

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

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	10,357,606	12,618,961	13,225,323	13,453,105	12,826,903	13,231,949
Federal Fund	1,757,092	2,211,075	2,211,075	2,231,222	2,211,075	2,246,137
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	12,114,698	14,830,036	15,436,398	15,684,327	15,037,978	15,478,086
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	10,357,606	12,618,961	13,225,323	13,453,105	12,826,903	13,231,949
Federal Fund	1,757,092	2,211,075	2,211,075	2,231,222	2,211,075	2,246,137
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	12,114,698	14,830,036	15,436,398	15,684,327	15,037,978	15,478,086

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 2015 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:

For all claim payments ordered by the courts or mediated between the two parties to be made within three business days of receiving supporting documentation. The department hired an outside entity to administer the claim process while the department maintained the collection of the surcharge and the payment of claims. Any expenditures from the program are reimbursed by the Excess Liability fund.

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

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	196,765	197,697	197,697	199,738	197,697	201,367
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	196,765	197,697	197,697	199,738	197,697	201,367
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	196,765	197,697	197,697	199,738	197,697	201,367
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	196,765	197,697	197,697	199,738	197,697	201,367

Agency 022 - DEPT OF INSURANCE

Program 069 - ENF OF STDS-INSURANCE

PROGRAM DESCRIPTION:

Programs listed enforce all insurance laws & insure 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 overall objective of this program is to provide the best oversight of the various entities regulated by the department.

PERFORMANCE MEASURES:

Performance measures are included on an attached spreadsheet.

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

Financial Data

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	10,160,841	12,411,764	13,018,126	13,243,867	12,619,706	13,021,082
Federal Fund	1,757,092	2,211,075	2,211,075	2,231,222	2,211,075	2,246,137
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	11,917,933	14,622,839	15,229,201	15,475,089	14,830,781	15,267,219
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	10,160,841	12,411,764	13,018,126	13,243,867	12,619,706	13,021,082
Federal Fund	1,757,092	2,211,075	2,211,075	2,231,222	2,211,075	2,246,137
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	11,917,933	14,622,839	15,229,201	15,475,089	14,830,781	15,267,219

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

	FY14 Actual	FY15 Approp	FY16 Request	FY16 Recomm	FY17 Request	FY17 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	9,500	9,500	9,500	9,500	9,500
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	0	9,500	9,500	9,500	9,500	9,500
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	0	9,500	9,500	9,500	9,500	9,500
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	0	9,500	9,500	9,500	9,500	9,500