# *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 Insurance Code was expanded and recodified into Title 41, Idaho Code. When the Executive branch of state government was reorganized in 1974, the Department of Insurance became one of the 20 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 serve and protect Idahoans by equitably, effectively, and efficiently administering 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 State Fire Marshal’s Office provides assistance to local fire agencies throughout the state.

The Department’s Insurance Regulation Division consists of the following three regulatory bureaus: the Company Activities Bureau, the Consumer Services Bureau, and the Product Review Bureau. The Company Activities Bureau (CAB) monitors the financial condition of all insurance entities domiciled 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 CAB reviews all applications of insurers and qualifying self-funded healthcare plans seeking to do business in this state to determine eligibility for a certificate of authority to transact insurance or eligibility for registration as a self-funded healthcare plan. The CAB also licenses producers, adjusters, bail agents, third party administrators, and other licensees. The Consumer Services Bureau (CSB) researches 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. The CSB is also responsible for investigating criminal and civil violations of insurance laws and referring cases involving criminal or administrative violations of the Idaho Code to the Attorney General or appropriate county prosecutor when applicable. Within the CSB is Idaho’s Senior Health Insurance Benefits Advisors (SHIBA) program that provides information, counseling, and assistance on Medicare coverage issues to Idaho’s Medicare eligible citizens through a network of professional staff, over 100 volunteers, and a help line staffed to service Idaho consumers. The Market Oversight Bureau (MOB) reviews insurance policy and self-funded rates and forms. The MOB meets the effective rate review standards for individual and small group health insurance markets, retaining state-level regulatory authority. It also regulates title agents and performs market conduct analyses and examinations of insurers and self-funded plans domiciled in Idaho. The MOB supports the Idaho Health Insurance Exchange (Your Health Idaho) in fulfilling the plan management requirements and in reviewing and certifying health plans that meet the Qualified Health Plan (QHP) standards. The bureau monitors changes to federal and state law that affect health plans and implements any necessary updates to Idaho insurance laws, rules or written guidance.

The Office of the Attorney General provides four dedicated employees, three attorneys and one paralegal, to provide day-to-day legal services to the department. The Director’s administration group provides oversight, guidance and strategic business partnerships to the Insurance Regulation and State Fire Marshal divisions. The fiscal section also collects premium taxes and audits insurance premium tax returns.

The main office of the Idaho Department of Insurance is located on the third floor of the JR Williams Building in Boise. The department also has offices in Pocatello, Idaho Falls, and Coeur d’Alene (CdA). The department has been appropriated 71.5 FTE (full time equivalent) personnel for FY 2023. The State Fire Marshal has six FTE in Boise, two FTE in Idaho Falls, and two in CdA. The Insurance Regulation Division has two SHIBA FTE in Pocatello and two SHIBA FTE in CdA.

While the department collects more than $100 million in premium taxes from 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 and 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 is responsible for fire and life safety issues in state-owned buildings.  Title 41, Chapter 2, Idaho Code.

**Revenue and Expenditures**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Revenue** | **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** |
| Insurance Administrative Acct | $10,234,200 | $10,408,400 | $10,059,600 |  |
| Arson Fire & Fraud Acct | 939,000 | 905,900 | 1,663,100 |  |
| Federal Grant | 442,900 | 501,500 | 507,800 |  |
| Miscellaneous Revenue | 14,000 | 13,000 | 63,800 |  |
| **Total** | **$11,630,100** | **$11,828,800** | **$12,294,300** |  |
| **Expenditures** | **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** |
| Personnel Costs | $5,381,000 | $5,735,400 | $5,756,400 |  |
| Operating Expenditures | 2,017,600 | 2,274,100 | 2,453,900 |  |
| Capital Outlay | 106,800 | 61,800 | 101,800 |  |
| **Total** | **$7,505,400** | **$8,071,300** | **$8,312,100** |  |

Note: Revenue figures for the insurance administrative account do not include tax premium revenue.

**Profile of Cases Managed and/or Key Services Provided**

| **Cases Managed and/or Key Services Provided** | **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** |
| --- | --- | --- | --- | --- |
| **Company Activities Bureau** | | | | |
| Examinations performed | 10 | 11 | 10 |  |
| Adopt final examination reports within 18 months of the “as of” date | 60% | 80% | 80% |  |
| Companies admitted/listed | 28 | 42 | 79 |  |
| Companies withdrawn/suspended/revoked | 14 | 9 | 18 |  |
| Total companies regulated | 2,316 | 2,329 | 2,387 |  |
| Producer licensing applications received | 40,536 | 35,296 | 35,233 |  |
| Producer licenses issued | 37,170 | 34,811 | 31,878 |  |
| Continuing Ed courses approved | 1,230 | 1,651 | 1,146 |  |
| Premium taxes collected | $129,794,684 | $134,380,977 | $145,432,356 |  |
| **Consumer Services Bureau** | | | | |
| Consumer Affairs – Complaints rec’d | 958 | 890 | 782 |  |
| Consumer Affairs – Inquiries | 5,207 | 5,756 | 5,740 |  |
| SHIBA – Client Contacts | 8,881 | 9,634 | 9,422 |  |
| SHIBA – Clients reached through media/outreach efforts | 2,949 | 6,628 | 7,643 |  |
| Investigations – New cases | 382 | 562 | 742 |  |
| Investigations – Cases referred to AG (Includes Criminal and Administrative) | 23 | 28 | 38 |  |
| Investigations – Convictions | 6 | 9 | 15 |  |
| **Market Oversight Bureau** | | | | |
| Policy Forms Filed | 28,785 | 22,296 | 27,874 |  |
| Title exams performed | 39 | 42 | 38 |  |
| **State Fire Marshal** | | | | |
| Fire Investigations | 203 | 213 | 198 |  |
| Fire Code Inspections | 546 | 861 | 728 |  |
| Sprinkler Plan Reviews | 766 | 640 | 783 |  |
| Classes Taught | 93 | 83 | 97 |  |

\* Significantly impacted by COVID-19

**Licensing Freedom Act**

Agencies who participate in licensure must report on the number of applicants denied licensure or license renewal and the number of disciplinary actions taken against license holders.

|  | **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** |
| --- | --- | --- | --- | --- |
| **PRODUCER (INCLUDING SURPLUS LINE BROKER)** | | | | |
| Total Number of Licenses | *160,586* | *164,937* | *182,354* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *3* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *42* | *56* | *58* |  |
| Number of Final Disciplinary Actions Against Licensees | *40* | *52* | *34* |  |
| **BAIL AGENT** | | | | |
| Total Number of Licenses | *207* | *192* | *221* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *3* | *1* | *7* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *1* |  |
| **ADJUSTER** | | | | |
| Total Number of Licenses | *18,237* | *20,193* | *25,087* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *1* | *4* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *1* | *0* |  |
| **PUBLIC ADJUSTER** | | | | |
| Total Number of Licenses | *149* | *161* | *199* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *1* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *1* | *0* |  |
| **PORTABLE ELECTRONICS INSURANCE VENDOR** | | | | |
| Total Number of Licenses | *25* | *22* | *23* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **INDEPENDENT REVIEW ORGANIZATION** | | | | |
| Total Number of Licenses | *17* | *15* | *16* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **LIFE SETTLEMENT PROVIDER OR BROKER** | | | | |
| Total Number of Licenses | *61* | *62* | *66* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **MANAGING GENERAL AGENT** | | | | |
| Total Number of Licenses | *28* | *35* | *53* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *1* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **TITLE AGENT** | | | | |
| Total Number of Licenses | *169* | *177* | *179* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *13* | *0* | *6* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *2* | *0* |  |
| **REINSURANCE INTERMEDIARY** | | | | |
| Total Number of Licenses | *0* | *0* | *0* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **THIRD PARTY ADMINISTRATOR** | | | | |
| Total Number of Licenses | *367* | *381* | *380* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *3* | *2* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
|  | | | | |
| Total Number of Licenses | *2,316* | *2,329* | *2,387* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *496* | *604* | *733* |  |
| Number of Final Disciplinary Actions Against Licensees | *20* | *6* | *7* |  |
| **REINSURER** | | | | |
| Total Number of Licenses | *48* | *67* | *78* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **AUTHORIZED SURPLUS LINE INSURER** | | | | |
| Total Number of Licenses | *185* | *194* | *204* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *4* | *4* | *8* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *2* | *0* |  |
| **COUNTY MUTUAL INSURER** | | | | |
| Total Number of Licenses | *1* | *1* | *1* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **FRATERNAL BENEFIT SOCIETY** | | | | |
| Total Number of Licenses | *16* | *16* | *17* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *1* | *3* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **HOSPITAL / PROFESSIONAL SERVICE CORPORATION** | | | | |
| Total Number of Licenses | *1* | *1* | *1* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *1* | *3* | *2* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **SELF-FUNDED HEALTH CARE PLAN** | | | | |
| Total Number of Licenses | *16* | *16* | *16* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **RISK RETENTION GROUP** | | | | |
| Total Number of Licenses | *93* | *96* | *100* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **PURCHASING GROUP** | | | | |
| Total Number of Licenses | *256* | *244* | *248* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *1* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **PETROLEUM CLEAN WATER TRUST** | | | | |
| Total Number of Licenses | *1* | *1* | *1* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **PHARMACY BENEFIT MANAGER** | | | | |
| Total Number of Licenses | *0* | *47* | *54* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **RATING ORGANIZATION** | | | | |
| Total Number of Licenses | *9* | *9* | *10* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **ADVISORY ORGANIZATION** | | | | |
| Total Number of Licenses | *14* | *15* | *15* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **FIREWORKS WHOLESALER OR IMPORTER** | | | | |
| Total Number of Licenses | *41* | *42* | *33* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |
| **FIRE PROTECTION SPRINKLER CONTRACTOR** | | | | |
| Total Number of Licenses | *92* | *98* | *90* |  |
| Number of New Applicants Denied Licensure | *0* | *0* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *2* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *1* |  |
| **FIRE PROTECTION SPRINKLER FITTER** | | | | |
| Total Number of Licenses | *84* | *99* | *84* |  |
| Number of New Applicants Denied Licensure | *0* | *1* | *0* |  |
| Number of Applicants Refused Renewal of a License | *0* | *0* | *0* |  |
| Number of Complaints Against Licensees | *0* | *0* | *0* |  |
| Number of Final Disciplinary Actions Against Licensees | *0* | *0* | *0* |  |

***Part II – Performance Measures***

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Performance Measure** | | **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** | **FY 2026** |
| **Goal 1**  *Company Activities Bureau: To efficiently ensure that insurers doing business in Idaho are financially sound and in compliance with Idaho law.* | | | | | | |
| 1. Review company applications within 60 days of complete application. | actual | 93% | 98% | 98% |  |  |
| *target* | *100%* | *100%* | *90%* | *90%* |  |
| 1. Issue producer license within five business days of date application is received. | actual | 95% | 98% | 98% |  |  |
| *target* | *90%* | *90%* | *90%* | *90%* |  |
| **Goal 2**  *Consumer Services Bureau: To protect the public from unfair and illegal practices involving insurance by providing counseling and assistance to insurance consumers and investigating allegations of insurance code violations.* | | | | | | |
| 1. Complete and close consumer complaints within 60 days. | actual | 95% | 96% | N/A | N/A |  |
| *target* | *90%* | *90%*\* | *N/A* | *N/A* |  |
| 1. Complete and close consumer complaints within 45 days. | actual | N/A | N/A | 95% |  |  |
| *target* | *N/A* | *N/A* | *80%*\* | *80%* |  |
| 1. Index and assign fraud referrals within 90 days of receipt. | actual | N/A | N/A | 100% |  |  |
| *target* | *N/A* | *N/A* | *100%* | *100%* |  |
| 1. Acknowledge receipt of at least 80% of consumer and industry complaints within 2 business days. | actual | N/A | N/A | 97% |  |  |
| *target* | *N/A* | *N/A* | *80%* | *80%* |  |
| **Goal 3**  *Market Oversight Bureau: To effectively review insurance policy rates and forms for compliance with Idaho law while not unduly delaying the introduction of new products to the marketplace.* | | | | | | |
| 1. Respond to company rates and forms filings within on average 10 business days. | actual | 88% | 88% | 80% |  |  |
| *target* | *90%* | *90%* | *90%* | *90%* |  |
| 1. Perform NAIC Level 1 market analyses of identified companies. | actual | 48% | 48% | *93%* |  |  |
| *target* | *100%* | *100%* | *90%* | *90%* |  |
| **Goal 4**  *State Fire Marshal Office: To investigate fires and assist in the prosecution of arson claims at the request of local units of government.* | | | | | | |
| 1. Respond to requests for fire investigation assistance within 12 hours. | actual | 100% | 100% | 100% |  |  |
| *target* | *100%* | *100%* | *100%* | *100%* |  |

**Performance Measure Explanatory Notes**

\* Starting with FY 2024, goal adjusted to resolving 80% of complaints within 45 days.

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