

# Agency 22 - Department Of Insurance

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## 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 Statement:

## Mission Statement:

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:

- 1) Improve and enhance services and protection provided to Nebraska insurance consumers.
- 2) Maximize efficiency and effectiveness of the Department's operations and delivery of services.

Objective 1-1: Continue to improve financial solvency regulations by maintaining accreditation of the Department by the National Association of Insurance Commissioners.

Objective 1-2: Increase the visibility of the Department through: 1) increased participation in outreach activities, such as public appearances, public service announcements, and informational brochures and workshops, and, 2) increased coverage of insurance related matters through the Department's newsletter, local newspapers, and other media.

Objective 2-1: Increase the level and quality of communications and accountability at all levels within the Department by: 1) reviewing, on semi-annual basis, the status of the goals that each division has developed through division reports and meetings, 2) reviewing and possibly redefining, as necessary, each division's goals on an annual basis, and 3) identifying areas for improved communications through monthly Administrator staff meetings.

## Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recorm FY06	Request FY07	Recorm FY07
General Fund	0	0	0	0	0	0
Cash Fund	6,936,933	8,237,934	10,578,807	10,750,917	8,472,175	8,845,256
Federal Fund	923,241	994,885	290,084	293,436	290,084	296,980
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Agency</b>	<b>7,860,174</b>	<b>9,232,819</b>	<b>10,868,891</b>	<b>11,044,353</b>	<b>8,762,259</b>	<b>9,142,236</b>

**Agency 22 - Department Of Insurance  
Program 068 - Medical Professional Liability**

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**Program Objectives:**

**Financial Data:**

	<u>Actual FY04</u>	<u>Approp FY05</u>	<u>Request FY06</u>	<u>Recom FY06</u>	<u>Request FY07</u>	<u>Recom FY07</u>
General Fund	0	0	0	0	0	0
Cash Fund	108,623	158,015	150,000	151,218	150,000	153,032
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	108,623	158,015	150,000	151,218	150,000	153,032

**Performance Measures:**

## Agency 22 - Department Of Insurance Program 069 - Enforcement Of Standards - Insurance

### Program Objectives:

01-1 Institute procedures in the Examination Division necessary to maintain National Association of Insurance Commissioner's (NAIC) accreditation. The NAIC conducts an on-site review every five years and interim annual desk reviews. New requirements will be reviewed annually and new procedures instituted as necessary.

01-2 Insure that the Department can meet Examiner Handbook requirements by having at least 40% of the examiners certified to hold the Certified Financial Examiner (CFE) designation and a total of 95% of the examination staff hold the appropriate Accredited Financial Examiner (AFE) or CFE designation. The Department will encourage all examiners to pursue these designations.

### Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	0	0	0	0	0	0
Cash Fund	6,828,310	8,069,919	10,418,807	10,589,699	8,312,175	8,682,224
Federal Fund	923,241	994,885	290,084	293,436	290,084	296,980
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>7,751,551</b>	<b>9,064,804</b>	<b>10,708,891</b>	<b>10,883,135</b>	<b>8,602,259</b>	<b>8,979,204</b>

### Performance Measures:

01-1 During FY02 the NAIC conducted a pre-accreditation review. In FY03 the on-site five-year review was conducted and the Department was awarded its third accreditation certificate December 7, 2002.

Description	FY04 Actual	FY05	FY06 Request	FY07 Request
01-2 % of Examiners holding CFE	48	55	60	60
01-2 % of Examiners holding AFE or	61	70	80	85
01-3 % of staff meeting education requir	100	100	100	100
01-4 % of exams conducted per	60	80	90	90
01-5 % of Quick Reviews done in 10	100	100	100	100
01-5 % of Annual Reviews per schedule	74	90	100	100
01-5 % of Annual Reviews done by	100	100	100	100
01-5 % of Quarterly Reviews done per	39	50	75	100
01-7 # of Pre-need exams completed	34	35	35	35
01-8 % of priority exams completed	100	100	100	100

## Agency 22 - Department Of Insurance Program 556 - Liquidation Of Insurance Companies

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### Program Objectives:

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 to allow the Department to undertake and maintain corrective action. The number of actions requiring expenditures under this program vary widely from year to year.

### Financial Data:

	Actual FY04	Approp FY05	Request FY06	Recom FY06	Request FY07	Recom FY07
General Fund	0	0	0	0	0	0
Cash Fund	0	10,000	10,000	10,000	10,000	10,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

### Performance Measures: