

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2013 EXPENDITURE	FY 2014 APPROPRIATION	FY 2015 REQUEST	GOVERNOR RECOMMENDS FY 2015
Administration and Insurance Operations	\$ 7,946,766	\$ 9,704,957	\$ 9,926,032	\$ 10,032,272
Market Conduct and Financial Examinations	3,335,534	4,028,574	4,039,200	4,084,212
Health Insurance Counseling	1,211,029	1,450,000	1,450,000	1,450,000
Division of Credit Unions	1,070,862	1,258,977	1,262,852	1,278,579
Division of Finance	7,518,015	8,552,612	8,582,150	8,687,388
Division of Professional Registration	<u>11,675,898</u>	<u>15,345,393</u>	<u>15,467,822</u>	<u>15,606,950</u>
DEPARTMENTAL TOTAL	\$ 32,758,104	\$ 40,340,513 *	\$ 40,728,056	\$ 41,139,401
Federal Funds	1,471,529	1,773,348	1,778,599	1,784,980
Other Funds	31,286,575	38,567,165	38,949,457	39,354,421
Total Full-time Equivalent Employees	532.39	580.33	586.33	586.33
Federal Funds	11.40	21.00	21.00	21.00
Other Funds	520.99	559.33	565.33	565.33

* Does not include \$20,919 recommended in the Fiscal Year 2014 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Insurance, Financial Institutions and Professional Registration supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2015 budget provides \$41.1 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 2013 EXPENDITURE	FY 2014 APPROPRIATION	GOVERNOR RECOMMENDS FY 2015
Administration	\$ 162,481	\$ 178,290	\$ 181,442
Insurance Operations	7,784,285	9,526,667	9,850,830
TOTAL	\$ 7,946,766	\$ 9,704,957	\$ 10,032,272
PERSONAL SERVICE			
Federal Funds	429,189	458,837	470,469
Other Funds	6,571,457	7,222,024	7,520,707
EXPENSE AND EQUIPMENT			
Federal Funds	31,311	64,511	64,511
Other Funds	914,809	1,954,585	1,971,585
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	5,000	5,000
TOTAL			
Federal Funds	460,500	523,348	534,980
Other Funds	7,486,266	9,181,609	9,497,292
Total Full-time Equivalent Employees	147.15	182.18	187.18
Federal Funds	11.40	21.00	21.00
Other Funds	135.75	161.18	166.18

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 21,000 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2015 Governor's Recommendations

- \$183,570 Insurance Dedicated Fund and five staff to implement SB 262 (2013) which licenses insurance navigators and institutes expedited review deadlines for health policy forms.
- \$106,240 federal and other funds for pay plan.
- \$45,555 federal and other funds for the remaining pay periods of the Fiscal Year 2014 approved pay plan.
- (\$8,050) 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 2013 EXPENDITURE	FY 2014 APPROPRIATION	GOVERNOR RECOMMENDS FY 2015
Market Conduct and Financial Examinations TOTAL	\$ 3,335,534	\$ 4,028,574	\$ 4,084,212
PERSONAL SERVICE	3,118,037	3,262,900	3,318,538
EXPENSE AND EQUIPMENT	217,497	765,674	765,674
TOTAL			
Other Funds	3,335,534	4,028,574	4,084,212
Total Full-time Equivalent Employees	43.17	42.50	42.50
Other Funds	43.17	42.50	42.50

The department conducts 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 2015 Governor's Recommendations

- \$45,012 Insurance Examiners Fund for pay plan.
- \$10,626 Insurance Examiners Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

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

FINANCIAL SUMMARY

	FY 2013 EXPENDITURE	FY 2014 APPROPRIATION	GOVERNOR RECOMMENDS FY 2015
Health Insurance Counseling TOTAL	\$ 1,211,029	\$ 1,450,000	\$ 1,450,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,011,029	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
TOTAL			
Federal Funds	1,011,029	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 2015 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2013 EXPENDITURE	FY 2014 APPROPRIATION	GOVERNOR RECOMMENDS FY 2015
Division of Credit Unions			
TOTAL	\$ 1,070,862	\$ 1,258,977	\$ 1,278,579
PERSONAL SERVICE	972,165	1,139,893	1,159,495
EXPENSE AND EQUIPMENT	98,697	119,084	119,084
TOTAL			
Other Funds	1,070,862	1,258,977	1,278,579
Total Full-time Equivalent Employees	15.54	15.50	15.50
Other Funds	15.54	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 118 credit unions have approximately 1.3 million members and assets exceeding \$11.2 billion. Missouri ranks eighth in the nation in the number of state-chartered credit unions.

Fiscal Year 2015 Governor's Recommendations

- \$15,727 Division of Credit Unions Fund for pay plan.
- \$3,875 Division of Credit Unions Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

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

FINANCIAL SUMMARY

	FY 2013 EXPENDITURE	FY 2014 APPROPRIATION	GOVERNOR RECOMMENDS FY 2015
Division of Finance TOTAL	\$ 7,518,015	\$ 8,552,612	\$ 8,687,388
PERSONAL SERVICE	6,783,945	7,624,121	7,758,897
EXPENSE AND EQUIPMENT	729,270	927,491	927,491
PROGRAM SPECIFIC DISTRIBUTION	4,800	1,000	1,000
TOTAL			
Other Funds	7,518,015	8,552,612	8,687,388
Total Full-time Equivalent Employees	112.19	118.15	118.15
Other Funds	112.19	118.15	118.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's nearly 300 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 2015 Governor's Recommendations

- \$105,238 Division of Finance Fund for pay plan.
- \$29,538 Division of Finance Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

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

FINANCIAL SUMMARY

	FY 2013 EXPENDITURE	FY 2014 APPROPRIATION	GOVERNOR RECOMMENDS FY 2015
Administration	\$ 3,880,315	\$ 5,665,175	\$ 5,733,004
State Board of Accountancy	398,540	456,848	462,540
State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects	622,837	685,812	693,632
State Board of Chiropractic Examiners	94,880	131,820	131,820
Missouri Dental Board	381,449	618,428	625,820
State Board of Embalmers and Funeral Directors	74,424	164,200	164,200
State Board of Registration for the Healing Arts	2,389,472	2,589,310	2,684,012
State Board of Nursing	1,492,194	1,788,034	1,830,596
State Board of Optometry	13,289	34,726	34,726
State Board of Pharmacy	1,182,984	1,618,515	1,635,085
State Board of Podiatric Medicine	3,562	13,734	13,734
Missouri Real Estate Commission	895,371	1,196,917	1,215,907
Missouri Veterinary Medical Board	54,424	107,975	107,975
State Board of Cosmetology and Barber Examiners	192,157	273,899	273,899
TOTAL	\$ 11,675,898	\$ 15,345,393	\$ 15,606,950
PERSONAL SERVICE	8,160,414	9,339,740	9,596,287
EXPENSE AND EQUIPMENT	3,515,072	5,985,653	5,990,663
PROGRAM SPECIFIC DISTRIBUTION	412	20,000	20,000
TOTAL			
Other Funds	11,675,898	15,345,393	15,606,950
Total Full-time Equivalent Employees	214.34	222.00	223.00
Other Funds	214.34	222.00	223.00

The Division of Professional Registration is responsible for supporting 40 professional licensing boards and commissions in licensing and regulating the activities of over 400,000 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 2015 Governor's Recommendations

ADMINISTRATION

- \$46,704 Professional Registration Fees Fund for pay plan.
- \$21,125 Professional Registration Fees Fund for remaining pay periods of the Fiscal Year 2014 approved pay plan.

STATE BOARD OF ACCOUNTANCY

- \$3,942 State Board of Accountancy Fund for pay plan.
- \$1,750 State Board of Accountancy Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

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

- \$5,320 State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects Fund for pay plan.
- \$2,500 State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects Fund for the remaining pay periods of the Fiscal Year 2014 approved 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

- \$5,267 Dental Board Fund for pay plan.
- \$2,125 Dental Board Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

Continue funding at the current level.

STATE BOARD OF REGISTRATION FOR THE HEALING ARTS

- \$58,050 Board of Registration for the Healing Arts Fund and one staff to allow the Board to prepare, file, and litigate emergency suspensions of physicians.
- \$25,402 Board of Registration for the Healing Arts Fund for pay plan.
- \$11,250 Board of Registration for the Healing Arts Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

STATE BOARD OF NURSING

- \$16,995 State Board of Nursing Fund for pay plan.
- \$15,879 State Board of Nursing Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.
- \$9,688 State Board of Nursing Fund to increase salaries for recruitment and retention as recommended by the Personnel Advisory Board.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

- \$13,070 Board of Pharmacy Fund for pay plan.
- \$3,500 Board of Pharmacy Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

- \$12,740 Real Estate Commission Fund for pay plan.
- \$6,250 Real Estate Commission Fund for the remaining pay periods of the Fiscal Year 2014 approved 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.