

Part I – 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 Regulation 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 Regulation 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, licenses producers and third party administrators, administers the applicable continuing education program for the resident producers, oversees title insurance and bail bond agents, and performs market analyses on insurers. The Consumer Services Bureau 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. This bureau is also responsible for investigating criminal and civil violations of insurance laws, and referring cases involving criminal violations to the Attorney General or appropriate county prosecutor. 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 JR Williams Building in Boise. The department also has offices in Twin Falls, Pocatello, Idaho Falls and Coeur d'Alene (CdA). The department has been appropriated 72.0 FTE (full time equivalent) personnel for FY2013. The State Fire Marshal has 5 FTE's in Boise, 2 FTE's in Idaho Falls, 1 in Moscow and 1 in CdA. The Insurance Regulation Division has 2 SHIBA FTE's in Twin Falls; 2 SHIBA FTE's, and 1 consumer affairs FTE in Pocatello; 2 SHIBA FTE's, 1 consumer affairs FTE and 1 fraud investigation FTE in CdA.

While the department collects more than \$65 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 Regulation 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 2010	FY 2011	FY 2012	FY 2013
Insurance Administrative Acct	\$5,998,000	\$5,720,700	\$6,241,500	\$5,906,000
Arson Fire & Fraud Acct	\$892,300	\$636,500	\$797,500	\$902,200
Federal Grant	\$429,800	\$616,300	\$1,225,200	\$486,100
Miscellaneous Revenue	\$14,700	\$14,000	\$98,000	\$8,000
Total	\$7,378,400	\$6,987,500	\$8,362,200	\$7,302,300
Expenditure	FY 2010	FY 2011	FY 2012	FY 2013
Personnel Costs	\$4,264,500	\$4,135,200	\$4,112,700	\$4,591,800
Operating Expenditures	\$2,010,800	\$2,279,000	\$2,549,500	\$2,342,000
Capital Outlay	\$56,900	\$103,300	\$121,400	\$181,000
Trustee/Benefit Payments	\$139,400	\$98,800	\$99,800	\$0
Total	\$6,471,600	\$6,616,300	\$6,883,400	\$7,114,800

Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2010	FY 2011	FY 2012	FY 2013
Company Activities Bureau				
Examinations Performed	5	3	6	8
Companies Admitted/Listed	58	66	63	56
Companies Withdrawn/Suspended/Rvkd	32	29	45	18
Total Companies Regulated	2133	2154	2199	2207
Title Exams Performed	12	21	27	31
Premium Taxes Collected	\$66,705,767	\$64,794,620	66,031,140	69,319,867
Policy Forms Filed	35,964	38,045	28,327	56,772
Producer licensing applications rec'd	15,578	17,045	16,502	18,048
Producer licenses issued	13,803	15,017	16,232	15,676
Continuing Ed courses rec'd	2,209	2,034	2,167	2,230
Consumer Services Bureau				
Consumer Affairs – Complaints rec'd	877	843	881	765
Consumer Affairs – % Closed in 80 days		91%	92%	94%
Consumer Affairs – Inquiries	7,786	8,696	7,638	7120
Consumer Affairs – Funds recovered	\$3,620,293	\$2,593,706	\$2,653,233	\$1,331,173*
SHIBA – Individual counseling hours	12,352	11,181	15,168	14,460
SHIBA – Audience group sessions (live)	36,038	32,159	23,063	18,450
SHIBA – Telephone inquiries	23,018	16,797	16,187	16,759
SHIBA – Medicare funds recovered	N/A	N/A	N/A	N/A
Investigations – New cases	373	326	228	255
Investigations – Cases referred	32	24	48	26
Investigations – Convictions	22	14	5	15
State Fire Marshal				
Official Contacts	4,922	6,804	9,040	10,078
Fire Investigations	71	102	75	113
Fire Code Inspections	416	410	440	465
Sprinkler Plan Reviews	242	183	196	221
Classes Taught	35	18	20	100

*Effective 01/01/2012, Consumer Affairs changed the method of tracking funds recovered due to changes in the National Association of Insurance Commissioners (NAIC) complaint coding.

Part II – Performance Measures

Performance Measure	2010	2011	2012	2013	Benchmark
1. Complete the review of company applications within 30 days of date application is deemed complete	89%	90%	90%	89%	100%
2. Perform level one market analysis for at least 20 companies annually.	18	14	25	15	15 analyses completed
3. Adopt final examination reports within 18 months of the “as is” date.	100%	100%	100%	80%	100%
4. Issue producer license within 5 business days of date application is received.	96%	96% Estimated	95% Estimated	95% Estimated	100%
5. Increase the percentage of licenses, renewals and appointments processed electronically to at least 95%.	97%	97% Estimated	96% Estimated	96% Estimated	95% of transactions
6. Respond to requests for fire investigation assistance within 12 hours.	100%	100%	100%	100%	100%

For More Information Contact

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