

|  | FTP | Personnel<br>Costs | Operating<br>Expenditures | Capital<br>Outlay | Trustee/ Ben<br>Payments | Lump Sum | Total<br>Gov Rec |
|--|-----|--------------------|---------------------------|-------------------|--------------------------|----------|------------------|
|--|-----|--------------------|---------------------------|-------------------|--------------------------|----------|------------------|

**Description:** The 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. (Idaho Code, Title 41)

**FY 2013 Original Appropriation**

3.00 FY 2013 Original Appropriation: HB 622

|              |              |                  |                  |               |          |          |                  |
|--------------|--------------|------------------|------------------|---------------|----------|----------|------------------|
| Dedicated    | 59.15        | 3,867,000        | 2,510,100        | 99,400        | 0        | 0        | 6,476,500        |
| Federal      | 3.85         | 239,300          | 395,000          | 0             | 0        | 0        | 634,300          |
| <b>Total</b> | <b>63.00</b> | <b>4,106,300</b> | <b>2,905,100</b> | <b>99,400</b> | <b>0</b> | <b>0</b> | <b>7,110,800</b> |

**FY 2013 Total Appropriation**

|              |              |                  |                  |               |          |          |                  |
|--------------|--------------|------------------|------------------|---------------|----------|----------|------------------|
| Dedicated    | 59.15        | 3,867,000        | 2,510,100        | 99,400        | 0        | 0        | 6,476,500        |
| Federal      | 3.85         | 239,300          | 395,000          | 0             | 0        | 0        | 634,300          |
| <b>Total</b> | <b>63.00</b> | <b>4,106,300</b> | <b>2,905,100</b> | <b>99,400</b> | <b>0</b> | <b>0</b> | <b>7,110,800</b> |

**FY 2013 Estimated Expenditures**

|              |              |                  |                  |               |          |          |                  |
|--------------|--------------|------------------|------------------|---------------|----------|----------|------------------|
| Dedicated    | 59.15        | 3,867,000        | 2,510,100        | 99,400        | 0        | 0        | 6,476,500        |
| Federal      | 3.85         | 239,300          | 395,000          | 0             | 0        | 0        | 634,300          |
| <b>Total</b> | <b>63.00</b> | <b>4,106,300</b> | <b>2,905,100</b> | <b>99,400</b> | <b>0</b> | <b>0</b> | <b>7,110,800</b> |

**Base Adjustments**

8.41 Removal of One-Time Expenditures: This decision unit removes one-time spending authority included in the department's FY 2013 appropriation for replacement computer equipment and vehicles.

|              |             |          |          |                 |          |          |                 |
|--------------|-------------|----------|----------|-----------------|----------|----------|-----------------|
| Dedicated    | 0.00        | 0        | 0        | (99,400)        | 0        | 0        | (99,400)        |
| <b>Total</b> | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>(99,400)</b> | <b>0</b> | <b>0</b> | <b>(99,400)</b> |

**FY 2014 Base**

|              |              |                  |                  |          |          |          |                  |
|--------------|--------------|------------------|------------------|----------|----------|----------|------------------|
| Dedicated    | 59.15        | 3,867,000        | 2,510,100        | 0        | 0        | 0        | 6,377,100        |
| Federal      | 3.85         | 239,300          | 395,000          | 0        | 0        | 0        | 634,300          |
| <b>Total</b> | <b>63.00</b> | <b>4,106,300</b> | <b>2,905,100</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>7,011,400</b> |

**Program Maintenance**

10.11 Change in Benefit Costs: This decision unit reflects the scheduled changes in the employer benefit cost.

|              |             |               |          |          |          |          |               |
|--------------|-------------|---------------|----------|----------|----------|----------|---------------|
| Dedicated    | 0.00        | 51,600        | 0        | 0        | 0        | 0        | 51,600        |
| Federal      | 0.00        | 3,300         | 0        | 0        | 0        | 0        | 3,300         |
| <b>Total</b> | <b>0.00</b> | <b>54,900</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>54,900</b> |

10.31 Repair, Replacement Items/Alteration Req.: The Governor recommends replacing, from dedicated funds, for 20 desktop computers (\$15,000), 42 monitors (\$8,400), seven high end notebooks with docking stations (\$10,900), four low-end notebooks (\$4,400), one netbook (\$600), two servers (\$9,600) five printers (\$16,900), three scanners (\$1,400), six desk chairs (\$2,700), and 10 side chairs (\$4,000).

|              |             |          |               |               |          |          |               |
|--------------|-------------|----------|---------------|---------------|----------|----------|---------------|
| Dedicated    | 0.00        | 0        | 18,500        | 55,400        | 0        | 0        | 73,900        |
| <b>Total</b> | <b>0.00</b> | <b>0</b> | <b>18,500</b> | <b>55,400</b> | <b>0</b> | <b>0</b> | <b>73,900</b> |

10.41 Attorney General Fees: Adjustments to costs of legal services provided by the Office of the Attorney General are reflected here.

|              |             |          |              |          |          |          |              |
|--------------|-------------|----------|--------------|----------|----------|----------|--------------|
| Dedicated    | 0.00        | 0        | 5,400        | 0        | 0        | 0        | 5,400        |
| <b>Total</b> | <b>0.00</b> | <b>0</b> | <b>5,400</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>5,400</b> |

Insurance, Department of  
Insurance Regulation

|   | <u>FTP</u>   | <u>Personnel<br/>Costs</u> | <u>Operating<br/>Expenditures</u> | <u>Capital<br/>Outlay</u> | <u>Trustee/ Ben<br/>Payments</u> | <u>Lump Sum</u> | <u>Total<br/>Gov Rec</u> |
|---|--------------|----------------------------|-----------------------------------|---------------------------|----------------------------------|-----------------|--------------------------|
| 10.45 Risk Management Cost Increases: The Office of Insurance Management reports adjustments to various cost categories based on agency claims patterns.  |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 0.00         | 0                          | 800                               | 0                         | 0                                | 0               | 800                      |
| <b>Total</b>  | <b>0.00</b>  | <b>0</b>                   | <b>800</b>                        | <b>0</b>                  | <b>0</b>                         | <b>0</b>        | <b>800</b>               |
| 10.46 Controller's Fee Charge: Adjustments to the costs of statewide accounting and statewide payroll processing provided by the Office of the State Controller are reflected here.   |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 0.00         | 0                          | 300                               | 0                         | 0                                | 0               | 300                      |
| <b>Total</b>  | <b>0.00</b>  | <b>0</b>                   | <b>300</b>                        | <b>0</b>                  | <b>0</b>                         | <b>0</b>        | <b>300</b>               |
| 10.47 Treasurer's Fee Charge: Adjustments to the costs of cash management and warrant processing by the Office of the State Treasurer are reflected here.   |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 0.00         | 0                          | 100                               | 0                         | 0                                | 0               | 100                      |
| <b>Total</b>  | <b>0.00</b>  | <b>0</b>                   | <b>100</b>                        | <b>0</b>                  | <b>0</b>                         | <b>0</b>        | <b>100</b>               |
| 10.61 Salary Multiplier - Regular Employees: While increasing salaries for state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2014. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.   |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 0.00         | 0                          | 0                                 | 0                         | 0                                | 0               | 0                        |
| Federal   | 0.00         | 0                          | 0                                 | 0                         | 0                                | 0               | 0                        |
| <b>Total</b>  | <b>0.00</b>  | <b>0</b>                   | <b>0</b>                          | <b>0</b>                  | <b>0</b>                         | <b>0</b>        | <b>0</b>                 |
| <b>FY 2014 Total Maintenance</b>  |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 59.15        | 3,918,600                  | 2,535,200                         | 55,400                    | 0                                | 0               | 6,509,200                |
| Federal   | 3.85         | 242,600                    | 395,000                           | 0                         | 0                                | 0               | 637,600                  |
| <b>Total</b>  | <b>63.00</b> | <b>4,161,200</b>           | <b>2,930,200</b>                  | <b>55,400</b>             | <b>0</b>                         | <b>0</b>        | <b>7,146,800</b>         |
| <b>Line Items</b>   |              |                            |                                   |                           |                                  |                 |                          |
| 12.01 Financial Analysis & Self-Funded Plans: The Governor recommends 1.0 FTP for a financial specialist senior position in the Insurance Regulation Division, Company Activities Bureau. The duties of this position will include performing complex financial analysis based on statutory accounting; determining if there are any Idaho Code violations and appropriate actions to take; undertaking special projects for the bureau chief; and researching Idaho and other state's model laws and rules. The department needs the additional person due to increased workload resulting from expanding national financial oversight standards, procedures and regulatory requirements. This position will also help ensure the department keeps their national accreditation to fulfill its responsibility to the consumers of Idaho. |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 1.00         | 71,900                     | 3,800                             | 800                       | 0                                | 0               | 76,500                   |
| <b>Total</b>  | <b>1.00</b>  | <b>71,900</b>              | <b>3,800</b>                      | <b>800</b>                | <b>0</b>                         | <b>0</b>        | <b>76,500</b>            |
| 12.02 Increased Contract Examiner Costs: The Governor recommends additional Operating Expenditures to cover increased contract examiner costs. The department has an increasing need for contract examiner services due to more stringent national certification requirements and the implementation of the Patient Protection and Affordable Care Act. At the same time, the nationwide demand for contract examiner services has increased significantly with limited resources for those services.   |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 0.00         | 0                          | 257,500                           | 0                         | 0                                | 0               | 257,500                  |
| <b>Total</b>  | <b>0.00</b>  | <b>0</b>                   | <b>257,500</b>                    | <b>0</b>                  | <b>0</b>                         | <b>0</b>        | <b>257,500</b>           |

|   | <u>FTP</u>   | <u>Personnel<br/>Costs</u> | <u>Operating<br/>Expenditures</u> | <u>Capital<br/>Outlay</u> | <u>Trustee/ Ben<br/>Payments</u> | <u>Lump Sum</u> | <u>Total<br/>Gov Rec</u> |
|---|--------------|----------------------------|-----------------------------------|---------------------------|----------------------------------|-----------------|--------------------------|
| <p>12.03 SHIBA Call Center: The Governor recommends start-up and ongoing operations costs for the addition of a call center function under the Senior Health Insurance Benefits Advisors (SHIBA) Program. This will allow the department to significantly increase the number of Idaho Medicare beneficiaries being provided with requested counseling. The call center concept is being piloted on a temporary basis during FY 2013 using existing federal grant funds and surplus equipment. This recommendation provides (\$8,300) one-time startup costs from dedicated funds and (\$2,300) ongoing federal funds which will provide for the continuation of the call center.</p> |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 0.00         | 0                          | 5,200                             | 2,300                     | 0                                | 0               | 7,500                    |
| Federal   | 0.00         | 0                          | 3,100                             | 0                         | 0                                | 0               | 3,100                    |
| <b>Total</b>  | <b>0.00</b>  | <b>0</b>                   | <b>8,300</b>                      | <b>2,300</b>              | <b>0</b>                         | <b>0</b>        | <b>10,600</b>            |
| <b>FY 2014 Gov's Recommendation</b>   |              |                            |                                   |                           |                                  |                 |                          |
| Dedicated   | 60.15        | 3,990,500                  | 2,801,700                         | 58,500                    | 0                                | 0               | 6,850,700                |
| Federal   | 3.85         | 242,600                    | 398,100                           | 0                         | 0                                | 0               | 640,700                  |
| <b>Total</b>  | <b>64.00</b> | <b>4,233,100</b>           | <b>3,199,800</b>                  | <b>58,500</b>             | <b>0</b>                         | <b>0</b>        | <b>7,491,400</b>         |

|  | <u>FTP</u>  | <u>Personnel Costs</u> | <u>Operating Expenditures</u> | <u>Capital Outlay</u> | <u>Trustee/ Ben Payments</u> | <u>Lump Sum</u> | <u>Total Gov Rec</u> |
|--|-------------|------------------------|-------------------------------|-----------------------|------------------------------|-----------------|----------------------|
| <b>Description:</b> 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 and the investigation of fires. The program involves fire prevention activities, arson investigations, and the operation of various statistical systems, including the Idaho Fire Incident Reporting System. (Idaho Code, Title 41, Chapter 2). |             |                        |                               |                       |                              |                 |                      |
| <b>FY 2013 Original Appropriation</b>  |             |                        |                               |                       |                              |                 |                      |
| 3.00 FY 2013 Original Appropriation: HB 622  |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 9.00        | 632,400                | 336,200                       | 83,900                | 0                            | 0               | 1,052,500            |
| <b>Total</b>   | <b>9.00</b> | <b>632,400</b>         | <b>336,200</b>                | <b>83,900</b>         | <b>0</b>                     | <b>0</b>        | <b>1,052,500</b>     |
| <b>FY 2013 Total Appropriation</b>   |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 9.00        | 632,400                | 336,200                       | 83,900                | 0                            | 0               | 1,052,500            |
| <b>Total</b>   | <b>9.00</b> | <b>632,400</b>         | <b>336,200</b>                | <b>83,900</b>         | <b>0</b>                     | <b>0</b>        | <b>1,052,500</b>     |
| <b>FY 2013 Estimated Expenditures</b>  |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 9.00        | 632,400                | 336,200                       | 83,900                | 0                            | 0               | 1,052,500            |
| <b>Total</b>   | <b>9.00</b> | <b>632,400</b>         | <b>336,200</b>                | <b>83,900</b>         | <b>0</b>                     | <b>0</b>        | <b>1,052,500</b>     |
| <b>Base Adjustments</b>  |             |                        |                               |                       |                              |                 |                      |
| 8.41 Removal of One-Time Expenditures: This decision unit removes one-time spending authority included in the department's FY 2013 appropriation for computer equipment and vehicles.  |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 0.00        | 0                      | 0                             | (83,900)              | 0                            | 0               | (83,900)             |
| <b>Total</b>   | <b>0.00</b> | <b>0</b>               | <b>0</b>                      | <b>(83,900)</b>       | <b>0</b>                     | <b>0</b>        | <b>(83,900)</b>      |
| <b>FY 2013 Base</b>  |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 9.00        | 632,400                | 336,200                       | 0                     | 0                            | 0               | 968,600              |
| <b>Total</b>   | <b>9.00</b> | <b>632,400</b>         | <b>336,200</b>                | <b>0</b>              | <b>0</b>                     | <b>0</b>        | <b>968,600</b>       |
| <b>Program Maintenance</b>   |             |                        |                               |                       |                              |                 |                      |
| 10.11 Change in Benefit Costs: This decision unit reflects the scheduled changes in the employer benefit cost.   |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 0.00        | 8,000                  | 0                             | 0                     | 0                            | 0               | 8,000                |
| <b>Total</b>   | <b>0.00</b> | <b>8,000</b>           | <b>0</b>                      | <b>0</b>              | <b>0</b>                     | <b>0</b>        | <b>8,000</b>         |
| 10.31 Repair, Replacement Items/Alteration Req.: The Governor recommends replacing, from dedicated funds, for three rugged notebooks (\$4,200), one netbook (\$600), five docking stations (\$800), six monitors (\$1,200), three pickups with slide out bed appliance (\$68,100), and various office furniture (\$5,800).   |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 0.00        | 0                      | 5,300                         | 75,400                | 0                            | 0               | 80,700               |
| <b>Total</b>   | <b>0.00</b> | <b>0</b>               | <b>5,300</b>                  | <b>75,400</b>         | <b>0</b>                     | <b>0</b>        | <b>80,700</b>        |
| 10.61 Salary Multiplier - Regular Employees: While increasing salaries for state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2014. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.  |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 0.00        | 0                      | 0                             | 0                     | 0                            | 0               | 0                    |
| <b>Total</b>   | <b>0.00</b> | <b>0</b>               | <b>0</b>                      | <b>0</b>              | <b>0</b>                     | <b>0</b>        | <b>0</b>             |
| <b>FY 2014 Total Maintenance</b>   |             |                        |                               |                       |                              |                 |                      |
| Dedicated  | 9.00        | 640,400                | 341,500                       | 75,400                | 0                            | 0               | 1,057,300            |
| <b>Total</b>   | <b>9.00</b> | <b>640,400</b>         | <b>341,500</b>                | <b>75,400</b>         | <b>0</b>                     | <b>0</b>        | <b>1,057,300</b>     |

|                                     | <u>FTP</u>  | <u>Personnel<br/>Costs</u> | <u>Operating<br/>Expenditures</u> | <u>Capital<br/>Outlay</u> | <u>Trustee/ Ben<br/>Payments</u> | <u>Lump Sum</u> | <u>Total<br/>Gov Rec</u> |
|-------------------------------------|-------------|----------------------------|-----------------------------------|---------------------------|----------------------------------|-----------------|--------------------------|
| <b>FY 2014 Gov's Recommendation</b> |             |                            |                                   |                           |                                  |                 |                          |
| Dedicated                           | 9.00        | 640,400                    | 341,500                           | 75,400                    | 0                                | 0               | 1,057,300                |
| <b>Total</b>                        | <b>9.00</b> | <b>640,400</b>             | <b>341,500</b>                    | <b>75,400</b>             | <b>0</b>                         | <b>0</b>        | <b>1,057,300</b>         |