	108	94	168	291	366
Number of minorities receiving services through LDI for training, individual telephone, email assistance to help obtain employment in the insurance industry or related service companies (LAPAS CODE - 25029)	362	522	231	81	69
Number of workshops the Division of Minority Affairs participated in via invitations (LAPAS CODE - 25162)	Not Available	2	4	18	1
Number of minorities employed in career positions in companies responding to career survey (LAPAS CODE - 25335)	1,688	Not Available	Not Available	Not Available	Not Available
<p>Prior to FY 2013-2014, the survey was conducted every two years. There was less than a 10% response by industry to the survey in 2008. These results were published in the LDI Annual Report 2008-2009, and include the following categories of positions and ethnic backgrounds. Positions: accountant, actuary, adjuster/claims examiner, attorney, customer service, department manager, doctor, loss control/safety, producer/marketing, regional manager, state/district manager, and underwriter. Ethnic backgrounds: Female Caucasian, African American, Hispanic, Asian, and Native American. Survey results indicated that 1,080 male Caucasians held one of the</p>					
Number of companies responding to career survey (LAPAS CODE - 25336)	165	Not Applicable	227	Not Applicable	Not Applicable
<p>Prior to FY 2013-2014, the survey was conducted every two years. Survey conducted in 2010-2011 resulted in data reported in ranges, making accurate aggregation impossible. No results of this survey were finalized.</p>					

### 4. (KEY) Through the Office of Consumer Advocacy, to receive consumer inquiries and complaints, to provide insurance information, both basic and developing topics, and to ensure the LDI provides consumers the highest quality service.

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 Office of Consumer Advocacy refers consumer complaints to the appropriate office for handling. The office randomly selects complaint files from all divisions to ensure LDI staff thoroughly investigates cases on behalf of consumers. The Office of Consumer Advocacy identifies and reports apparent or potential violations of law to the appropriate division or office within LDI.

**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 2012-2013	FY 2012-2013	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2014-2015
K	Number of community based presentations (LAPAS CODE - 22838)	60	56	60	60	60	60
This number includes speaking engagements and radio and television show appearances.							
K	Number of files from other divisions audited (LAPAS CODE - 25337)	Not Applicable	31	Not Applicable	360	360	360
This is a new focus for the LDI. This activity began in November 2012. Because this activity began in November 2012, this is not a report of a full year of performance.							
K	Percentage of complaint files referred for additional regulatory review, as a result of audit (LAPAS CODE - 25338)	Not Applicable	0	Not Applicable	2%	2%	2%
This is a new focus for the LDI. This activity began in November 2012. Because this activity began in November 2012, this is not a report of a full year of performance.							
K	Percentage of complaint files leading to additional staff training, as a result of audit (LAPAS CODE - 25339)	Not Applicable	8%	Not Applicable	10%	10%	10%
This is a new focus for the LDI. This activity began in November 2012. Because this activity began in November 2012, this is not a report of a full year of performance.							



## Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of inquiries received (LAPAS CODE - 22839)	130	106	26	68	273
Number of public information packets distributed to consumers (LAPAS CODE - 22842)	4,829	9,433	10,541	5,166	3,675
Amount of claim payments/premium refunds recovered for complainants as a result of reopening previously closed files (LAPAS CODE - 22843)	\$ 218,697	\$ 120,352	\$ 33,149	\$ 27,114	\$ 970,761
While the indicator continues to count dollars received for complainants, the focus of the office changed in 2012; thereafter, no new complaint files originate in OCA. Claim payments/refunds may result after files are reviewed.					
Percentage of LDI complaint files audited (LAPAS CODE - 25340)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	1%
This activity began in November 2012. Because this activity began in November 2012, this is not a report of a full year of performance. The percentage reported is derived from the number of files audited divided by files closed subject to audit.					

### 5. (KEY) Through the Senior Health Insurance Information Program, to assist senior citizens and others eligible for Medicare with awareness of health insurance programs available to them.

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: Centers for Medicare and Medicaid Services (CMS) awards baseline grants to every state for reaching the Medicare population with information about the program and enrollment options; CMS sets grant amounts based on achievement of performance measures.



**Performance Indicators**

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Number of senior health group presentations provided (LAPAS CODE - 999)	250	363	250	250	300	300
K	Total persons reached through presentations, booth/exhibits. (CMS PM2) (LAPAS CODE - 996)	Not Applicable	9,251	Not Applicable	23,127	44,368	44,368
This performance measure was previously reported as general data; therefore, there is no prior performance standard. Prior year actuals are 8,585 in FY 2011-2012 and 7,649 in FY 2010-2012.							
K	Number of client contacts in-person office, telephone all durations and contacts by email, postal or fax (CMS PM1) (LAPAS CODE - 25346)	20,000	13,954	20,000	15,000	36,499	36,499
K	Number of substantial personal direct client contacts (telephone calls of duration 10 minutes or more, in-person office, in-depth email communication (CMS PM3) (LAPAS CODE - 25341)	Not Applicable	14,242	Not Applicable	14,267	31,671	31,671
S	Number of contacts with Medicare beneficiaries coded as in the CMS-defined Disabled Program (under age 65) (CMS PM4) (LAPAS CODE - 25342)	Not Applicable	4,841	Not Applicable	3,600	6,832	6,832
S	Number of contacts with people with incomes less than 150 percent of federal poverty level and contacts that discussed low income subsidy (CMS PM5) (LAPAS CODE - 25343)	Not Applicable	5,870	Not Applicable	5,900	26,319	26,319
S	Total counseling hours provided (CMS PM8) (LAPAS CODE - 25344)	Not Applicable	6,776	Not Applicable	6,800	21,125	21,125
S	Total number of active SHIIP counselors (LAPAS CODE - 25345)	Not Applicable	53	Not Applicable	28	150	150



## Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of senior health volunteer counselor training sessions conducted (LAPAS CODE - 17795)	8	8	20	33	21
Indicator includes all training sessions conducted. This includes volunteers, contract workers and employees. Training sessions range from webinars, video conferencing, personal training, etc.					
Estimated savings to counseled senior health clients (LAPAS CODE - 995)	\$ 4,218,517	\$ 3,198,929	\$ 4,377,726	\$ 6,707,269	\$ 6,378,429
SHIIP (Senior Health Insurance Information Program) is funded by a 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.					
Number of agencies reporting data (LAPAS CODE - New)	Not Applicable	14	14	7	7
Number of volunteer counselors (LAPAS CODE - New)	Not Applicable	2	2	0	2
Number of Medicare beneficiaries in the state, as of September 30 (LAPAS CODE - New)	Not Applicable	493,673	500,603	729,928	750,986

**6. (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.**

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

Performance Indicator Name	Performance Indicator Values					
	Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
S Total amount of revenues collected from taxes, assessments, fees, penalties and miscellaneous in \$ millions (LAPAS CODE - 890)	\$ 477.77	\$ 529.96	\$ 486.31	\$ 486.31	\$ 550.30	\$ 550.30



**Administrative General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of different tax types collected (LAPAS CODE - 898)	7	7	7	7	7
Number of different fees and assessments collected (LAPAS CODE - 899)	71	73	74	73	76
Count includes only fees for which there were actual collections.					
Tax collections as percentage of taxable premiums (LAPAS CODE - 893)	1.81%	1.97%	2.01%	2.01%	2.05%
Total amount of LA Insurance Rating assessment collected in \$ millions (LAPAS CODE - 895)	\$ 74.75	\$ 74.84	\$ 77.10	\$ 78.10	\$ 78.70
Total fees collected in millions (LAPAS CODE - 6397)	\$ 22.46	\$ 19.92	\$ 21.60	\$ 21.20	\$ 23.47
Total taxes collected \$ in millions (LAPAS CODE - New)	\$ 320.78	\$ 356.93	\$ 363.93	\$ 365.26	\$ 421.87
LA Insurance Rating assessment collection as percentage of subject premiums. (LAPAS CODE - 896)	0.99%	0.99%	1.00%	1.00%	1.00%
Amount reverted at end of fiscal year (in millions) (LAPAS CODE - 23501)	\$ 14.40	\$ 13.79	\$ 16.30	\$ 15.40	\$ 18.15
The LDI recommends including this number to identify the amount of money paid each year by the insurance industry for the purpose of regulating the industry, but which is either not available for funding the LDI based on HB1 unexpended or budget at EOFY.					
Administrative fund assessment as percentage of health premiums (LAPAS CODE - 24327)	0.02%	0.03%	0.03%	0.03%	0.02%
The costs associated with the administration and enforcement of Health Insurance Portability and Accountability Act, as defined in Louisiana law, are recovered from health insurers through an annual assessment which is deposited in the Administrative Fund. The assessment is authorized in La. R.S. 22:1071 (D), subject to a cap of .05% assessable premium.					
Fraud assessment as percentage of subject premiums (LAPAS CODE - 24328)	0.04%	0.04%	0.04%	0.05%	0.04%
The cost is associated with the investigation, enforcement, public education and public awareness, and prosecution of insurance fraud in this state and funded by assessment on property, casualty and health insurers. It is distributed \$30,000 to the LDI for costs of collections; \$187,000 to LATIFPA; the remainder divided 75% to the insurance fraud investigation unit of the Office of State Police, 15% to the Department of Justice section on insurance fraud, and 10% to the LDIs section on insurance fraud. This assessment is authorized in La. R.S. 40:1428, subject to a cap of .0375% of assessable premiums.					

**7. (SUPPORTING)Through the Revenue Services Division, to collect all assessments and premium taxes due and to perform desk examinations of premium tax returns.**

Children's Budget Link: N/A

Human Resource Policies Beneficial to Women and Families Link: N/A

Other Links (TANF, Tobacco Settlement, Workforce Development Commission, or Other): N/A



## Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
S	Number of desk examinations performed for tax purposes (LAPAS CODE - 901)	3,600	3,469	3,400	3,400	3,400	3,400
LDI examines all tax returns filed. The performance standard represents the number of insurers and brokers expected to file tax returns.							

## Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Taxable premiums in (\$billions) (LAPAS CODE - 891)	\$ 15.60	\$ 15.75	\$ 16.23	\$ 16.47	\$ 18.01
Total premiums subject to Louisiana Insurance Rating assessment in billions (LAPAS CODE - 894)	\$ 7.56	\$ 7.58	\$ 7.71	\$ 7.80	\$ 7.87
LDI budget as percentage of total revenue collected (LAPAS CODE - New)	7.52%	6.44%	6.81%	7.02%	5.88%

**8. (SUPPORTING)Through 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.**

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



**Performance Indicators**

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
S	Number of technology projects planned to maximize employee productivity, improve or maintain compatibility with regulated entities, and warehouse data (LAPAS CODE - 22835)	2	2	2	2	2	2
S	Percent of technology planned projects completed which maximize employee productivity, improve or maintain compatibility with regulated entities, or warehouse data. (LAPAS CODE - 22836)	100%	100%	100%	100%	100%	100%



## 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 Licensing & Compliance - Consists of Producer Licensing Division, Company Licensing Division and Life, Annuity and Long-term Care Division. Producer Licensing Division maintains license and records of all producers, surplus lines brokers and adjusters to determine their qualification to conduct business in accordance with Louisiana laws. Company Licensing Division oversees the licensing of foreign and domestic insurance companies, third party administrators, dental referral plans, health maintenance organizations, risk purchasing groups, risk retention groups, vehicle mechanical breakdown insurers and viatical settlement brokers and providers, and medical necessity review organizations. The Company Licensing Division provides registration for Home Service Contract Providers. The Life, Annuity and Long Term Care Division enforces the provisions of the Louisiana Insurance Code pertaining to life insurance, annuities, and long-term care products. This Division investigates consumer complaints, initiates life policy searches for death benefits by request of potential beneficiaries, reviews for approval life insurance, annuity, and long-term care contract forms that insurers propose to market in this state and implements approvals made by the Interstate Insurance Product Regulation Compact. In addition, this activity entails the following:

- § Producer Licensing- Maintains license, records and company appointments of all producers, surplus lines brokers and adjusters to determine their qualification to conduct business in accordance with Louisiana laws.
- § Company Licensing- Oversees the licensing of foreign and domestic insurance companies, third party administrators, dental referral plans, health maintenance organizations, risk purchasing groups, risk retention groups, vehicle mechanical breakdown insurers and viatical



settlement brokers and providers, and medical necessity review organizations. The Company Licensing Division provides registration for Home Service Contract Providers.

- § Life, Annuity & Long-term Care Compliance- Investigates consumer complaints related to Life, Annuity and Long-term Care coverages.
- § Life, Annuity & Long-term Care Forms Review- Reviews for approval life insurance, annuity, and long term care contract forms that insurers propose to market in this state and implements approvals made by the Interstate Insurance Product Regulation Compact.

Office of Health Insurance - Consolidates the regulation of state and federal requirements applicable to commercial and government-operated health benefit plans. Provides protection to Louisiana consumers; assures continued viability of health benefit plans. The Office of Health Insurance consists of two regulatory divisions (compliance and forms) and an advisory commission, the Louisiana Health Care Commission. The Health Compliance Division monitors the marketing, customer service and claims handling practices of health insurance issuers and producers conducting business in the state of Louisiana. This Division investigates health insurance related consumer complaints and performs statutory regulatory functions of medical necessity review organizations until Jan. 1, 2015, and thereafter of utilization review organizations and independent review organizations. The Health Forms Division, reviews and approves/disapproves contract/policy forms, advertising and rates. The staff reviews all filings for compliance with applicable statutes, rules and regulations and implements approvals made by the Interstate Insurance Product Regulation Compact. In addition, this activity entails the following:

- § Compliance- Monitors the marketing, customer service and claims handling practices of health insurance issuers and producers conducting business in the state of Louisiana. This Division investigates health insurance related consumer complaints and performs statutory regulatory functions of medical necessity review organizations until Jan. 1, 2015, and thereafter of utilization review organizations and independent review organizations.
- § Forms Review- Reviews and approves/disapproves contract/policy forms, advertising and, where authorized, rates. The staff reviews all filings for compliance with applicable statutes, rules and regulations and implements approvals made by the Interstate Insurance Product Regulation Compact.
- § Health Care Commission- Engages representatives of the health insurance and health care delivery systems to recommend public policies and perform activities which extend access to health care.

Office of Financial Solvency - Analyzes and examines the financial condition and market conduct activities of all insurers approved to conduct the business of insurance in Louisiana. The type of regulated insurer varies and includes Louisiana domiciled (domestic), out of state (foreign) and out of country (alien) insurers. These companies may operate as life, health, property and casualty, health maintenance organizations, surplus lines, self-insurance funds (primarily workers' compensation insurance), and vehicle mechanical breakdown companies. The Office of Financial Solvency plans, coordinates and administers the rehabilitation and liquidation of insolvent insurers pursuant to Part XVI and other applicable statutes contained in the Louisiana Insurance Code and under the



supervision of the 19th Judicial District Court of Louisiana. 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 and analysis of insurers and examinations of producers to assure that policyholders, claimants and beneficiaries are being treated fairly and in line with laws, rules and regulations.
- Actual Services- Provides actuarial expertise in the Life, Health and Property and Casualty units. The Life and Health Actuarial Unit provides actuarial expertise in the determination of the adequacy of the reserve liabilities and rates established by life and health insurers and health maintenance organizations. The Property and Casualty Actuarial Unit provides similar actuarial and reinsurance expertise to the examination and analysis of property and casualty insurers, title insurers, vehicle mechanical breakdown companies and self-insurance funds. The Actuarial Division provides actuarial analysis of insurance legislation.
- Insure Louisiana Incentive Program- Provides oversight and auditing of the grant program passed by the Legislature in 2007 to encourage private market insurers to cover risks in the GoZone and to provide coverage to policyholders taken out of residual market insurer; La. Citizens Property Insurance Corporation.

Office of Property & Casualty Insurance - Office of Property and Casualty -Regulates insurance matters relative to the lines of coverage that are considered property and casualty lines. OPC consists of three regulatory divisions and an advisory commission. Compliance Division monitors the marketing, customer service and claims handling practices of property and casualty insurers and producers conducting business in the state of Louisiana. Additionally, this Division provides information, advice and assistance to consumers and industry representatives by responding to inquiries, making public presentations and supplying pamphlets and brochures to interested parties. Insurance Policy Forms Division reviews, approves and/or disapproves contract forms submitted by insurers. The forms are reviewed by Division staff for compliance with applicable statutes, rules and regulations. Insurance Rating Division reviews, approves and/or disapproves all manual rates and rules that are submitted to the Commissioner of Insurance for approval. By statute, the rates submitted by insurers are reviewed by the Division and staff actuaries to ensure that rates are not excessive, inadequate or unfairly discriminatory. The rates and rules submitted for review must be approved by the Commissioner of Insurance prior to implementation by an insurer. Louisiana Property and Casualty Insurance Commission (LPCIC) studies and provides recommendations to the Legislature on issues relative to automobile, homeowners and workers' compensation insurance. In addition, this activity entails the following:

- Rate- Reviews, approves and/or disapproves all manual rates and rules that are submitted to the Commissioner of Insurance for approval. By statute, the rates submitted by insurers are reviewed by the Division and staff actuaries to ensure that rates are not excessive, inadequate or unfairly discriminatory. The rates and rules submitted for review must be approved by the Commissioner of Insurance prior to implementation by an insurer.
- Compliance- Monitors the marketing, customer service and claims handling practices of property and casualty insurers and producers conducting business in the state of Louisiana. Additionally, this Division provides information, advice and assistance to consumers and industry representatives by responding to inquiries, making public presentations and supplying pamphlets and brochures to interested parties.
- Forms Review - Reviews, approves and/or disapproves contract forms submitted by insurers. The forms are reviewed by Division staff for compliance with applicable statutes, rules and regulations.



- LA Property & Casualty Insurance Commission - Studies and provides recommendations to the Legislature on issues relative to automobile, homeowners and workers' compensation insurance.
- Office of Legal Services - Acts as the legal counsel and enforcement arm of the Department. Its functions include drafting regulations, directives, bulletins and advisory letters; preparing and monitoring legislation; representing the Department in litigation before federal, state courts, and the Division of Administrative Law; enforcing insurance regulatory laws in administrative hearings; and assisting Department staff by providing legal advice on policy forms and any other insurance related matters. It also serves as a liaison between the Department and other federal, state and local government departments, agencies and commissions as well as insurance companies, producers and consumers.
- Division of Insurance Fraud - Investigates all instances of alleged or suspected fraud committed by or upon insurance producers, brokers and companies. The Division of Insurance Fraud assists local, state and federal authorities in fraud investigations, as necessary, and cooperates with industry associations and organizations in the investigation and prevention of fraud. The Louisiana Auto Theft and Insurance Fraud Prevention Authority (LATIFPA) is a public agency within the Division of Insurance Fraud, whose purpose is to combat motor vehicle insurance fraud, including fraud by theft and other criminal acts. The Louisiana Legislature also established the Automobile Theft and Insurance Fraud Prevention Authority Fund within the LATIFPA, which collects and disburses funds through a grant process to combat motor vehicle theft and insurance fraud.

### Market Compliance Budget Summary

	Prior Year Actuals FY 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
<b>Means of Financing:</b>						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>State General Fund by:</b>						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	16,371,755	16,762,774	16,762,774	18,003,557	18,643,450	1,880,676
Statutory Dedications	1,263,744	1,351,137	1,351,137	1,395,756	1,473,505	122,368
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	790,683	0	1,000,000	1,000,000	1,000,000	0
<b>Total Means of Financing</b>	<b>\$ 18,426,182</b>	<b>\$ 18,113,911</b>	<b>\$ 19,113,911</b>	<b>\$ 20,399,313</b>	<b>\$ 21,116,955</b>	<b>\$ 2,003,044</b>
<b>Expenditures &amp; Request:</b>						
Personal Services	\$ 15,393,297	\$ 14,888,124	\$ 15,357,918	\$ 16,205,592	\$ 16,988,170	\$ 1,630,252
Total Operating Expenses	550,461	477,775	500,981	510,297	500,981	0
Total Professional Services	2,117,531	2,280,000	2,787,000	3,215,336	3,167,000	380,000
Total Other Charges	364,893	468,012	468,012	468,088	460,804	(7,208)
Total Acq & Major Repairs	0	0	0	0	0	0
Total Unallotted	0	0	0	0	0	0



## Market Compliance Budget Summary

	Prior Year Actuals FY 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
<b>Total Expenditures &amp; Request</b>	\$ 18,426,182	\$ 18,113,911	\$ 19,113,911	\$ 20,399,313	\$ 21,116,955	\$ 2,003,044
<b>Authorized Full-Time Equivalents:</b>						
Classified	175	163	162	162	159	(3)
Unclassified	20	20	21	21	21	0
<b>Total FTEs</b>	195	183	183	183	180	(3)

## 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 2012-2013	Enacted FY 2013-2014	Existing Oper Budget as of 12/01/13	Continuation FY 2014-2015	Recommended FY 2014-2015	Total Recommended Over/(Under) EOB
Administrative Fund- Department of Insurance	\$ 705,237	\$ 761,374	\$ 761,374	\$ 761,374	\$ 839,123	\$ 77,749
Insurance Fraud Investigation Fund	362,763	362,763	362,763	407,382	407,382	44,619
Auto. Theft and Insurance Fraud Prev. Auth. Fund	195,744	227,000	227,000	227,000	227,000	0



### Major Changes from Existing Operating Budget

General Fund	Total Amount	Table of Organization	Description
\$ 0	\$ 1,000,000	0	<b>Mid-Year Adjustments (BA-7s):</b>
\$ 0	\$ 19,113,911	183	<b>Existing Oper Budget as of 12/01/13</b>
<b>Statewide Major Financial Changes:</b>			
0	319,026	0	Classified State Employees Performance Adjustment
0	36,728	0	Civil Service Training Series
0	584,205	0	Louisiana State Employees' Retirement System Rate Adjustment
0	355,882	0	Louisiana State Employees' Retirement System Base Adjustment
0	49,112	0	Group Insurance Rate Adjustment for Active Employees
0	34,654	0	Group Insurance Rate Adjustment for Retirees
0	22,665	0	Group Insurance Base Adjustment
0	717,781	0	Salary Base Adjustment
0	(305,641)	0	Attrition Adjustment
0	(184,160)	(3)	Personnel Reductions
0	(7,208)	0	Administrative Law Judges
<b>Non-Statewide Major Financial Changes:</b>			
0	380,000	0	Provides for an increase in professional services for the Office of Financial Solvency-Financial Examinations to add self-insurance groups, the Louisiana Citizens Property Corporation and the Office of Group Benefits to the current examination schedule.
\$ 0	\$ 21,116,955	180	<b>Recommended FY 2014-2015</b>
\$ 0	\$ 0	0	<b>Less Supplementary Recommendation</b>
\$ 0	\$ 21,116,955	180	<b>Base Executive Budget FY 2014-2015</b>
\$ 0	\$ 21,116,955	180	<b>Grand Total Recommended</b>

### Professional Services

Amount	Description
\$3,167,000	Accounting, auditing, and legal contracts to assist the department in fulfilling legislatively mandated examinations of insurers, actuarial reviews of rate submissions, outreach programs, etc.
<b>\$3,167,000</b>	<b>TOTAL PROFESSIONAL SERVICES</b>



## Other Charges

Amount	Description
	<b>Other Charges:</b>
\$227,000	Services associated with the Auto Theft and Insurance Fraud Prevention Authority.
<b>\$227,000</b>	<b>SUB-TOTAL OTHER CHARGES</b>
	<b>Interagency Transfers:</b>
\$13,518	Department of Civil Service/ Law for administrative hearings
\$46	DOA - State Mail
\$199,924	Legal services provided by the Department of Justice
\$16,698	Office of Telecommunications Management for telephone services
\$1,643	DOA - State Printing
\$1,975	Advertising
<b>\$233,804</b>	<b>SUB-TOTAL INTERAGENCY TRANSFERS</b>
<b>\$460,804</b>	<b>TOTAL OTHER CHARGES</b>

## Acquisitions and Major Repairs

Amount	Description
\$0	This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2014-2015
<b>\$0</b>	<b>TOTAL ACQUISITIONS AND MAJOR REPAIRS</b>

## Performance Information

- (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**

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. All license renewals are done by birth month.

**Performance Indicators**

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Number of producer license renewals processed (LAPAS CODE - 6417)	39,000	64,161	44,000	44,000	60,000	60,000
K	Number of company appointments processed (LAPAS CODE - 934)	525,000	506,215	520,000	520,000	510,000	510,000
K	Number of adjusters applications renewals processed (LAPAS CODE - 25030)	11,500	19,592	19,000	19,000	19,000	19,000
K	Average number of days to process problematic applications and renewals (LAPAS CODE - New)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	5	5
Problematic applications and renewals, which have background issues of a criminal, civil or regulatory nature, must be handled manually.							

**Market Compliance General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Total number of licensed producers (LAPAS CODE - 933)	93,096	86,623	98,046	124,399	114,441
Total number of claims adjusters (LAPAS CODE - 24330)	24,938	32,015	35,715	44,813	54,710
Number of new producer licenses issued (LAPAS CODE - 6416)	25,615	16,423	17,914	17,653	18,015
Number of new adjuster licenses issued (LAPAS CODE - 25031)	8,207	7,954	9,320	8,639	11,035
Percentage of first time applications submitted electronically (LAPAS CODE - New)	44.0%	53.3%	74.2%	84.5%	86.8%
Percentage of renewal applications submitted electronically (LAPAS CODE - New)	85.7%	91.3%	92.9%	95.9%	97.4%

**2. (KEY) Through the Company Licensing Division of the Office of Licensing & Compliance, 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.**

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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Average number of days to complete review of Certificate of Authority and health maintenance organization applications (LAPAS CODE - 22844)	90	57	75	75	60	60
	As of FY 2012-2013 and as a result of adoption of federal NRRRA, this indicator no longer includes applications for surplus lines approvals for foreign/alien insurers.						
K	Average number of days to review all other licensing and registration applications (LAPAS CODE - 22845)	60	39	50	50	50	50
	All other consists of applications for vehicle mechanical breakdown insurers, property residual value insurers, risk purchasing groups, risk retention groups, viatical settlement brokers, viatical settlement providers, viatical settlement investment agent, discount medical plans, utilization review organizations, independent review organizations, dental referral plans, dissolution of domestic insurers and other applications.						
K	Average number of days to complete processing of requests for Certificate of Compliance or No Objection Letter (LAPAS CODE - 22846)	30	22	25	25	25	25
	Includes applications Certificate of Compliance, Letters of No Objection for insurers to expand to other states, amendments to articles of incorporation for domestic and foreign/alien insurers, mergers of foreign insurers.						
K	Percentage of all applications/requests processed within the performance standard (LAPAS CODE - 22847)	80%	82%	80%	80%	80%	80%

### Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of company licensing applications and filings received (LAPAS CODE - 940)	579	665	738	624	621
Number of company licensing applications and filings processed (LAPAS CODE - 941)	543	617	665	549	575



**3. (KEY) Through the Life, Annuity & Long-term Care Compliance Division of the Office of Licensing & Compliance, to assist consumers by investigating to conclusion consumer complaints against life, annuity and long-term care insurers and producers within 42 days.**

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 the terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not agree with the way a transaction was handled, but the company or producer may have acted properly and within the law. Technical wording changes are made to performance indicators to reflect that this activity includes long-term care insurance products in addition to life insurance and annuity products.

**Performance Indicators**

Level	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Average number of days to conclude a life, annuity or long-term care complaint investigation (LAPAS CODE - 13958)	40	32	40	40	40	40
K	Percentage of life, annuity, and long-term care complaint investigations completed within the performance standard (LAPAS CODE - 22848)	70%	77%	70%	70%	70%	70%

**Market Compliance General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of life, annuity, and long-term care complaints receive (LAPAS CODE - 13960)	441	450	444	449	435

These results were erroneously reported in LaPAS at EOFY 2008-09.



### Market Compliance General Performance Information (Continued)

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of life, annuity, and long-term care complaint investigations concluded (LAPAS CODE - 13961)	458	449	421	470	396
These results were erroneously reported in LaPAS at EOFY 2008-09.					
Amount of claim payments and premium refunds recovered for life, annuity, and long-term care complainants (LAPAS CODE - 13959)	\$ 1,633,359	\$ 1,626,822	\$ 2,345,714	\$ 2,167,956	\$ 1,695,534
The life, annuity and long-term care recovery amounts include claim benefit amounts, premium refunds, coverage amounts extended, and other gains of this nature which are recovered as a result of the intervention of LDI on behalf of consumers.					

#### 4. (KEY) Through the Life, Annuity, and Long-term Care Policy Forms Review Division in the Office of Licensing and Compliance, to review and issue a final decision on all forms, advertising, and long-term care rates in a timely manner.

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 LDI before they can be offered for sale in the state unless approved through the Interstate Insurance Product Regulation Compact. Delays in the process can result in consumers not having access to those products and to insurers 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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Average number of days to process life, annuity and long-term care forms, advertising and rates, which require pre-approval (LAPAS CODE - 13988)	30	25	30	30	35	35
As noted in the most recent FY 2014-2019 Strategic Plan, this indicator no longer counts information filings which require minimal processing. Average is now more representative of the efficiency of the approval process; however, the expectation is with removal of information filings from the count, the average number of processing days will increase.							
K	Percentage of life, annuity and long-term care forms, advertising and rate reviews completed within the performance standard (LAPAS CODE - 22849)	70%	72%	70%	70%	70%	70%



**Market Compliance General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Percentage of life, annuity and long-term care forms, advertising and rates which require pre-approval approved (LAPAS CODE - 13987)	91%	89%	87%	91%	92%
Number of life, annuity and long-term care forms, advertising and rates received (LAPAS CODE - 13990)	8,273	6,001	6,775	5,308	4,717
Number of L&A contract/policy forms processed (LAPAS CODE - 13991)	8,234	5,974	6,358	5,578	4,767
Number of life, annuity and long-term care forms, advertising and rates filed for informational purposes only (LAPAS CODE - New)	39	234	380	355	493
Number of life, annuity and long-term care forms approved through the Interstate Insurance Product Regulation Compact (IIPRC) (LAPAS CODE - New)			1,044	1,584	1,853

The Louisiana Department of Insurance joined the Interstate Insurance Product Regulation Compact under the authority of La. R.S. 22:2381-2382, effective January 1, 2009.

**5. (KEY) Through the Health Compliance Division, to investigate to conclusion consumer or provider health-insurance related complaints within 42 days and to review licensing applications of Utilization Review Organizations (URO) and Independent Review Organizations (IRO) and annual reports of IROs.**

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 the terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not agree with the way a transaction was handled, but the company or producer may have acted properly and within the law. Until January 1, 2015, PI 22859 will continue to count average number of days to process MNRO annual reports; on this date, MNROs are repealed and IRO licensees will fill the role of independent review. (UROs are not required to file annual reports.)



## Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Average number of days to conclude a health insurance complaint investigation (LAPAS CODE - 987)	42	31	42	42	42	42
K	Percentage of health complaint investigations concluded within the performance standard (LAPAS CODE - 22856)	70%	78%	70%	70%	70%	70%

## Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of health complaints received (LAPAS CODE - 6424)	1,500	1,495	1,414	910	695
Number of health complaint investigations concluded (LAPAS CODE - 6425)	1,384	1,463	1,396	1,118	700
Amount of claim payments/premium refunds recovered for health coverage complainants (LAPAS CODE - 989)	\$ 1,266,820	\$ 2,247,996	\$ 592,505	\$ 1,306,572	\$ 522,423
Amount of claim payments/premium refunds recovered from self-insured plans (LAPAS CODE - 24331)	\$ 121,164	\$ 100,147	\$ 106,805	\$ 71,020	\$ 112,606
Total shown is limited to self-funded plans. PI 989 does not include this total.					
Number of MNRO filings and applications (new and renewal) received (LAPAS CODE - 12134)	109	82	80	82	86
Number of MNRO filings and applications (new and renewal) processed (LAPAS CODE - 12147)	104	92	76	76	82
Average number of days to process MNRO annual reports (LAPAS CODE - 22859)	26	20	14	11	72

**6. (KEY) Through the Health Forms Division, to approve or disapprove all major medical policy forms and health maintenance organization subscriber agreements, supplemental health policies, and Medicare supplement rates and advertising as authorized within an average of 30 days.**

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 LDI before they can be offered for sale in the state. Delays in the process can result in 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	Actual Yearend Performance	Performance Standard as Initially Appropriated	Existing Performance Standard	Performance At Continuation Budget Level	Performance At Executive Budget Level
		FY 2012-2013	FY 2012-2013	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2014-2015
K	Average number of days to process health filings, which include policy forms, health maintenance subscriber agreements, Medicare supplement advertising and rates (LAPAS CODE - 12290)	35	23	35	35	30	30
K	Percentage of health filing reviews completed within the performance standard (LAPAS CODE - 22857)	65%	83%	65%	65%	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 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
Percentage of health policy forms and health maintenance organization subscriber agreements approved (LAPAS CODE - 985)	74%	82%	84%	84%	75%

This percentage includes disability products approved through the Interstate Product Regulation Compact.



**Market Compliance General Performance Information (Continued)**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of health policy forms and health maintenance organization subscriber agreements, Medicare supplement advertising and rates processed (LAPAS CODE - 10212)	6,337	6,695	7,089	6,513	5,665
Number of health policy forms and health maintenance organization subscriber agreements, Medicare supplement advertising and rates received (LAPAS CODE - 986)	5,668	6,459	6,190	6,337	6,022
Number of disability forms approved through the Interstate Insurance Product Regulation Compact (IIPRC) (LAPAS CODE - New)	Not Applicable	Not Applicable	Not Applicable	19	9
<p>The Louisiana Department of Insurance joined the Interstate Insurance Product Regulation Compact under the authority of La. R.S. 22:2381-2382, effective January 1, 2009.</p> <p>The individual disability income product line was not added to the IIPRC until January 11, 2012; therefore our health forms division did not receive filings until this date.</p>					

**7. (KEY) Through the Office of Financial Solvency, to monitor the financial soundness of regulated entities, to provide assurance that premium tax owed is remitted, and to manage estates of companies in receivership.**

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 five 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.



**Performance Indicators**

Level	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Number of companies analyzed - market conduct (LAPAS CODE - 11937)	150	23	40	40	36	36
K	Percentage of filings by domestic companies analyzed - financial (LAPAS CODE - 11939)	100%	92%	100%	100%	100%	100%

**Market Compliance General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of companies examined - financial (LAPAS CODE - 6410)	24	29	23	12	28
Percentage of domestic companies examined - financial (LAPAS CODE - 11938)	16%	18%	15%	8%	19%
Number of examinations coordinated with other states (LAPAS CODE - New)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	4
The LDI did not track this number until this indicator was developed for the FY 2014-2019 Strategic Plan. It replaces Supporting Indicator 13869 which tracked the number of zone examinations in which participating states filed dissenting reports. All performance reported under PI 13869 since this indicator was first used in FY 2003 was zero.					
Number of companies analyzed - financial (LAPAS CODE - 6412)	194	253	363	283	251
Number of filings of domestic companies analyzed (LAPAS CODE - 22850)	637	622	582	623	621
Number of companies in administrative supervision at beginning of fiscal year (LAPAS CODE - 13768)	2	8	7	5	5
Number of companies placed in administrative supervision during fiscal year (LAPAS CODE - 921)	7	0	0	0	0



**Market Compliance General Performance Information (Continued)**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of companies returned to good health/ removed from administrative supervision during fiscal year (LAPAS CODE - 922)	1	0	0	0	0
Number of companies in receivership at beginning of fiscal year (LAPAS CODE - 12273)	15	10	7	6	4
Number of companies in receivership brought to final closure (LAPAS CODE - 904)	6	3	1	2	1
Average number of months estates currently in receivership have been held in receivership (LAPAS CODE - 24329)	66	68	64	77	101

**8. (KEY) Through the P&C Compliance Division, to investigate to conclusion consumer complaints against property & casualty insurers and producers within 42 days.**

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 the terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not agree with the way a transaction 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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K Average number of days to conclude a property & casualty complaint investigation (LAPAS CODE - 10204)	70	25	60	60	42	42
K Percentage of property and casualty complaint investigations concluded within the performance standard (LAPAS CODE - 25032)	75%	96%	75%	75%	70%	70%



**Market Compliance General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of property & casualty complaints received (LAPAS CODE - 14211)	3,010	2,117	1,743	1,627	2,014
Number of property & casualty complaint investigations concluded (LAPAS CODE - 14212)	3,186	2,049	1,838	1,702	1,979
Amount of claim payments and/or premium refunds recovered for property & casualty claimants (LAPAS CODE - 954)	\$ 8,475,358	\$ 2,340,956	\$ 5,619,369	\$ 1,841,169	\$ 3,899,844

**9. (KEY) Through the P&C Forms Division, to pre-approve or disapprove all contract forms for insurers use with consumers within 30 days.**

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 LDI before they can be offered for sale in the state. Delays in the process can result in 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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K Average number of days to process property & casualty contract and policy forms (LAPAS CODE - 13939)	30	20	30	30	30	30
K Percentage of property & casualty contract and policy forms reviews completed within the performance standard (LAPAS CODE - 22852)	57%	61%	57%	57%	60%	60%



### Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of property & casualty contract and policy forms received (LAPAS CODE - 13942)	22,614	23,631	26,307	21,725	19,504
Number of property & casualty contract and policy forms processed (LAPAS CODE - 13943)	24,121	23,444	27,326	24,516	20,651
Percentage of property & casualty contract and policy forms approved (LAPAS CODE - 13940)	54%	60%	59%	69%	73%
Percentage of property & casualty contract and policy forms disapproved (LAPAS CODE - 24953)	28%	31%	30%	21%	15%

**10. (SUPPORTING)Through the P&C Rating Division, to process rate change requests in a timely manner.**

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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
S	Average number of days from receipt of filing/ submission by Office of Property & Casualty to referral to actuarial staff (LAPAS CODE - 13945)	18	13	20	20	16	16
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)	12	13	12	12	13	13
S	Average number of days from receipt of rate filing/ submission to final action by LDI (LAPAS CODE - 20282)	29	27	32	32	28	28

**Market Compliance General Performance Information**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Total written premium (property, casualty, surety & inland marine) subject to Louisiana regulation and/or taxation, \$ in billions (includes Surplus Lines and Residual Market) (LAPAS CODE - 974)	\$ 9.38	\$ 9.43	\$ 9.44	\$ 9.50	\$ 9.88
Written premium in residual market includes premium reported by Louisiana Citizens Property Insurance and LWCC, but excludes Louisiana Automobile Insurance Plan and group self-insurance for workers' compensation since the data is not provided to the Department of Insurance.					
Total written premium (property, casualty, surety & inland marine) classified as surplus lines \$ in billions (LAPAS CODE - 22853)	\$ 0.99	\$ 0.99	\$ 0.94	\$ 0.94	\$ 0.98
Total written premiums for calendar year ending during fiscal year (property, casualty, surety & inland marine) classified as residual market in millions (LAPAS CODE - 22854)	\$ 281.07	\$ 222.90	\$ 209.90	\$ 197.71	\$ 245.98
Premiums in residual market include premiums from Louisiana Citizens Property Insurance and Louisiana Automobile Insurance Plan. Results exclude LWCC since the data is not provided to the Department of Insurance.					
Number of submissions reviewed by actuary (LAPAS CODE - 971)	559	603	565	566	629
Average percentage change in rates at fiscal year end (LAPAS CODE - 22855)	0.75%	0.66%	1.01%	2.32%	2.33%



**11. (KEY) Through the Division of Insurance Fraud, to reduce incidences of insurance fraud in the state through screening of licensees, investigations of reported incidents, and consumer awareness.**

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 later. LDI 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 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 2012-2013	Actual Yearend Performance FY 2012-2013	Performance Standard as Initially Appropriated FY 2013-2014	Existing Performance Standard FY 2013-2014	Performance At Continuation Budget Level FY 2014-2015	Performance At Executive Budget Level FY 2014-2015
K	Percentage of initial claim fraud complaint investigations completed within 10 working days (LAPAS CODE - 12276)	85%	87%	85%	85%	85%	85%
K	Percentage of background checks completed within 15 working days (LAPAS CODE - 12278)	85%	94%	85%	85%	85%	85%

### Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of background checks performed for company and producer licensing divisions (LAPAS CODE - 962)	1,715	1,372	1,126	1,229	1,966
Number of claim fraud investigations opened (LAPAS CODE - 12282)	1,747	2,213	2,640	2,850	3,714
Number of claim fraud investigations referred to law enforcement (LAPAS CODE - 959)	425	476	761	1,037	878
Number of producer investigations opened (LAPAS CODE - 12279)	97	97	198	267	27
Number of producer investigations referred to law enforcement (LAPAS CODE - 12281)	12	22	5	8	9



**Market Compliance General Performance Information (Continued)**

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2008-2009	Prior Year Actual FY 2009-2010	Prior Year Actual FY 2010-2011	Prior Year Actual FY 2011-2012	Prior Year Actual FY 2012-2013
Number of company investigations opened (LAPAS CODE - 24332)	21	33	0	2	0
Number of company investigations referred to law enforcement (LAPAS CODE - 24333)	2	0	0	0	0
Number of claims adjuster investigations opened (LAPAS CODE - 23502)	8	4	5	3	2
Number of claims adjuster investigations referred to law enforcement (LAPAS CODE - 24334)	3	0	0	0	1
Number of POST certified fraud investigators (LAPAS CODE - New)	0	0	0	0	0

