

Agency 022 - DEPT OF INSURANCE

STATUTORY AUTHORITY:

The Department of Insurance was created by Article 12, Section 1, of the Constitution of the State of Nebraska. The Department's general powers are granted by State Statute Section 44-101.01 R.R.S. 1943. The Department's duties and responsibilities are defined in State Statute Chapters 8, 11, 21, 44, 48, 59, 77, 81, and 84.

VISION:

To serve policyholders with an agency workforce that understands and responds to the diversity of regulatory matters whether emanating from local competitive issues confronting small regional insurers or global forces such as international accounting treatment challenging all US based insurers. With continued national recognition as a "tough but fair" regulatory body, the department envisions playing an important role in the continued growth of the insurance industry in Nebraska.

MISSION AND PRINCIPLES:

To safeguard those affected by the business of insurance through the fulfillment of our statutory obligations and by promoting the fair and just treatment of all parties to insurance transactions.

GOALS:

- Improve and enhance services and protection provided to Nebraska insurance consumers.
- Maximize efficiency and effectiveness of the department's operations and delivery of services.
- Both of these goals can be reached through maintaining the department's accreditation status, upgrading the department's current database with a web-based system that would allow more information to be available to the public, and updating the department's web site. Each subprogram has also identified specific divisional goals that also help the department achieve these goals.

Agency 022 - DEPT OF INSURANCE

Financial Data

	FY16 Actual	FY17 Approp	FY18 Request	FY18 Recomm	FY19 Request	FY19 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	9,570,879	13,318,292	12,652,332	12,074,718	13,032,165	12,204,034
Federal Fund	983,811	2,235,599	1,476,008	1,460,009	1,522,889	1,489,844
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	10,554,690	15,553,891	14,128,340	13,534,727	14,555,054	13,693,878
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	347,673	0	647,880	647,880	664,722	664,722
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	347,673	0	647,880	647,880	664,722	664,722
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	9,570,879	13,318,292	12,652,332	12,074,718	13,032,165	12,204,034
Federal Fund	1,331,484	2,235,599	2,123,888	2,107,889	2,187,611	2,154,566
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	10,902,363	15,553,891	14,776,220	14,182,607	15,219,776	14,358,600

Agency 022 - DEPT OF INSURANCE
Program 068 - MEDICAL PROFESSIONAL LIABILITY

PROGRAM DESCRIPTION:

The Medical Professional Liability program coordinates implementation of the provisions of the Hospital-Medical Liability Act (Chapter 44, Article 28). Functions performed include qualification of health care providers, collection of annual surcharges/premiums, disposal of claims, and other activities necessary to protect the assets of the Excess Liability Fund. The department has contracted administration duties through February 2017 for claim payments as allowed under §44-2854. The department maintains all other responsibilities, including all payments from the fund. All expenditures are reimbursed by the Excess Liability Trust fund (fund 62220) per §44-2829(6).

PROGRAM OBJECTIVES:

The Department contracts with outside counsel to administer the claim process while the Department collects the surcharge from each Fund member and pays Fund-covered claims. Any expenditures from program 068 are reimbursed by the Excess Liability Fund.

For all claim payments ordered by the courts or mediated between the two parties are to be made within three business days of receiving supporting documentation.

PERFORMANCE MEASURES:

The department has made payment within three business days of receiving supporting documentation.

Agency 022 - DEPT OF INSURANCE
Program 068 - MEDICAL PROFESSIONAL LIABILITY

Financial Data

	FY16 Actual	FY17 Approp	FY18 Request	FY18 Recomm	FY19 Request	FY19 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	52,228	201,400	120,316	118,338	124,423	120,355
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	52,228	201,400	120,316	118,338	124,423	120,355
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	52,228	201,400	120,316	118,338	124,423	120,355
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	52,228	201,400	120,316	118,338	124,423	120,355

Agency 022 - DEPT OF INSURANCE
Program 069 - ENF OF STDS-INSURANCE

PROGRAM DESCRIPTION:

Programs listed enforce all insurance laws & ensure the financial stability of Nebraska's domestic companies and are listed as:

- Administration – Includes Director's office
- Financial Examination – Monitors domestic company's financial condition
- Property & Casualty – Reviews/approves company filings
- Life & Health – Reviews/approves company filings
- Licensing – Licenses producers and agencies
- Legal – Provides legal counsel for the agency
- Administrative Services – Provides accounting, budgeting, and IT/office support
- Market Conduct Examination – Monitors conduct of companies
- Fraud Prevention – Investigates insurance fraud

PROGRAM OBJECTIVES:

The objectives for this program are included in the unlimited section of the the budget document.

PERFORMANCE MEASURES:

Performance measures are included on an spreadsheet attached to this request.

**Agency 022 - DEPT OF INSURANCE
Program 069 - ENF OF STDS-INSURANCE**

Financial Data

	FY16 Actual	FY17 Approp	FY18 Request	FY18 Recomm	FY19 Request	FY19 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	9,509,152	13,107,392	12,527,016	11,951,380	12,902,742	12,078,679
Federal Fund	983,811	2,235,599	1,476,008	1,460,009	1,522,889	1,489,844
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	10,492,962	15,342,991	14,003,024	13,411,389	14,425,631	13,568,523
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	347,673	0	647,880	647,880	664,722	664,722
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	347,673	0	647,880	647,880	664,722	664,722
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	9,509,152	13,107,392	12,527,016	11,951,380	12,902,742	12,078,679
Federal Fund	1,331,484	2,235,599	2,123,888	2,107,889	2,187,611	2,154,566
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	10,840,635	15,342,991	14,650,904	14,059,269	15,090,353	14,233,245

Agency 022 - DEPT OF INSURANCE
Program 556 - LIQUIDATION OF INSUR COMPANIES

PROGRAM DESCRIPTION:

The purpose of this program is to provide funding for activities associated with conservatorship or liquidation of troubled insurance companies. This program's appropriation is restricted and can only be expended in specific to allow the department of undertake and maintain corrective action. The number of actions requiring expenditures under this program vary widely from year to year. With the exception of a few expenditures, all costs associated with a conservatorship or liquidation of an insurance company is paid for directly from the estate of the company.

PROGRAM OBJECTIVES:

With the exception of a few expenditures, all costs associated with a conservatorship or liquidation of an insurance company is paid for directly from the estate of the company. Therefore no program objectives have been identified.

PERFORMANCE MEASURES:

With the exception of a few expenditures, all costs associated with a conservatorship or liquidation of an insurance company is paid for directly from the estate of the company. Therefore no performance measures have been identified.

Agency 022 - DEPT OF INSURANCE
Program 556 - LIQUIDATION OF INSUR COMPANIES

Financial Data

	FY16 Actual	FY17 Approp	FY18 Request	FY18 Recomm	FY19 Request	FY19 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	9,500	9,500	5,000	5,000	5,000	5,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	9,500	9,500	5,000	5,000	5,000	5,000
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	9,500	9,500	5,000	5,000	5,000	5,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	9,500	9,500	5,000	5,000	5,000	5,000