

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Administration and Insurance Operations	\$ 9,105,907	\$ 11,059,727	\$ 11,023,266	\$ 10,956,295
Market Conduct and Financial Examinations	3,534,125	4,171,289	4,170,533	4,217,557
Health Insurance Counseling	1,370,275	1,450,000	1,450,000	1,450,000
Division of Credit Unions	1,091,035	1,322,294	1,322,294	1,322,294
Division of Finance	7,948,440	9,047,370	9,047,370	9,047,370
Division of Professional Registration	12,024,834	14,809,861	16,809,861	16,884,861
DEPARTMENTAL TOTAL	\$ 35,074,616	\$ 41,860,541	\$ 43,823,324	\$ 43,878,377
Federal Funds	1,322,673	1,792,607	1,792,607	1,250,000
Other Funds	33,751,943	40,067,934	42,030,717	42,628,377
Total Full-time Equivalent Employees	539.18	597.33	597.33	582.33
Federal Funds	3.36	21.00	21.00	0.00
Other Funds	535.82	576.33	576.33	582.33

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$43.9 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 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 168,747	\$ 183,754	\$ 183,754
Insurance Operations	8,937,160	10,875,973	10,772,541
TOTAL	\$ 9,105,907	\$ 11,059,727	\$ 10,956,295
PERSONAL SERVICE			
Federal Funds	145,655	478,096	0
Other Funds	7,639,929	8,451,890	8,874,662
EXPENSE AND EQUIPMENT			
Federal Funds	6,743	64,511	0
Other Funds	1,313,580	2,060,230	2,076,633
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	5,000	5,000
TOTAL			
Federal Funds	152,398	542,607	0
Other Funds	8,953,509	10,517,120	10,956,295
Total Full-time Equivalent Employees	149.78	196.78	181.38
Federal Funds	3.36	21.00	0.00
Other Funds	146.42	175.78	181.38

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 32,500 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2018 Governor's Recommendations

- \$287,540 Insurance Dedicated Fund and four staff to implement SB 865 (2016) for the review of proposed insurance rates.
- \$188,096 Insurance Dedicated Fund and 1.6 staff to implement SB 164 (2015) to incorporate the National Association of Insurance Commissioners (NAIC) valuation model.
- (\$542,607) federal funds and (21) staff core reduction from the Fiscal Year 2017 appropriation level.
- (\$36,461) 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 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Market Conduct and Financial Examinations TOTAL	\$ 3,534,125	\$ 4,171,289	\$ 4,217,557
PERSONAL SERVICE	3,287,066	3,403,590	3,446,590
EXPENSE AND EQUIPMENT	247,059	767,699	770,967
TOTAL			
Other Funds	3,534,125	4,171,289	4,217,557
Total Full-time Equivalent Employees	43.32	42.90	43.30
Other Funds	43.32	42.90	43.30

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 2018 Governor's Recommendations

- \$47,024 Insurance Examiners Fund and .4 staff to implement SB 164 (2015) to incorporate the National Association of Insurance Commissioners (NAIC) valuation model.
- (\$756) Insurance Examiners Fund core reduction for one-time expenditures.

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

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Health Insurance Counseling TOTAL	\$ 1,370,275	\$ 1,450,000	\$ 1,450,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,170,275	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
TOTAL			
Federal Funds	1,170,275	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

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 2018 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Credit Unions			
TOTAL	\$ 1,091,035	\$ 1,322,294	\$ 1,322,294
PERSONAL SERVICE	981,209	1,178,239	1,178,239
EXPENSE AND EQUIPMENT	109,826	144,055	144,055
TOTAL			
Other Funds	1,091,035	1,322,294	1,322,294
Total Full-time Equivalent Employees	13.99	15.50	15.50
Other Funds	13.99	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 110 credit unions have approximately 1.4 million members and assets exceeding \$12.5 billion. Missouri ranks eighth in the nation in the number of state-chartered credit unions.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Finance TOTAL	\$ 7,948,440	\$ 9,047,370	\$ 9,047,370
PERSONAL SERVICE	7,202,354	8,119,094	8,119,094
EXPENSE AND EQUIPMENT	738,786	927,276	927,276
PROGRAM SPECIFIC DISTRIBUTION	7,300	1,000	1,000
TOTAL Other Funds	7,948,440	9,047,370	9,047,370
Total Full-time Equivalent Employees	109.47	118.15	118.15
Other Funds	109.47	118.15	118.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 265 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 2018 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 4,146,962	\$ 4,787,426	\$ 4,787,426
State Board of Accountancy	448,891	467,259	542,259
State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects	496,740	699,996	699,996
State Board of Chiropractic Examiners	54,999	131,820	131,820
Missouri Dental Board	395,132	632,117	632,117
State Board of Embalmers and Funeral Directors	163,738	164,200	164,200
State Board of Registration for the Healing Arts	2,113,233	2,656,349	2,656,349
State Board of Nursing	1,531,392	1,845,989	3,845,989
State Board of Optometry	8,789	34,726	34,726
State Board of Pharmacy	1,440,959	1,763,217	1,763,217
State Board of Podiatric Medicine	13,244	13,734	13,734
Missouri Real Estate Commission	909,101	1,231,154	1,231,154
Missouri Veterinary Medical Board	35,464	107,975	107,975
State Board of Cosmetology and Barber Examiners	266,190	273,899	273,899
TOTAL	\$ 12,024,834	\$ 14,809,861	\$ 16,884,861
PERSONAL SERVICE	8,716,560	9,802,629	9,802,629
EXPENSE AND EQUIPMENT	3,307,544	4,987,232	5,062,232
PROGRAM SPECIFIC DISTRIBUTION	730	20,000	2,020,000
TOTAL			
Other Funds	12,024,834	14,809,861	16,884,861
Total Full-time Equivalent Employees	222.62	224.00	224.00
Other Funds	222.62	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 465,000 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 2018 Governor's Recommendations

ADMINISTRATION

Continue funding at the current level.

STATE BOARD OF ACCOUNTANCY

- \$75,000 State Board of Accountancy Fund for increased administrative expenses.

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

Continue funding at the current level.

**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

Continue funding at the current level.

STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

Continue funding at the current level.

STATE BOARD OF REGISTRATION FOR THE HEALING ARTS

Continue funding at the current level.

STATE BOARD OF NURSING

- \$2,000,000 State Board of Nursing Fund from the Department of Higher Education for competitive grants to enhance and expand nursing education programs.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

Continue funding at the current level.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

Continue funding at the current level.

MISSOURI VETERINARY MEDICAL BOARD

Continue funding at the current level.

STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS

Continue funding at the current level.