

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 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	Total Recommended Over/Under EOB
Means of Financing:						
State General Fund (Direct)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0



Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	Total Recommended Over/Under EOB
State General Fund by:						
Total Interagency Transfers	0	0	0	0	0	0
Fees and Self-generated Revenues	27,811,782	29,859,482	29,859,482	28,529,264	27,736,105	(2,123,377)
Statutory Dedications	30,057,382	1,148,594	1,115,931	1,079,103	1,102,320	(13,611)
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	313,454	804,061	804,061	543,355	548,593	(255,468)
Total Means of Financing	\$ 58,182,618	\$ 31,812,137	\$ 31,779,474	\$ 30,151,722	\$ 29,387,018	\$ (2,392,456)
Expenditures & Request:						
Commissioner of Insurance	\$ 58,182,618	\$ 31,812,137	\$ 31,779,474	\$ 30,151,722	\$ 29,387,018	\$ (2,392,456)
Total Expenditures & Request	\$ 58,182,618	\$ 31,812,137	\$ 31,779,474	\$ 30,151,722	\$ 29,387,018	\$ (2,392,456)
Authorized Full-Time Equivalents:						
Classified	260	252	252	247	247	(5)
Unclassified	29	29	29	27	27	(2)
Total FTEs	289	281	281	274	274	(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 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	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	27,811,782	29,859,482	29,859,482	28,529,264	27,736,105	(2,123,377)
Statutory Dedications	30,057,382	1,148,594	1,115,931	1,079,103	1,102,320	(13,611)
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	313,454	804,061	804,061	543,355	548,593	(255,468)
Total Means of Financing	\$ 58,182,618	\$ 31,812,137	\$ 31,779,474	\$ 30,151,722	\$ 29,387,018	\$ (2,392,456)
Expenditures & Request:						
Administrative	\$ 10,552,484	\$ 11,771,050	\$ 11,771,050	\$ 11,482,843	\$ 11,240,857	\$ (530,193)



Commissioner of Insurance Budget Summary

	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	Total Recommended Over/Under EOB
Market Compliance	47,630,134	20,041,087	20,008,424	18,668,879	18,146,161	(1,862,263)
Total Expenditures & Request	\$ 58,182,618	\$ 31,812,137	\$ 31,779,474	\$ 30,151,722	\$ 29,387,018	\$ (2,392,456)
Authorized Full-Time Equivalents:						
Classified	260	252	252	247	247	(5)
Unclassified	29	29	29	27	27	(2)
Total FTEs	289	281	281	274	274	(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/Fiscal Program is to provide necessary administrative and operational support to all areas of the department, and to attract insurers to do business in the state.

The goal of the Administration/Fiscal Program is:

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

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

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

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

Administrative Budget Summary

	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	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	10,522,484	11,741,050	11,741,050	11,451,000	11,206,752	(534,298)
Statutory Dedications	30,000	30,000	30,000	31,843	34,105	4,105
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Total Means of Financing	\$ 10,552,484	\$ 11,771,050	\$ 11,771,050	\$ 11,482,843	\$ 11,240,857	\$ (530,193)
Expenditures & Request:						



Administrative Budget Summary

	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	Total Recommended Over/Under EOB
Personal Services	\$ 5,177,715	\$ 5,473,082	\$ 5,473,082	\$ 5,228,181	\$ 5,267,433	\$ (205,649)
Total Operating Expenses	1,876,476	1,846,002	2,128,286	2,428,779	2,170,057	41,771
Total Professional Services	821,184	1,464,890	1,407,278	1,119,894	1,097,378	(309,900)
Total Other Charges	1,992,488	2,207,473	2,207,473	2,125,475	2,125,475	(81,998)
Total Acq & Major Repairs	684,621	779,603	554,931	580,514	580,514	25,583
Total Unallotted	0	0	0	0	0	0
Total Expenditures & Request	\$ 10,552,484	\$ 11,771,050	\$ 11,771,050	\$ 11,482,843	\$ 11,240,857	\$ (530,193)
Authorized Full-Time Equivalents:						
Classified	67	64	64	62	62	(2)
Unclassified	9	8	8	8	8	0
Total FTEs	76	72	72	70	70	(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 from the Insurance Fraud Investigation Fund from assessments on various insurance policies written in Louisiana. (Per R.S. 39:36B. (8), see table below for a listing of expenditures out of each Statutory Dedicated Fund).

Administrative Statutory Dedications

Fund	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	Total Recommended Over/Under EOB
Insurance Fraud Investigation Fund	30,000	30,000	30,000	31,843	34,105	4,105

Major Changes from Existing Operating Budget

General Fund	Total Amount	Table of Organization	Description
\$ 0	\$ 0	0	Mid-Year Adjustments (BA-7s):
\$ 0	\$ 11,771,050	72	Existing Oper Budget as of 2/1/09
Statewide Major Financial Changes:			
0	75,135	0	Annualize Classified State Employee Merits
0	60,156	0	Classified State Employees Merit Increases



Major Changes from Existing Operating Budget (Continued)

General Fund	Total Amount	Table of Organization	Description
0	20,289	0	Civil Service Training Series
0	10,604	0	Group Insurance for Active Employees
0	4,074	0	Group Insurance for Retirees
0	326,669	0	Salary Base Adjustment
0	(287,417)	0	Attrition Adjustment
0	(241,211)	0	Salary Funding from Other Line Items
0	691,500	0	Acquisitions & Major Repairs
0	(554,931)	0	Non-Recurring Acquisitions & Major Repairs
0	60,424	0	Risk Management
0	93,082	0	Legislative Auditor Fees
0	(65,161)	0	Maintenance in State-Owned Buildings
0	(2,139)	0	UPS Fees
Non-Statewide Major Financial Changes:			
0	339,863	0	Maintenance of Data Processing Equipment - Software - The departments existing maintenance contracts expire on June 30, 2009 and will require the solicitation of replacement maintenance contracts in order for the Department to maintain a continuing level of service.
0	(429,016)	(2)	Elimination of vacancies and reduction of hourly employees within the agency.
0	(463,910)	0	A 20% reduction to travel, supplies, acquisitions, professional services and other charges.
0	(168,204)	0	Completed funding for acquisitions purchased through the Louisiana Equipment Acquisition Fund (LEAF) which began in FY07.
\$ 0	\$ 11,240,857	70	Recommended FY 2009-2010
\$ 0	\$ 0	0	Less Hurricane Disaster Recovery Funding
\$ 0	\$ 11,240,857	70	Base Executive Budget FY 2009-2010
\$ 0	\$ 11,240,857	70	Grand Total Recommended

Professional Services

Amount	Description
\$1,097,378	Professional service contracts used to assist the department on information technology projects, on-site training, and other miscellaneous contracts.
\$1,097,378	TOTAL PROFESSIONAL SERVICES



Other Charges

Amount	Description
	Other Charges:
	This program does not have funding for Other Charges for Fiscal Year 2009-2010.
\$0	SUB-TOTAL OTHER CHARGES
	Interagency Transfers:
\$181,116	Department of Public Safety & Corrections/ Security
\$42,082	Civil Service Fees
\$6,174	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
\$163,866	Legislative Auditor Fees
\$802,608	Maintenance of State-owned Buildings
\$291,893	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
\$14,958	UPS fees
\$2,125,475	SUB-TOTAL INTERAGENCY TRANSFERS
\$2,125,475	TOTAL OTHER CHARGES

Acquisitions and Major Repairs

Amount	Description
\$580,514	To replace personal computers, servers, and power vault storage units are needed
\$0	To fund a replacement thermal binding machine with spine printer and keyboard attachment, which are used for various offices in the Dept of Insurance. Existing equipment is over four years old and is no longer covered over warranty.
\$580,514	TOTAL ACQUISITIONS AND MAJOR REPAIRS

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 DOI by NAIC occurred in 2003.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Percentage of NAIC accreditation retained (LAPAS CODE - 6389)	100%	100%	100%	100%	100%	0

Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of licensed domestic insurers (LAPAS CODE - 912)	116	115	114	114	118
Number of licensed foreign/alien insurance companies (LAPAS CODE - 913)	1,391	1,408	1,415	1,392	1,331
Number of surplus lines companies approved and monitored (LAPAS CODE - 914)	149	148	151	152	150
Total number of companies licensed and approved (LAPAS CODE - 911)	2,486	1,671	2,694	2,322	1,711

2. (SUPPORTING) Through the Internal Audit Division, to identify the adequacy or weaknesses of the department's internal control processes by performing scheduled internal audits to assure that there are no repeat findings in the annual 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



Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
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 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008	
Number of internal audits scheduled (LAPAS CODE - 13786)	3	4	4	5	4	
Number of internal audits performed (LAPAS CODE - 6393)	3	4	4	5	2	
Percentage of internal audit recommendations accepted (LAPAS CODE - 6394)	100%	100%	100%	100%	100%	
Number of different tax types collected (LAPAS CODE - 898)	8	7	7	7	7	
Number of different fees and assessments collected (LAPAS CODE - 899)	33	67	64	66	64	
Taxable premiums in (\$billions) (LAPAS CODE - 891)	\$ 12.33	\$ 12.84	\$ 13.43	\$ 14.70	\$ 15.20	
Tax collections as percentage of taxable premiums (LAPAS CODE - 893)	1.62%	1.83%	1.60%	1.62%	1.83%	
Total premiums subject to Louisiana Insurance Rating assessment in billions (LAPAS CODE - 894)	\$ 5.41	\$ 6.01	\$ 6.30	\$ 6.60	\$ 7.28	
Total amount of LA Insurance Rating assessment collected in \$ millions (LAPAS CODE - 895)	\$ 52.43	\$ 58.41	\$ 60.86	\$ 63.91	\$ 71.01	
LA Insurance Rating assessment collection as percentage of subject premiums. (LAPAS CODE - 896)	0.97%	0.97%	0.97%	0.97%	0.98%	
Total fees collected in millions (LAPAS CODE - 6397)	\$ 17.08	\$ 17.69	\$ 17.89	\$ 19.03	\$ 21.28	
Total amount of revenues collected from taxes, assessments, fees, penalties and miscellaneous in \$ millions (LAPAS CODE - 890)	\$ 270.05	\$ 279.97	\$ 307.98	\$ 348.24	\$ 411.28	



3. (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 to progress on ongoing initiatives to improve consumer and industry service and information access via the internet.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
		S	Number of technology projects planned to maximize employee productivity, improve or maintain compatibility with regulated entities, and warehouse data (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	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 - new)	Not Applicable	Not Applicable	100%	100%	100%	100%
This is a new performance indicator and only reflects the performance at continuation budget level for FY 09-10.							

4. (SUPPORTING) Through 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.

Children's Budget Link: Not Applicable

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

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

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



Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
S	Number of appointments by standard companies of minority/disadvantaged producers, facilitated by the Office of Minority Affairs (LAPAS CODE - 10161)	12	6	13	13	8	6
S	Number of persons attending semi-annual training seminars (LAPAS CODE - 13793)	80	125	90	90	90	30

5. (KEY) Through the Office of Consumer Advocacy, 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.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Average number of days to conclude a complaint investigation (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	60	60	120
K	Number of community based presentations (LAPAS CODE - new)	Not Available	Not Available	Not Available	40	40	Not Available



Administrative General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of inquiries received (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	66
Number of complaints received (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	29
Number of inquiries/complaint investigations concluded (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	85
Number of public information packets distributed to consumers (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	710
Amount of claim payments/premium refunds recovered for complainants (LAPAS CODE - new)	\$ Not Applicable	\$ Not Applicable	\$ Not Applicable	\$ Not Applicable	\$ 237,857



165_2000 — Market Compliance

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

Program Description

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

The goals of the Market Compliance Program are:

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

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

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

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

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

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

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

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



Market Compliance Budget Summary

	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	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	17,289,298	18,118,432	18,118,432	17,078,264	16,529,353	(1,589,079)
Statutory Dedications	30,027,382	1,118,594	1,085,931	1,047,260	1,068,215	(17,716)
Interim Emergency Board	0	0	0	0	0	0
Federal Funds	313,454	804,061	804,061	543,355	548,593	(255,468)
Total Means of Financing	\$ 47,630,134	\$ 20,041,087	\$ 20,008,424	\$ 18,668,879	\$ 18,146,161	\$ (1,862,263)
Expenditures & Request:						
Personal Services	\$ 14,168,319	\$ 14,352,196	\$ 14,332,918	\$ 14,306,575	\$ 14,307,445	\$ (25,473)
Total Operating Expenses	773,703	1,140,662	1,027,014	784,357	770,338	(256,676)
Total Professional Services	3,183,008	3,838,469	3,818,932	2,899,294	2,392,618	(1,426,314)
Total Other Charges	29,500,241	709,760	761,260	678,653	675,760	(85,500)
Total Acq & Major Repairs	4,863	0	4,240	0	0	(4,240)
Total Unallotted	0	0	64,060	0	0	(64,060)
Total Expenditures & Request	\$ 47,630,134	\$ 20,041,087	\$ 20,008,424	\$ 18,668,879	\$ 18,146,161	\$ (1,862,263)
Authorized Full-Time Equivalents:						
Classified	193	188	188	185	185	(3)
Unclassified	20	21	21	19	19	(2)
Total FTEs	213	209	209	204	204	(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 from the Administrative Fund (Health Insurance Portability Administrative Act) comprised of penalties and an assessment not to exceed .0005 of the amount of premiums received in this state by Health insurers during the preceding year ending December 31. Statutory Dedications are also from the Automobile Theft and Insurance



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

Market Compliance Statutory Dedications

Fund	Prior Year Actuals FY 2007-2008	Enacted FY 2008-2009	Existing Oper Budget as of 2/1/09	Continuation FY 2009-2010	Recommended FY 2009-2010	Total Recommended Over/Under EOB
Administrative Fund- Department of Insurance	\$ 405,325	\$ 653,269	\$ 620,606	\$ 645,945	\$ 659,042	\$ 38,436
Insurance Fraud Investigation Fund	562,056	405,325	405,325	376,315	384,173	(21,152)
Auto. Theft and Insurance Fraud Prev. Auth. Fund	60,001	60,000	60,000	25,000	25,000	(35,000)
Insure Louisiana Incentive Program Fund	29,000,000	0	0	0	0	0

Major Changes from Existing Operating Budget

General Fund	Total Amount	Table of Organization	Description
\$ 0	\$ 0	0	Mid-Year Adjustments (BA-7s):
\$ 0	\$ 20,008,424	209	Existing Oper Budget as of 2/1/09
Statewide Major Financial Changes:			
0	196,473	0	Annualize Classified State Employee Merits
0	186,317	0	Classified State Employees Merit Increases
0	9,499	0	Civil Service Training Series
0	32,364	0	Group Insurance for Active Employees
0	17,395	0	Group Insurance for Retirees
0	(10)	0	Group Insurance Base Adjustment for Retirees
0	521,239	0	Salary Base Adjustment
0	(520,369)	0	Attrition Adjustment
0	(445,572)	0	Salary Funding from Other Line Items
0	(4,240)	0	Non-Recurring Acquisitions & Major Repairs
Non-Statewide Major Financial Changes:			
0	(270,400)	0	Non-recur one time federal funds, which allowed the Department's Senior Health Insurance Information Program (SHIIP) to utilize one-time federal grant funding made available to this program through the 2008 SHIIP Supplemental Grant Award under the Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluation Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA).
0	(227,656)	(4)	Eliminating 4 currently filled probationary positions in the Market Compliance Program. The reduction will occur in the following activities. Licensing and Market Compliance (1), Office of Health Insurance (1), and Office of Legal Services (2). This reduction will cause delays in the completion of background checks and the time to investigate complaints.



Major Changes from Existing Operating Budget (Continued)

General Fund	Total Amount	Table of Organization	Description
0	(348,983)	(1)	Elimination of vacancies and reduction of hourly employees within the agency.
0	(1,008,320)	0	A 20% reduction to travel, supplies, acquisitions, professional services and other charges.
\$ 0	\$ 18,146,161	204	Recommended FY 2009-2010
\$ 0	\$ 0	0	Less Hurricane Disaster Recovery Funding
\$ 0	\$ 18,146,161	204	Base Executive Budget FY 2009-2010
\$ 0	\$ 18,146,161	204	Grand Total Recommended

Professional Services

Amount	Description
\$2,392,618	Accounting, auditing, and legal contracts to assist the department in fulfilling legislatively mandated examinations of insurers, actuarial reviews of rate submissions, outreach programs, etc.
\$2,392,618	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
\$62,749	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
\$615,760	SUB-TOTAL INTERAGENCY TRANSFERS
\$675,760	TOTAL OTHER CHARGES



Acquisitions and Major Repairs

Amount	Description
\$0	This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2009-2010.
\$0	TOTAL ACQUISITIONS AND MAJOR REPAIRS

Performance Information

1. (KEY) Through the Office of Licensing and Compliance 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 to Property & Casualty producers in one year, to Life and Health producers in alternating years.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Number of new producer licenses issued (LAPAS CODE - 6416)	15,500	30,610	20,000	20,000	22,000	28,000
K	Number of producer license renewals processed (LAPAS CODE - 6417)	29,500	44,225	32,000	32,000	38,000	38,000
K	Number of company appointments processed (LAPAS CODE - 934)	385,000	465,086	415,000	415,000	420,000	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 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Total number of licensed producers (LAPAS CODE - 933)	67,839	75,171	74,723	83,553	84,582

2. (KEY) Through the Company Licensing Division of the Office of Licensing and Compliance, to review company applications within an average of 60 days, all other licensing and registration applications within 55 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 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Average number of days to review Certificate of Authority/Surplus Lines applications (LAPAS CODE - new)	60	87	60	60	60	90
K	Average number of days to review all other licensing/ registration applications (LAPAS CODE - new)	60	54	60	60	55	90
K	Average number of days to review Certificate of Compliance/No Objection Letter requests (LAPAS CODE - new)	60	24	Not Available	30	30	60
K	Percentage of all applications/requests processed within the performance standard (LAPAS CODE - new)	Not Available	60%	Not Available	70%	70%	60%
K	Average number of days to review company filings and applications (LAPAS CODE - 6420)	60	31	60	60	60	80



Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of company licensing applications and filings received (LAPAS CODE - 940)	338	510	631	643	595
Number of company licensing applications and filings processed (LAPAS CODE - 941)	328	511	453	670	607

3. (KEY) Through the Consumers Affairs Division, to assist consumers by investigating to conclusion consumer complaints against Life & Annuity insurers and producers within 50 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 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 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K Average number of days to investigate to conclusion a Life & Annuity (L&A) complaint (LAPAS CODE - 13958)	55	31	55	55	50	70
K Percentage of L&A complaint investigations completed within the performance standard (LAPAS CODE - new)	Not Available	86%	Not Available	85%	85%	70%
K Amount of claim payments/premium refunds recovered for complainants (LAPAS CODE - 13959)	\$ 1,000,000	\$ 1,935,824	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 800,000



Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of L&A complaints received (LAPAS CODE - 13960)	611	597	486	490	463
Number of L&A complaint investigations concluded (LAPAS CODE - 13961)	628	622	501	505	469

4. (KEY) Through the Life and Annuity, Policy Forms Review Division in the Office of Licensing and Compliance, to pre-approve/disapprove all contract/policy forms, 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: Unless approved under the terms of the interstate Insurance Product 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 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K Average number of days to process L&A contract/policy forms (LAPAS CODE - 13988)	25	14	25	25	15	40
K Percentage of L&A contract/policy forms reviews completed within 30 days (LAPAS CODE - new)	Not Available	80%	Not Available	80%	90%	60%
K Percentage of L&A contract/policy forms approved (LAPAS CODE - 13987)	70%	90%	70%	70%	70%	70%



Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of L&A contract/policy forms received (LAPAS CODE - 13990)	10,083	8,923	7,626	7,998	8,468
Number of L&A contract/policy forms processed (LAPAS CODE - 13991)	9,897	9,012	7,606	7,960	8,450

5. (KEY) Through the Fraud Division, to reduce incidences of insurance fraud in the state through investigation 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 at a later date. Most delays in completion of background checks are the result of insurers or producers not fully completing applications and filings. The fraud division is working with producer and company licensing divisions to educate insurers and producers in this area.

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Percentage of initial claim fraud complaint investigations completed within 10 working days (LAPAS CODE - 12276)	85%	96%	85%	85%	85%	60%
K	Percentage of background checks completed within 15 working days (LAPAS CODE - 12278)	85%	84%	85%	85%	85%	60%



Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of claim fraud investigations opened (LAPAS CODE - 12282)	1,552	2,604	1,290	1,560	1,090
Number of claim fraud investigations referred to law enforcement agencies (LAPAS CODE - 959)	191	241	267	346	285
Number of producer/company investigations opened (LAPAS CODE - 12279)	595	130	251	114	80
Number of producer/company investigations referred to law enforcement (LAPAS CODE - 12281)	42	15	20	23	40
Number of background checks performed for company and producer licensing divisions (LAPAS CODE - 962)	2,167	1,576	1,430	2,221	1,778

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

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 instituted an aggressive program of financial examinations and analyses in response to the company failures that occurred in the 1980's. A field examination takes place on-site. Analysis occurs in the department, using various filings, results of previous and current examinations, complaints and other data to determine whether a company might merit an examination earlier than its scheduled date. A score is developed for each company that will determine its position on the examination schedule. Statutory requirements are the most licensed entities be examined no less frequently than once every five years. We are currently in a posture that allows us to examine earlier remediation or other action. A change in the law allowing insurers to maintain records outside of the state has increased our examination costs significantly, requiring more travel in order to meet this statutory mandate. 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. A zone examination involving other states in which a company does business; these exams are fairly rare when the examination and analysis program is working well, which it has several years.



Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Number of market conduct examinations performed (LAPAS CODE - 6411)	30	14	18	18	15	4
K	Number of companies analyzed - market conduct (LAPAS CODE - 11937)	20	73	84	84	222	211
K	Percentage of domestic companies examined - financial (LAPAS CODE - 11938)	18%	27%	18%	18%	18%	10%
K	Percentage of filings by domestic companies analyzed - financial (LAPAS CODE - 11939)	100%	76%	100%	100%	100%	100%
K	Percentage of companies other than domestic companies analyzed - financial (LAPAS CODE - 11940)	20%	5%	5%	5%	4%	0
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 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of companies examined - financial (LAPAS CODE - 6410)	30	35	43	27	42
Number of companies examined - market conduct (LAPAS CODE - 20428)	35	41	18	25	14
Number of companies analyzed - financial (LAPAS CODE - 6412)	285	152	176	116	184
Number of companies in administrative supervision at beginning of fiscal year (LAPAS CODE - 13768)	7	4	3	3	2
Number of companies placed in administrative supervision during fiscal year (LAPAS CODE - 921)	2	2	0	0	0



Market Compliance General Performance Information (Continued)

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of companies returned to good health/ removed from supervision during fiscal year (LAPAS CODE - 922)	3	3	0	1	0
Average number of months a company remains in administrative supervision (LAPAS CODE - 923)	23	23	24	26	26
Number of filings of domestic companies analyzed (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	638	711
Number of marketing conduct exams performed as a result of complaints (LAPAS CODE - new)	Not Applicable	Not Applicable	Not Applicable	4	3

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

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 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K Additional taxes and penalties assessed as a result of audit in \$ millions (LAPAS CODE - 889)	\$ 1.50	\$ 2.04	\$ 0.70	\$ 0.70	\$ 1.50	\$ 1.50
S Percentage of surplus lines brokers examined (LAPAS CODE - 6396)	10%	7%	8%	8%	6%	6%
S Number of field examinations of surplus lines brokers performed (LAPAS CODE - 900)	60	97	90	90	90	80
S Number of desk examinations performed for tax purposes (LAPAS CODE - 901)	2,050	2,863	2,700	2,700	2,800	2,800



8. (KEY) Through the Consumer Affairs Division of the Office of Property & Casualty, to investigate to conclusion consumer complaints against Property & Casualty insurers and producers within an average of 80 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 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	Actual Yearend Performance	Performance Standard as Initially Appropriated	Existing Performance Standard	Performance At Continuation Budget Level	Performance At Executive Budget Level
		FY 2007-2008	FY 2007-2008	FY 2008-2009	FY 2008-2009	FY 2009-2010	FY 2009-2010
K	Number of days to conclude a P&C complaint investigation (LAPAS CODE - 10204)	80	126	80	80	80	95

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values					
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008	
Amount of claim payments and/or premium refunds recovered for P&C complainants (LAPAS CODE - 954)	\$ 2,802,944	\$ 4,877,372	\$ 29,249,809	\$ 32,392,279	\$ 14,129,221	
Number of P&C complaints received (LAPAS CODE - 14211)	2,274	1,920	5,330	4,398	2,511	
Number of P&C complaints investigations concluded (LAPAS CODE - 14212)	2,271	1,995	6,718	8,143	3,609	

9. (KEY) Through the Forms Review Division within the Office of Property & Casualty, to pre-approve or disapprove all contract forms for use by 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 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 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Average number of days to process P&C contract/policy forms (LAPAS CODE - 13939)	25	20	25	25	25	35
K	Percentage of P&C contracts/policy forms reviews completed within 30 days (LAPAS CODE - new)	Not Available	77%	Not Available	85%	90%	65%

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Percentage of P&C contract/policy forms approved (LAPAS CODE - 13940)	44%	52%	60%	52%	52%
Number of P&C contract/policy forms received (LAPAS CODE - 13942)	25,763	19,849	18,198	22,194	25,465
Number of P&C contract/policy forms processed (LAPAS CODE - 13943)	24,862	19,579	17,691	20,744	25,095

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

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

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
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	24	24	24	18	20
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)	19	13	14	14	8	9
S	Average number of days from receipt of rate filing/ submission to completion of review by DOI (LAPAS CODE - 20282)	30	20	30	30	26	29

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Total written premiums (property, casualty, surety and inland marine) subject to regulation by the DOI - in \$ billions (LAPAS CODE - 974)	\$ 6.430	\$ 6.900	\$ 8.180	\$ 9.060	\$ 9.940
Total premiums written (property, casualty, surety & inland marine) classified as surplus lines in \$ billions (LAPAS CODE - new)	\$ 0.84	\$ 0.87	\$ 0.90	\$ 1.25	\$ 1.39
Total written premiums (property, casualty, surety & inland marine) classified as residual market in millions (LAPAS CODE - new)	\$ 120.00	\$ 117.80	\$ 130.00	\$ 187.70	\$ 265.90
Number of submissions reviewed by actuary (LAPAS CODE - 971)	697	741	646	623	594
Average percentage change in rates at fiscal year end (LAPAS CODE - NEW)	5.64%	2.14%	2.00%	0.70%	0.21%



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

Children's Budget Link: Not Applicable

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

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

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

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Number of days to investigate to conclusion a consumer health complaint (LAPAS CODE - 987)	60	32	42	42	42	42
K	Percentage of health complaint investigations concluded within 42 days (LAPAS CODE - new)	Not Available	47%	Not Available	50%	50%	Not Available

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Amount of claim payments/premium refunds recovered for health coverage complainants (LAPAS CODE - 989)	\$ 1,131,135	\$ 531,728	\$ 1,144,461	\$ 1,366,944	\$ 1,135,576
Number of health complaints received (LAPAS CODE - 6424)	1,266	1,045	1,098	1,319	1,285
Number of health complaint investigations concluded (LAPAS CODE - 6425)	1,270	1,013	1,060	1,362	1,347



12. (KEY) Through the HIPAA Quality Management Division of the Office of Health Insurance, to pre-approve or disapprove all contract forms, rates and advertising within an average of thirty 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 DOI 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 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	Actual Yearend Performance	Performance Standard as Initially Appropriated	Existing Performance Standard	Performance At Continuation Budget Level	Performance At Executive Budget Level
		FY 2007-2008	FY 2007-2008	FY 2008-2009	FY 2008-2009	FY 2009-2010	FY 2009-2010
K	Average number of days to process health contract/policy forms, advertising and rates (LAPAS CODE - 12990)	30	14	30	30	30	30
K	Percentage of Health contract/policy forms reviews completed within the performance standard (LAPAS CODE - new)	Not Available	85%	Not Available	85%	85%	79%

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 2003-2004	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008
Percentage of health contract/policy forms, advertising and rates approved (LAPAS CODE - 985)	71%	75%	81%	88%	77%
Number of health contract/policy forms, advertising and rates received (LAPAS CODE - 986)	6,747	5,497	6,465	5,409	6,168
Number of health contract/policy forms, advertising and rates processed (LAPAS CODE - 10212)	6,729	5,354	6,556	5,544	6,282



13. (KEY) Through the Supplemental Health, Medical Necessity Review Organization (MNRO) Section, to review licensing applications and filings (new and renewal) for MNROs and perform statutory examinations.

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

Level	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Number of MNROs examined (LAPAS CODE - 14044)	60	42	78	78	21	21
K	Average number of days to process MNRO Applications (LAPAS CODE - new)	Not Available	120	Not Available	90	90	120

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values					
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008	
Number of MNRO filings and applications (new and renewal) received (LAPAS CODE - 12134)	145	107	129	109	103	
Number of MNRO filings and applications (new and renewal) processed (LAPAS CODE - 12147)	112	129	124	105	102	
Average number of days to process MNRO annual reports (LAPAS CODE - new)	Not Available	Not Available	31	26	30	

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

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
		K	Number of seniors receiving services (telephone, home-site, fairs, group presentations, etc.) (LAPAS CODE - 12125)	16,000	43,258	25,000	25,000
K	Number of senior health group presentations provided (LAPAS CODE - 999)		308	Not Available	275	175	Not Available
FY 09-10: This indicator was previously a general performance indicator. As such, no standard as initially appropriated exist.							

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Estimated savings to counseled senior health clients (LAPAS CODE - 995)	\$ 753,403	\$ 1,339,948	\$ 1,634,375	\$ 460,324	\$ 4,834,350
Number in attendance at senior health group presentations (LAPAS CODE - 996)	7,265	5,476	13,678	9,452	29,019
Number of senior health volunteer counselor training sessions conducted (LAPAS CODE - 17795)	3	4	8	0	11
Number of senior health publications distributed (LAPAS CODE - 1000)	63,811	52,750	63,226	35,152	66,887



15. (KEY) Through the Office of Receivership, to bring to court-approved closure all estates of companies in receivership at the beginning of FY 2001 by the end of FY 2008, 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, 2001.

Children's Budget Link: Not Applicable

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

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

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

Performance Indicators

L e v e l	Performance Indicator Name	Performance Indicator Values					
		Yearend Performance Standard FY 2007-2008	Actual Yearend Performance FY 2007-2008	Performance Standard as Initially Appropriated FY 2008-2009	Existing Performance Standard FY 2008-2009	Performance At Continuation Budget Level FY 2009-2010	Performance At Executive Budget Level FY 2009-2010
K	Number of companies brought to final closure (LAPAS CODE - 904)	5	3	5	5	3	3
K	Total recovery of assets from liquidated companies (LAPAS CODE - 908)	\$ 4,000,000	\$ 49,477,449	\$ 51,400,000	\$ 51,400,000	\$ 41,846,956	\$ 41,846,965

Market Compliance General Performance Information

Performance Indicator Name	Performance Indicator Values				
	Prior Year Actual FY 2003-2004	Prior Year Actual FY 2004-2005	Prior Year Actual FY 2005-2006	Prior Year Actual FY 2006-2007	Prior Year Actual FY 2007-2008
Number of companies in receivership at beginning of fiscal year (LAPAS CODE - 12273)	18	18	19	20	18
Number of companies brought to final court-approved closure during fiscal year (LAPAS CODE - 21776)	1	1	1	2	3



