

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 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

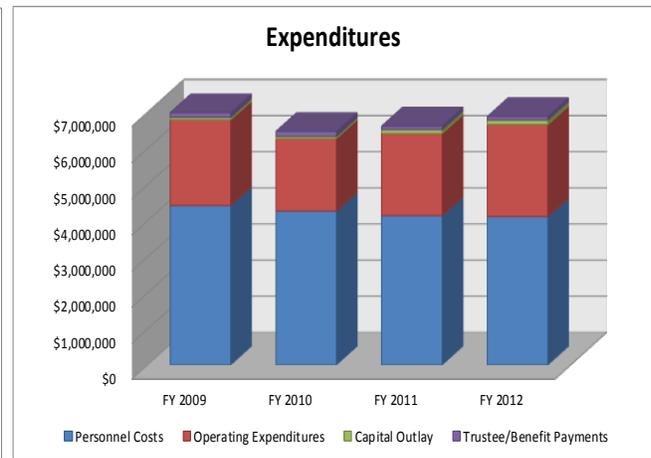
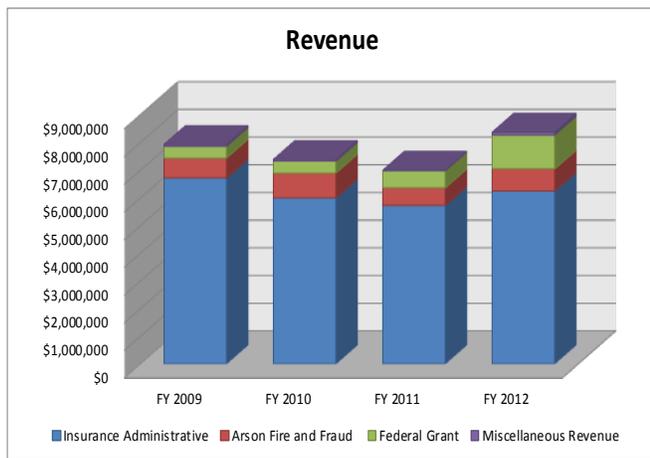
Insurance Regulation Division – Regulates the insurance industry in Idaho. Assists public with insurance complaints and inquiries, investigates insurance fraud, reviews insurer rate and form filings, reviews qualifications of insurance agents/brokers and insurers seeking licensing to do business in Idaho, 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 2009	FY 2010	FY 2011	FY 2012
Insurance Administrative Acct	\$6,713,400	\$5,998,000	\$5,720,700	\$6,241,500
Arson Fire & Fraud Acct	\$718,700	\$892,300	\$636,500	\$797,500
Federal Grant	\$427,100	\$429,800	\$616,300	\$1,225,200
Miscellaneous Revenue	\$166,300	\$14,700	\$14,000	\$98,000
Total	\$7,918,500	\$7,378,400	\$6,987,500	\$8,362,200

Expenditure	FY 2009	FY 2010	FY 2011	FY 2012
Personnel Costs	\$4,419,600	\$4,264,500	\$4,135,200	\$4,112,700
Operating Expenditures	\$2,372,400	\$2,010,800	\$2,279,000	\$2,549,500
Capital Outlay	\$69,000	\$56,900	\$103,300	\$121,400
Trustee/Benefit Payments	\$126,500	\$139,400	\$98,800	\$99,800
Total	\$6,987,500	\$6,471,600	\$6,616,300	\$6,883,400



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2009	FY 2010	FY 2011	FY 2012
Company Activities Bureau				
Examinations Performed	4	5	3	6
Companies Admitted/Listed	73	58	66	63
Companies Withdrawn/Suspended/Rvkd	24	32	29	45
Total Companies Regulated	2,114	2133	2154	2199
Title Exams Performed	21	12	21	27
Premium Taxes Collected	\$71,309,526	\$66,705,767	\$64,794,620	66,031,140
Policy Forms Filed	36,965	35,964	38,045	28,327
Producer licensing applications rec'd	15,178	15,578	17,045	16,502
Producer licenses issued	14,430	13,803	15,017	16,232
Continuing Ed courses rec'd	2,192	2,209	2,034	2,167
Consumer Services Bureau				
Consumer Affairs – Complaints rec'd	865	877	843	881
Consumer Affairs – % Closed in 80 days			91%	92%
Consumer Affairs – Inquiries	8,574	7,786	8,696	7,638
Consumer Affairs – Funds recovered	\$2,452,602	\$3,620,293	\$2,593,706	\$2,653,233
SHIBA – Individual counseling hours	11,296	12,352	11,181	15,168
SHIBA – Audience group sessions (live)	26,887	36,038	32,159	23,063
SHIBA – Telephone inquiries	18,645	23,018	16,797	16,187
SHIBA – Medicare funds recovered	N/A	N/A	N/A	N/A
Investigations – New cases	197	373	326	228
Investigations – Cases referred	15	32	24	48
Investigations – Convictions	14	22	14	5
State Fire Marshal				
Official Contacts	5,176	4,922	6,804	9,040
Fire Investigations	135	71	102	75
Fire Code Inspections	419	416	410	440
Sprinkler Plan Reviews	623	242	183	196
Classes Taught	61	35	18	20

Part II – Performance Measures

Performance Measure	2009	2010	2011	2012	Benchmark
1. Complete the review of company applications within 30 days of date application is deemed complete	90%	89%	90%	90%	100%
2. Perform level one market analysis for at least 20 companies annually.	17	18	14	25	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.	95%	96%	96% Estimated	95% Estimated	100%
5. Increase the percentage of licenses, renewals and appointments processed electronically to at least 95%.	95%	97%	97% 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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