

Part 1 – Agency Profile

Agency Overview

The Department of Insurance is a regulatory agency created to regulate the business of insurance in Idaho. State regulation of Idaho's insurance business began in 1901 and in 1961 the present Department of Insurance was created. When the Executive branch of state government was reorganized in 1974, the Department of Insurance became one of the twenty major departments of the Executive branch. The director of the department is appointed by the governor and is subject to confirmation by the state senate.

The mission of the Department of Insurance is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. The Department is organized into two divisions: the State Fire Marshal's Office and the Insurance Division. The State Fire Marshal's office participates in and coordinates an integrated statewide system designed to protect human life from fire and explosions through fire prevention, investigation and public education activities. The program involves fire prevention activities, fire/arson investigations, code enforcement and the operation of the Idaho Fire Incident Reporting System. The Department's Insurance Division consists of two regulatory bureaus: The Company Activities Bureau and the Consumer Services Bureau. The Company Activities Bureau monitors the financial condition of all insurance entities conducting business in the state of Idaho to assure that each complies with Idaho law and that the financial obligations of the company to its policyholders will be met. The bureau also reviews insurance policy rates and forms, collects premium taxes and audits insurance premium tax returns, oversees title insurance and bail bond agents, and performs market analyses on insurers. The Consumer Services Bureau licenses producers (insurance agents and brokers), third party administrators, adjustors and managing general agents, and administers the applicable continuing education program for the resident producers. The bureau also responds to consumer and industry complaints and provides assistance to consumers, the insurance industry and law enforcement agencies on matters involving insurance contracts and potential violations of the Insurance Code. Information, counseling and assistance are provided to Idaho's senior citizens by a Senior Health Insurance Benefits Advisors (SHIBA) program through a network of senior citizen volunteers and a toll free 800 number.

The main office of the Idaho Department is located on the third floor of the JRW building in Boise. The department also has offices in Twin Falls, Pocatello, Idaho Falls and Couer d'Alene. The department has been appropriated 75.0 FTE (full time equivalent) personnel for FY2009. The State Fire Marshal has 6 FTE's in Boise, 2 FTE's in Idaho Falls, 1 in Moscow and 1 in CdA. The Consumer Services Bureau has 2 SHIBA FTE's in Twin Falls; 3 SHIBA FTE, 1 consumer affairs officer and 1 fraud investigator in Pocatello; 2 SHIBA FTE and 1 consumer affairs officer and 1 fraud investigator in CdA.

While the department collects in excess of \$80 million in Premium Taxes from the insurance companies, none of those funds are used to support Agency operations. The Agency is funded entirely by fees collected for licensing insurance producers and companies doing business in Idaho.

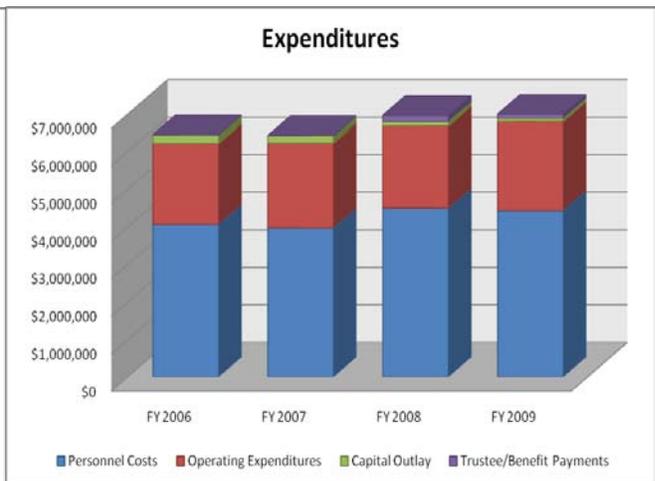
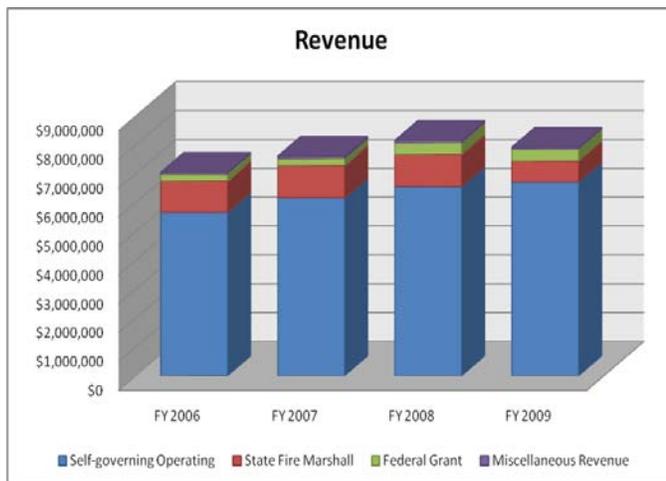
Core Functions/Idaho Code

Insurance Division – Regulates the insurance industry in Idaho. Assists public with insurance complaints and inquiries, investigates insurance fraud, reviews insurer rate and form filings, reviews qualifications of insurance agents/brokers and insurers seeking licensing to do business in Idaho, reviews financial solvency of insurers doing business in Idaho, and administers and collects insurance premium tax. Title 41, Idaho Code.

State Fire Marshal's Office – Assists local governmental entities and fire districts in fire investigation and prevention activities, and responsible for fire and life safety issues in state owned buildings. Title 41, Chapter 2, Idaho Code.

Revenue and Expenditures

Revenue	FY 2006	FY 2007	FY 2008	FY 2009
Self-governing Operating	\$5,665,000	\$6,166,000	\$6,557,100	\$6,713,400
State Fire Marshall	\$1,077,700	\$1,109,100	\$1,099,400	\$718,700
Federal Grant	\$217,000	\$250,900	\$411,500	\$427,100
Miscellaneous Revenue	\$88,900	\$85,700	\$88,500	\$59,300
Total	\$7,048,600	\$7,611,700	\$8,156,500	\$7,918,500
Expenditure	FY 2006	FY 2007	FY 2008	FY 2009
Personnel Costs	\$4,054,300	\$3,956,800	\$4,489,900	\$4,419,600
Operating Expenditures	\$2,147,400	\$2,255,800	\$2,183,400	\$2,372,400
Capital Outlay	\$225,800	\$194,700	\$112,100	\$69,000
Trustee/Benefit Payments	\$10,600	\$7,800	\$168,800	\$126,500
Total	\$6,438,100	\$6,415,100	\$6,954,200	\$6,987,500



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2006	FY 2007	FY 2008	FY 2009
Company Activities Bureau				
Examinations Performed	4	4	10	4
Companies Admitted/Listed	80	80	90	73
Companies Withdrawn/Suspended/Rvkd	29	20	20	24
Total Companies Regulated	1,962	1975	2090	2,114
Title Exams Performed	20	32	24	21
Premium Taxes Collected	\$80,039,556	\$79,415,511	\$75,780,905	\$71,309,526
Policy Forms Filed	39,300	25,329	42,788	36,965
Consumer Services Bureau				
Producer licensing applications rec'd	16,133	15,145	15,967	15,178
Producer licenses issued	16,178	14,640	15,636	14,430
Continuing Ed courses rec'd	2,507	2,283	2,096	2,192
Consumer Affairs – Complaints rec'd	953	973	926	865
Consumer Affairs – Telephone Inquiries	8,876	8,308	8,225	8,574
Consumer Affairs – Funds recovered	\$2,850,571	\$3,173,081	\$2,141,765	\$2,452,602
SHIBA – Individual counseling hours	8,248	9,590	8,382	11,296
SHIBA – Audience group sessions	198,939	94,582	118,782	99,276
SHIBA – Telephone inquiries	17,565	17,422	14,421	18,645
SHIBA – Medicare funds recovered	\$622,661	\$3,270,181	N/A	N/A
Investigations – New cases	193	257	203	197
Investigations – Cases referred	31	41	40	15
Investigations – Convictions	14	11	11	14

Cases Managed and/or Key Services Provided	FY 2006	FY 2007	FY 2008	FY 2009
State Fire Marshal				
Official Contacts	1600	1830	3,694	5176
Fire Investigations	115	116	135	135
Fire Code Inspections	140	160	367	419
Sprinkler Plan Reviews	200	394	667	623
Classes Taught	25	49	77	61

Part II – Performance Measures

Performance Measure	2006	2007	2008	2009	Benchmark
1. Complete the review of company applications within 30 days of date application is deemed complete		80%	90%	90%	100%
2. Perform level one market analysis for at least 20 companies annually.		23	20	17	15 analyses completed
3. Adopt final examination reports within 18 months of the “as is” date.	100%	100%	100%	100%	100%
4. Issue producer license within 5 business days of date application is received.		90%	95%	95%	100%
5. Increase the percentage of licenses, renewals and appointments processed electronically to at least 95%.		90%	95%	95%	95% of transactions
6. Respond to requests for fire investigation assistance within 12 hours.	100%	100%	100%	100%	100%

For More Information Contact

Tom Wilkerson
 Department of Insurance
 700 West State Street
 P.O. Box 83720
 Boise, ID 83720-0043
 Phone: (208) 334-4266
 E-mail: Tom.Wilkerson@doi.idaho.gov