

# DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

## FINANCIAL SUMMARY

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	FY 2017 REQUEST	GOVERNOR RECOMMENDS FY 2017
Administration and Insurance Operations	\$ 8,567,708	\$ 10,570,711	\$ 10,884,627	\$ 11,059,727
Market Conduct and Financial Examinations	3,458,382	4,071,933	4,104,551	4,171,289
Health Insurance Counseling	1,366,682	1,450,000	1,450,000	1,450,000
Division of Credit Unions	1,179,934	1,274,190	1,299,190	1,322,294
Division of Finance	7,874,871	8,657,921	8,888,170	9,047,370
Division of Professional Registration	12,210,026	14,644,165	14,617,653	14,809,861
<b>DEPARTMENTAL TOTAL</b>	<b>\$ 34,657,603</b>	<b>\$ 40,668,920</b>	<b>\$ 41,244,191</b>	<b>\$ 41,860,541</b>
Federal Funds	1,318,700	1,783,233	1,783,233	1,792,607
Other Funds	33,338,903	38,885,687	39,460,958	40,067,934
<b>Total Full-time Equivalent Employees</b>	<b>538.32</b>	<b>592.33</b>	<b>597.33</b>	<b>597.33</b>
Federal Funds	3.25	21.00	21.00	21.00
Other Funds	535.07	571.33	576.33	576.33

## DEPARTMENT SUMMARY

The Fiscal Year 2017 budget provides \$41.9 million for the Department of Insurance, Financial Institutions and Professional Registration. The department protects consumers through oversight of the insurance industry, financial institutions, and licensed professionals.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
ADMINISTRATION AND INSURANCE OPERATIONS**

**FINANCIAL SUMMARY**

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	GOVERNOR RECOMMENDS FY 2017
Administration	\$ 168,993	\$ 180,898	\$ 183,754
Insurance Operations	<u>8,398,715</u>	<u>10,389,813</u>	<u>10,875,973</u>
<b>TOTAL</b>	<b>\$ 8,567,708</b>	<b>\$ 10,570,711</b>	<b>\$ 11,059,727</b>
<b>PERSONAL SERVICE</b>			
Federal Funds	140,299	468,722	478,096
Other Funds	7,308,025	7,981,260	8,451,890
<b>EXPENSE AND EQUIPMENT</b>			
Federal Funds	11,719	64,511	64,511
Other Funds	1,107,665	2,051,218	2,060,230
<b>PROGRAM SPECIFIC DISTRIBUTION</b>			
Other Funds	0	5,000	5,000
<b>TOTAL</b>			
Federal Funds	152,018	533,233	542,607
Other Funds	8,415,690	10,037,478	10,517,120
<b>Total Full-time Equivalent Employees</b>			
Federal Funds	3.25	21.00	21.00
Other Funds	145.73	171.18	175.78

**ADMINISTRATION**

Certain administrative functions such as policy development, legislative coordination, communications (public information), research, and accounting are centralized to provide more efficient services. Staff provides these functions centrally with the costs allocated to the appropriate divisions within the department based on usage.

**INSURANCE OPERATIONS**

Insurance staff is responsible for overseeing the insurance industry's compliance with Missouri insurance laws and regulations, and protecting the interests of Missouri insurance-buying consumers. Specific duties include licensing insurance producers (agents, brokers, and agencies), investigating consumer complaints, collecting premium taxes paid by insurance companies, and providing information to over 41,000 consumers each year through a statewide toll-free hotline and the department's website.

**Fiscal Year 2017 Governor's Recommendations**

- \$233,660 Insurance Dedicated Fund and 2.6 staff to implement HB 50 (2015) which strengthens Missouri's regulation of holding company systems and ensures holding companies perform adequate risk management and solvency assessments.
- \$120,506 Insurance Dedicated Fund and two staff to implement HB 709 (2015) which authorizes the Department of Insurance, Financial Institutions and Professional Registration to issue educational and non-binding informational documents to insurers and health-related licensed professionals.
- \$175,100 federal and other funds for pay plan.
- (\$40,250) Insurance Dedicated Fund core reduction for one-time expenditures.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
MARKET CONDUCT AND FINANCIAL EXAMINATIONS**

**FINANCIAL SUMMARY**

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	GOVERNOR RECOMMENDS FY 2017
Market Conduct and Financial Examinations TOTAL	\$ 3,458,382	\$ 4,071,933	\$ 4,171,289
PERSONAL SERVICE	3,140,284	3,306,259	3,403,590
EXPENSE AND EQUIPMENT	318,098	765,674	767,699
TOTAL			
Other Funds	3,458,382	4,071,933	4,171,289
Total Full-time Equivalent Employees	42.54	42.50	42.90
Other Funds	42.54	42.50	42.90

The department performs both financial and market conduct examinations. Financial examinations ensure that insurance companies have sufficient reserves to pay consumer claims. Market conduct examinations of insurance companies serve to verify that policyholders and beneficiaries receive the full benefits from the contracts by which they and the insurer have agreed.

**Fiscal Year 2017 Governor's Recommendations**

- \$32,618 Insurance Examiners Fund and .4 staff to implement HB 50 (2015) which strengthens Missouri's regulation of holding company systems and ensures holding companies perform adequate risk management and solvency assessments.
- \$66,738 Insurance Examiners Fund for pay plan.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
HEALTH INSURANCE COUNSELING**

**FINANCIAL SUMMARY**

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	GOVERNOR RECOMMENDS FY 2017
Health Insurance Counseling TOTAL	\$ 1,366,682	\$ 1,450,000	\$ 1,450,000
<b>PROGRAM SPECIFIC DISTRIBUTION</b>			
Federal Funds	1,166,682	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
TOTAL			
Federal Funds	1,166,682	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
<b>Total Full-time Equivalent Employees</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

The department sponsors the Missouri State Health Insurance Assistance Program, commonly known as CLAIM. Trained counselors provide free, unbiased advocacy, education, and assistance to people with Medicare and those who help them to make informed decisions about Medicare and related health insurance needs.

**Fiscal Year 2017 Governor's Recommendations**

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
DIVISION OF CREDIT UNIONS**

**FINANCIAL SUMMARY**

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	GOVERNOR RECOMMENDS FY 2017
Division of Credit Unions			
TOTAL	\$ 1,179,934	\$ 1,274,190	\$ 1,322,294
PERSONAL SERVICE	1,061,355	1,155,135	1,178,239
EXPENSE AND EQUIPMENT	118,579	119,055	144,055
TOTAL			
Other Funds	1,179,934	1,274,190	1,322,294
Total Full-time Equivalent Employees	15.49	15.50	15.50
Other Funds	15.49	15.50	15.50

The Division of Credit Unions is responsible for the examination, supervision, chartering, merger, and liquidation of Missouri's state-chartered credit unions. The division also responds to consumer complaints against credit union services or operations. Missouri's 114 credit unions have approximately 1.3 million members and assets exceeding \$11 billion. Missouri ranks eighth in the nation in the number of state-chartered credit unions.

**Fiscal Year 2017 Governor's Recommendations**

- \$25,000 Division of Credit Unions Fund for expenses associated with the accreditation and regulation of Missouri's credit unions.
- \$23,104 Division of Credit Unions Fund for pay plan.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
DIVISION OF FINANCE**

**FINANCIAL SUMMARY**

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	GOVERNOR RECOMMENDS FY 2017
Division of Finance TOTAL	\$ 7,874,871	\$ 8,657,921	\$ 9,047,370
PERSONAL SERVICE	7,057,715	7,729,645	8,119,094
EXPENSE AND EQUIPMENT	803,400	927,276	927,276
PROGRAM SPECIFIC DISTRIBUTION	13,756	1,000	1,000
TOTAL Other Funds	7,874,871	8,657,921	9,047,370
Total Full-time Equivalent Employees	111.10	118.15	118.15
Other Funds	111.10	118.15	118.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 272 state-chartered banks, non-deposit trust companies, and savings and loan associations. The division also licenses and regulates consumer credit companies, credit services organizations, money order companies, and residential mortgage brokers. Primary objectives include ensuring the safety and soundness of these institutions and the monitoring of compliance with laws and regulations, thereby safeguarding the funds of depositors and maintaining public confidence in Missouri's financial system. Missouri ranks fifth in the nation in the number of state-chartered banks.

**Fiscal Year 2017 Governor's Recommendations**

- \$230,249 Division of Finance Fund to maintain the Division of Finance salary schedule.
- \$159,200 Division of Finance Fund for pay plan.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
DIVISION OF PROFESSIONAL REGISTRATION**

**FINANCIAL SUMMARY**

	FY 2015 EXPENDITURE	FY 2016 APPROPRIATION	GOVERNOR RECOMMENDS FY 2017
Administration	\$ 4,245,544	\$ 4,718,833	\$ 4,787,426
State Board of Accountancy	441,008	461,468	467,259
State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects	603,102	692,179	699,996
State Board of Chiropractic Examiners	66,992	131,820	131,820
Missouri Dental Board	377,399	624,380	632,117
State Board of Embalmers and Funeral Directors	125,918	164,200	164,200
State Board of Registration for the Healing Arts	2,291,305	2,619,032	2,656,349
State Board of Nursing	1,528,087	1,821,119	1,845,989
State Board of Optometry	15,192	34,726	34,726
State Board of Pharmacy	1,260,415	1,768,362	1,763,217
State Board of Podiatric Medicine	13,486	13,734	13,734
Missouri Real Estate Commission	983,723	1,212,438	1,231,154
Missouri Veterinary Medical Board	30,154	107,975	107,975
State Board of Cosmetology and Barber Examiners	227,701	273,899	273,899
<b>TOTAL</b>	<b>\$ 12,210,026</b>	<b>\$ 14,644,165</b>	<b>\$ 14,809,861</b>
PERSONAL SERVICE	8,548,491	9,610,421	9,802,629
EXPENSE AND EQUIPMENT	3,661,181	5,013,744	4,987,232
PROGRAM SPECIFIC DISTRIBUTION	354	20,000	20,000
<b>TOTAL</b>			
Other Funds	12,210,026	14,644,165	14,809,861
Total Full-time Equivalent Employees	220.21	224.00	224.00
Other Funds	220.21	224.00	224.00

The Division of Professional Registration is responsible for supporting 40 professional licensing boards and commissions in licensing and regulating the activities of over 450,000 Missourians representing approximately 240 different trades and professions. The division serves and protects the public by providing an accessible, responsible, and accountable regulatory system to ensure that Missouri consumers benefit from competent practitioners. Each licensing entity licenses qualified professionals by ensuring that minimum requirements have been met. In addition, each entity must appropriately enforce standards through the inspection of facilities and the investigation of complaints.

**Fiscal Year 2017 Governor's Recommendations**

**ADMINISTRATION**

- \$68,593 Professional Registration Fees Fund for pay plan.

**STATE BOARD OF ACCOUNTANCY**

- \$5,791 State Board of Accountancy Fund for pay plan.

**STATE BOARD FOR ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS AND LANDSCAPE ARCHITECTS**

- \$7,817 State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects Fund for pay plan.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
DIVISION OF PROFESSIONAL REGISTRATION**

**STATE BOARD OF CHIROPRACTIC EXAMINERS**

Continue funding at the current level.

**MISSOURI DENTAL BOARD**

- \$7,737 Dental Board Fund for pay plan.

**STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS**

Continue funding at the current level.

**STATE BOARD OF REGISTRATION FOR THE HEALING ARTS**

- \$37,317 Board of Registration for the Healing Arts Fund for pay plan.

**STATE BOARD OF NURSING**

- \$24,870 State Board of Nursing Fund for pay plan.

**STATE BOARD OF OPTOMETRY**

Continue funding at the current level.

**STATE BOARD OF PHARMACY**

- \$21,367 Board of Pharmacy Fund for pay plan.
- (\$26,512) Board of Pharmacy Fund core reduction for one-time expenditures.

**STATE BOARD OF PODIATRIC MEDICINE**

Continue funding at the current level.

**MISSOURI REAL ESTATE COMMISSION**

- \$18,716 Real Estate Commission Fund for pay plan.

**MISSOURI VETERINARY MEDICAL BOARD**

Continue funding at the current level.

**STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS**

Continue funding at the current level.