

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2017 EXPENDITURE	FY 2018 APPROPRIATION	FY 2019 REQUEST	GOVERNOR RECOMMENDS FY 2019
Administration and Insurance Operations	\$ 9,374,437	\$ 10,938,007	\$ 10,882,933	\$ 10,949,709
Market Conduct and Financial Examinations	3,410,939	4,217,557	4,214,038	4,214,038
Health Insurance Counseling	1,420,000	1,450,000	1,450,000	1,450,000
Division of Credit Unions	1,146,001	1,321,135	1,320,480	1,322,755
Division of Finance	8,032,196	9,045,352	9,040,365	9,058,013
Division of Professional Registration	12,238,465	16,855,661	16,846,231	18,764,270
DEPARTMENTAL TOTAL	\$ 35,622,038	\$ 43,827,712	\$ 43,754,047	\$ 45,758,785
Federal Funds	1,220,000	1,250,000	1,250,000	1,250,000
Other Funds	34,402,038	42,577,712	42,504,047	44,508,785
Total Full-time Equivalent Employees	533.55	581.58	581.08	567.08
Other Funds	533.55	581.58	581.08	567.08

DEPARTMENT SUMMARY

The Fiscal Year 2019 budget provides \$45.8 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 2017 EXPENDITURE	FY 2018 APPROPRIATION	GOVERNOR RECOMMENDS FY 2019
Administration	\$ 161,541	\$ 167,484	\$ 169,581
Insurance Operations	<u>9,212,896</u>	<u>10,770,523</u>	<u>10,780,128</u>
TOTAL	\$ 9,374,437	\$ 10,938,007	\$ 10,949,709
PERSONAL SERVICE			
Other Funds	7,997,376	8,856,974	8,914,473
EXPENSE AND EQUIPMENT			
Other Funds	1,377,061	2,076,033	2,030,236
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	5,000	5,000
TOTAL			
Other Funds	9,374,437	10,938,007	10,949,709
Total Full-time Equivalent Employees	148.07	181.13	165.63
Other Funds	148.07	181.13	165.63

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. Examples of 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 37,000 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2019 Governor's Recommendations

- \$66,776 other funds for pay plan.
- (\$45,797) Insurance Dedicated Fund core reduction for one-time expenditures.
- (\$9,277) Insurance Dedicated Fund and (.5) staff transferred to the Office of the Governor.
- (15) staff core reduction from the Fiscal Year 2018 appropriation level.

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

FINANCIAL SUMMARY

	FY 2017 EXPENDITURE	FY 2018 APPROPRIATION	GOVERNOR RECOMMENDS FY 2019
Market Conduct and Financial Examinations TOTAL	\$ 3,410,939	\$ 4,217,557	\$ 4,214,038
PERSONAL SERVICE	3,154,491	3,446,590	3,446,590
EXPENSE AND EQUIPMENT	256,448	770,967	767,448
TOTAL			
Other Funds	3,410,939	4,217,557	4,214,038
Total Full-time Equivalent Employees	40.77	43.30	43.30
Other Funds	40.77	43.30	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 2019 Governor's Recommendations

- (\$3,519) Insurance Examiners Fund core reduction for one-time expenditures.

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

FINANCIAL SUMMARY

	FY 2017 EXPENDITURE	FY 2018 APPROPRIATION	GOVERNOR RECOMMENDS FY 2019
Health Insurance Counseling TOTAL	\$ 1,420,000	\$ 1,450,000	\$ 1,450,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,220,000	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
TOTAL			
Federal Funds	1,220,000	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 2019 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2017 EXPENDITURE	FY 2018 APPROPRIATION	GOVERNOR RECOMMENDS FY 2019
Division of Credit Unions			
TOTAL	\$ 1,146,001	\$ 1,321,135	\$ 1,322,755
PERSONAL SERVICE	1,019,724	1,177,380	1,179,000
EXPENSE AND EQUIPMENT	126,277	143,755	143,755
TOTAL			
Other Funds	1,146,001	1,321,135	1,322,755
Total Full-time Equivalent Employees	13.93	15.50	15.50
Other Funds	13.93	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 105 credit unions have approximately 1.4 million members and assets exceeding \$13.3 billion. Missouri ranks sixth in the nation in the number of state-chartered credit unions.

Fiscal Year 2019 Governor's Recommendations

- \$2,275 Division of Credit Unions Fund for pay plan.
- (\$655) Division of Credit Unions Fund transferred to the Office of the Governor.

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

FINANCIAL SUMMARY

	FY 2017 EXPENDITURE	FY 2018 APPROPRIATION	GOVERNOR RECOMMENDS FY 2019
Division of Finance TOTAL	\$ 8,032,196	\$ 9,045,352	\$ 9,058,013
PERSONAL SERVICE	7,318,836	8,117,376	8,130,037
EXPENSE AND EQUIPMENT	708,060	926,976	926,976
PROGRAM SPECIFIC DISTRIBUTION	5,300	1,000	1,000
TOTAL Other Funds	8,032,196	9,045,352	9,058,013
Total Full-time Equivalent Employees	106.93	118.15	116.15
Other Funds	106.93	118.15	116.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 257 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 third in the nation in the number of state-chartered banks.

Fiscal Year 2019 Governor's Recommendations

- \$17,648 Division of Finance Fund for pay plan.
- (\$4,987) Division of Finance Fund transferred to the Office of the Governor.
- (Two) staff core reduction from the Fiscal Year 2018 appropriation level.

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

FINANCIAL SUMMARY

	FY 2017 EXPENDITURE	FY 2018 APPROPRIATION	GOVERNOR RECOMMENDS FY 2019
Administration	\$ 4,248,187	\$ 4,758,226	\$ 5,736,360
State Board of Accountancy	444,516	542,259	546,159
State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects	527,527	699,996	705,846
State Board of Chiropractic Examiners	57,151	131,820	131,820
Missouri Dental Board	398,722	632,117	636,992
State Board of Embalmers and Funeral Directors	120,873	164,200	164,200
State Board of Registration for the Healing Arts	2,055,811	2,656,349	2,681,699
State Board of Nursing	1,633,834	3,845,989	3,858,989
State Board of Optometry	23,286	34,726	34,726
State Board of Pharmacy	1,409,393	1,763,217	2,625,117
State Board of Podiatric Medicine	10,479	13,734	13,734
Missouri Real Estate Commission	1,009,829	1,231,154	1,246,754
Missouri Veterinary Medical Board	30,838	107,975	107,975
State Board of Cosmetology and Barber Examiners	268,019	273,899	273,899
TOTAL	\$ 12,238,465	\$ 16,855,661	\$ 18,764,270
PERSONAL SERVICE	8,972,702	9,773,429	10,115,133
EXPENSE AND EQUIPMENT	3,264,578	5,062,232	5,879,137
PROGRAM SPECIFIC DISTRIBUTION	1,185	2,020,000	2,770,000
TOTAL			
Other Funds	12,238,465	16,855,661	18,764,270
Total Full-time Equivalent Employees	223.85	223.50	226.50
Other Funds	223.85	223.50	226.50

The Division of Professional Registration is responsible for supporting 41 professional licensing boards and commissions in licensing and regulating the activities of over 474,000 Missourians representing approximately 254 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 2019 Governor's Recommendations

ADMINISTRATION

- \$750,000 Professional Registration Fees Fund to collect and transmit federal Appraisal Management Company fees.
- \$192,389 Professional Registration Fees Fund and three staff to implement SB 240 (2017) requiring electrical contractors to be licensed.
- \$45,175 Professional Registration Fees Fund for pay plan.
- (\$9,430) Professional Registration Fees Fund transferred to the Office of the Governor.

STATE BOARD OF ACCOUNTANCY

- \$3,900 State Board of Accountancy Fund for pay plan.

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

- \$5,850 State Board for Architects, Professional Engineers, Professional Land Surveyors and Professional 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

- \$4,875 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

- \$25,350 Board of Registration for the Healing Arts Fund for pay plan.

STATE BOARD OF NURSING

- \$13,000 State Board of Nursing Fund for pay plan.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

- \$750,000 Board of Pharmacy Fund to implement SB 139 (2017) for the Rx Cares for Missouri Program.
- \$108,000 Board of Pharmacy Fund to attract and retain qualified inspectors.
- \$3,900 Board of Pharmacy Fund for pay plan.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

- \$15,600 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.