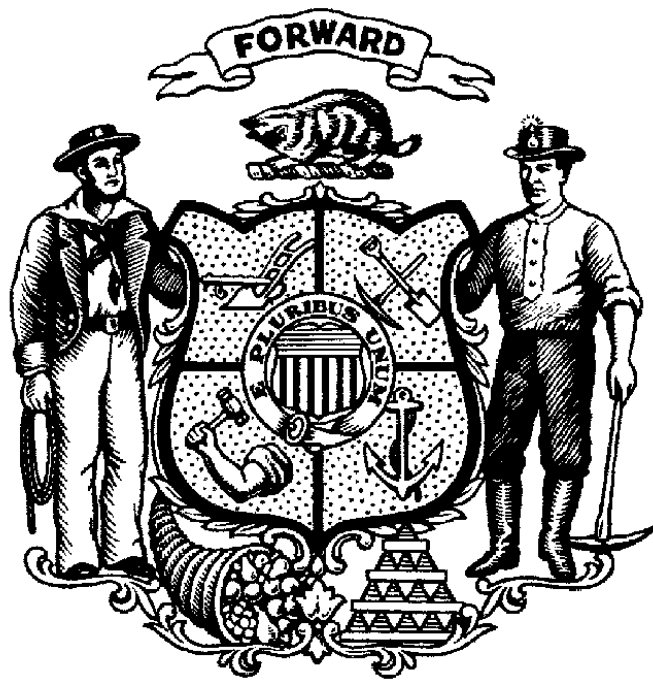


State of Wisconsin

Office of the Commissioner of Insurance



Agency Budget Request

2019 – 2021 Biennium

September 17, 2018

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State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

September 17, 2018

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Ellen Nowak, Secretary
Department of Administration
101 East Wilson Street, 10th Floor
Madison, WI 53702

Dear Secretary Nowak:

Attached is the 2019-2021 biennial budget request from the Office of the Commissioner of Insurance (OCI). This request represents a very basic, cost-to-continue budget for the agency as OCI continues to be a good steward of its financial resources and remains fiscally prudent. There is no General Purpose Revenue (GPR) funding or Full-Time Equivalent (FTE) positions included in this submission.

This modest budget request is needed so that effective insurance regulation will be maintained, Wisconsin's policyholders will continue to be adequately protected, and that a stable business base for Wisconsin domestic insurers will be provided.

Thank you for your consideration of this budget request.

Sincerely,



Theodore K. Nickel
Commissioner

AGENCY DESCRIPTION

The agency was created by the Legislature in 1871, and the original intent of the agency has not changed drastically over the past 145 years. The agency is vested with broad powers to ensure that the insurance industry responsibly and adequately meets the insurance needs of Wisconsin citizens. The agency performs a variety of tasks to protect insurance consumers and ensure a competitive insurance environment. The agency's major functions include: reviewing insurance policies that are sold in Wisconsin to make sure they meet the requirements set forth in Wisconsin law; conducting examinations of domestic and foreign insurers to ensure compliance with Wisconsin laws and rules; monitoring the financial solvency of licensed companies to make sure that consumers have the insurance coverage they expect when they need it; issuing licenses to the various parties involved in selling and marketing insurance products; assisting insurance consumers with their insurance problems; researching special insurance issues to understand and assess their impact on Wisconsin; providing technical assistance on legislation and promulgating administrative rules to interpret insurance laws; creating and distributing public information and consumer education pieces to educate people about insurance; and operating a state life insurance fund, a property fund for the property owned by local units of government (note that 2017 Wisconsin Act 59 allowed for the closure of the Local Government Property Insurance Fund), and an injured patients and families compensation fund insuring health care providers for medical malpractice.

MISSION

The mission of the agency is to lead the way in informing and protecting the public and responding to its insurance needs.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Supervision of the Insurance Industry

Goal: Proactively address the root causes of problems in the insurance marketplace through effective regulation, with an emphasis on early detection and prevention.

Objective/Activity: Aggressively conduct all regulatory core mission functions including information collection, analysis, licensing and adjudication; refine and improve early warning systems in financial and market regulation; train staff to facilitate intra-agency communication and early identification of regulatory issues; and encourage external interaction and feedback.

Goal: Provide information and assistance to the public including consumers, legislators, insurers, agents, other states, the federal government and other organizations.

Objective/Activity: Ensure that staff members directly interacting with the public have the training and equipment to provide information and assistance in a timely and courteous manner; continue to use and improve performance measures; provide public information through the development and implementation of a coordinated communication plan; and improve and preserve state regulation of insurance by communicating with and informing the public.

Goal: Provide ongoing support and development of each staff member.

Objective/Activity: Provide a healthy and safe work environment; develop the full potential of staff by promoting training and growth opportunities; foster diversity in the workplace; promote positive communication, cooperation and mutual respect within and among all work units, and continue to develop work group teams to improve cross-functional work processes; through continued use of performance standards, strive to improve all functions; and assess restructuring and reallocation of staff resources as appropriate to better address work needs.

Goal: Use appropriate technology to provide tools for the regulation of insurance.

Objective/Activity: Continually review emerging technologies and conduct cost-benefit analyses of applications; encourage officewide participation in technology planning and implementation such as through the Information Technology Strategic Planning Committee; improve state regulation and service by implementing the use of technology to facilitate the sharing of information with other regulatory authorities; and provide opportunities for staff to research and develop new approaches to optimize the use of technology.

Program 2: Injured Patients and Families Compensation Fund

The major objective of the program is to assure that adequate funds are available to compensate patients for serious injuries resulting from acts of medical malpractice.

Goal: Provide excess medical malpractice coverage for Wisconsin health care providers.

Objective/Activity: Ensure the sound fiscal management and integrity of the fund and provide a regular accounting or audit of the fund.

Program 3: Local Government Property Insurance Fund

The purpose of the Fund is to make property insurance available for local government units. The Commissioner of Insurance, by law, is designated as the Fund's manager.

2017 Wisconsin Act 59 allowed for the closure of the Local Government Property Insurance Fund and set the following timeline:

- No coverage may be renewed after December 31, 2017.

- No coverage may terminate later than December 31, 2018.
- All claims must be filed with the property fund by no later than July 1, 2019.
- No claim filed after July 1, 2019 will be covered by the Fund.

Program 4: State Life Insurance Fund

The fund is a state-sponsored program established to provide low-cost life insurance coverage. The maximum level of coverage available to each policyholder is \$10,000.

Goal: Provide a state-sponsored life insurance program for the benefit of residents of Wisconsin.

Objective/Activity: Ensure the sound fiscal management and integrity of the fund and provide a regular accounting or audit of the fund.

PERFORMANCE MEASURES

2017 AND 2018 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2017	Actual 2017	Goal 2018	Actual 2018
1.	Number of financial examinations conducted.	55	38	55	N/A
1.	Consumer complaints handled in a timely fashion.	95%	99%	95%	N/A
1.	Policy form reviews conducted in a timely manner.	6,000	10,000	6,000	N/A
1.	Insurance intermediary licensing function processed in a timely manner.	39,000	55,000	39,000	N/A
1.	Develop, maintain and distribute consumer education material to the public in a timely manner. ¹	15,500 1 350,000	14,423 0 280,255	15,500 1 350,000	N/A
1.	Continually update the Web site so users can find the information they need. ²	975 50,750	683 23,948	975 50,750	N/A
2.	Injured patients and families compensation fund report accepted by Board of Governors.	Report accepted	Report accepted	Report accepted	N/A
3.	Submit annual statement to regulator of the fund timely and in accordance with statutory and GAAP reporting requirements.	Meet GAAP standards	Met GAAP standards	Meet GAAP standards	N/A
3.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified audit opinion being rendered.	Unqualified opinion	Unqualified opinion	Unqualified opinion	Audit has not yet occurred
4.	Submit annual statement to regulator of the fund timely and in accordance with statutory and GAAP reporting requirements.	Meet GAAP standards	Met GAAP standards	Meet GAAP standards	Audit has not yet occurred
4.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified opinion being rendered.	Unqualified opinion	LAB audit is currently in process.	Unqualified opinion	Audit has not yet occurred

Note: Based on calendar year. Actuals for 2018 are not yet available.

¹Three figures are presented. The first is the number of views of the Consumer Publications List on the Web site. The second is the number of new publications developed. The third is the number of viewed publications online.

²Two numbers are presented. The first is the number of major updates or additions to the Web site per year. The second is the total number of views per week on the Web site.

2019, 2020 AND 2021 GOALS

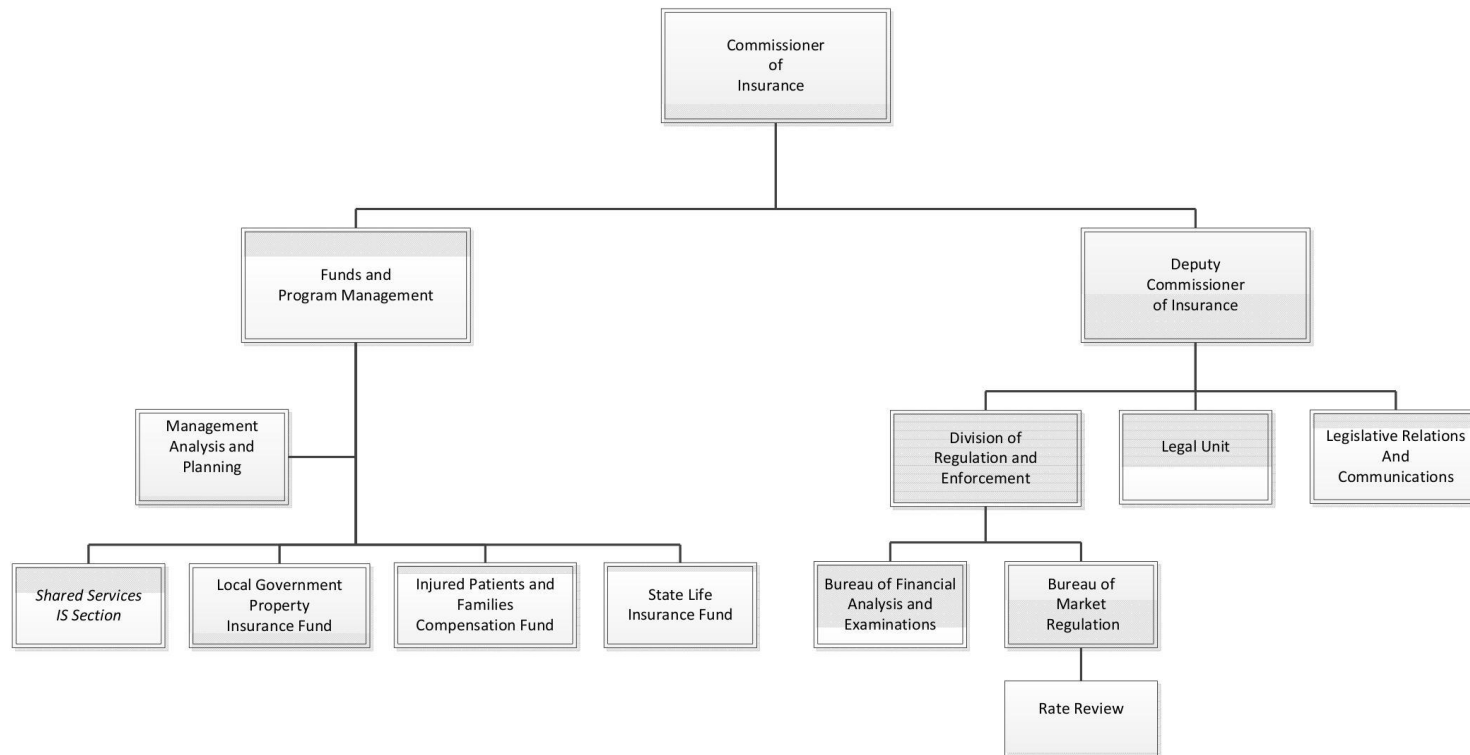
Prog. No.	Performance Measure	Goal 2019	Goal 2020	Goal 2021
1.	Number of financial examinations conducted during the fiscal year.	62	34	46
1.	Consumer complaints handled in a timely fashion.	95%	95%	95%
1.	Policy form reviews conducted in a timely manner.	6,000	6,000	6,000
1.	Insurance intermediary licensing function processed in a timely manner.	39,000	39,000	39,000
1.	Develop, maintain and distribute consumer education material to the public in a timely manner. ¹	1 350,000	1 350,000	1 350,000
1.	Continually update the Web site so users can find the information they need. ²	975 50,750	975 50,750	975 50,750
2.	Injured patients and families compensation fund report accepted by Board of Governors.	Report accepted	Report accepted	Report accepted
3.	Submit annual statement to regulator of the fund timely and in accordance with statutory and GAAP reporting requirements.	Meet GAAP standards	Meet GAAP standards	Meet GAAP standards
3.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified audit opinion being rendered.	Unqualified opinion	Unqualified opinion	Unqualified opinion
4.	Submit annual statement to regulator of the fund timely and in accordance with statutory and GAAP reporting requirements.	Meet GAAP standards	Meet GAAP standards	Meet GAAP standards
4.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified opinion being rendered.	Unqualified opinion	Unqualified opinion	Unqualified opinion

Note: Based on calendar year.

¹Two figures are presented. The first is the number of new publications developed. The second is the number of viewed publications online.

²Two numbers are presented. The first is the number of major updates to the Web site per year. The second is the total number of views per year on the Web site.

Organization and Staffing of the Office of the Commissioner of Insurance



Agency Total by Fund Source

Office of the Commissioner of Insurance

1921 Biennial Budget

ANNUAL SUMMARY						BIENNIAL SUMMARY					
Source of Funds		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
PR	S	\$17,064,829	\$19,646,600	\$19,858,600	\$19,891,100	125.32	125.32	\$39,293,200	\$39,749,700	\$456,500	1.2%
Total		\$17,064,829	\$19,646,600	\$19,858,600	\$19,891,100	125.32	125.32	\$39,293,200	\$39,749,700	\$456,500	1.2%
PR Federal	S	\$53,492	\$614,400	\$0	\$0	0.00	0.00	\$1,228,800	\$0	(\$1,228,800)	-100.0%
Total		\$53,492	\$614,400	\$0	\$0	0.00	0.00	\$1,228,800	\$0	(\$1,228,800)	-100.0%
SEG	A	\$17,947,280	\$58,643,400	\$58,643,400	\$58,643,400	0.00	0.00	\$117,286,800	\$117,286,800	\$0	0.0%
SEG	L	\$1,582,225	\$29,660,200	\$500,000	\$500,000	0.00	0.00	\$59,320,400	\$1,000,000	(\$58,320,400)	-98.3%
SEG	S	\$2,266,229	\$3,472,300	\$2,069,500	\$2,070,400	10.68	10.68	\$6,944,600	\$4,139,900	(\$2,804,700)	-40.4%
Total		\$21,795,734	\$91,775,900	\$61,212,900	\$61,213,800	10.68	10.68	\$183,551,800	\$122,426,700	(\$61,125,100)	-33.3%
Grand Total		\$38,914,055	\$112,036,900	\$81,071,500	\$81,104,900	136.00	136.00	\$224,073,800	\$162,176,400	(\$61,897,400)	-27.6%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
01 SUPERVISION OF THE INSURANCE INDUSTRY										
Non Federal										
PR	\$17,064,829	\$19,646,600	\$19,858,600	\$19,891,100	125.32	125.32	\$39,293,200	\$39,749,700	\$456,500	1.16%
S	\$17,064,829	\$19,646,600	\$19,858,600	\$19,891,100	125.32	125.32	\$39,293,200	\$39,749,700	\$456,500	1.16%
Total - Non Federal	\$17,064,829	\$19,646,600	\$19,858,600	\$19,891,100	125.32	125.32	\$39,293,200	\$39,749,700	\$456,500	1.16%
S	\$17,064,829	\$19,646,600	\$19,858,600	\$19,891,100	125.32	125.32	\$39,293,200	\$39,749,700	\$456,500	1.16%
Federal										
PR	\$53,492	\$614,400	\$0	\$0	0.00	0.00	\$1,228,800	\$0	(\$1,228,800)	-100.00%
S	\$53,492	\$614,400	\$0	\$0	0.00	0.00	\$1,228,800	\$0	(\$1,228,800)	-100.00%
Total - Federal	\$53,492	\$614,400	\$0	\$0	0.00	0.00	\$1,228,800	\$0	(\$1,228,800)	-100.00%
S	\$53,492	\$614,400	\$0	\$0	0.00	0.00	\$1,228,800	\$0	(\$1,228,800)	-100.00%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

PGM 01 Total	\$17,118,321	\$20,261,000	\$19,858,600	\$19,891,100	125.32	125.32	\$40,522,000	\$39,749,700	(\$772,300)	-1.91%
<hr/>										
PR	\$17,118,321	\$20,261,000	\$19,858,600	\$19,891,100	125.32	125.32	\$40,522,000	\$39,749,700	(\$772,300)	-1.91%
S	\$17,118,321	\$20,261,000	\$19,858,600	\$19,891,100	125.32	125.32	\$40,522,000	\$39,749,700	(\$772,300)	-1.91%
TOTAL 01	\$17,118,321	\$20,261,000	\$19,858,600	\$19,891,100	125.32	125.32	\$40,522,000	\$39,749,700	(\$772,300)	-1.91%
S	\$17,118,321	\$20,261,000	\$19,858,600	\$19,891,100	125.32	125.32	\$40,522,000	\$39,749,700	(\$772,300)	-1.91%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
02 INJURED PATIENTS AND FAMILIES COMPENSATION FUND										
Non Federal										
SEG	\$14,244,530	\$55,541,600	\$55,539,100	\$55,539,600	7.11	7.11	\$111,083,200	\$111,078,700	(\$4,500)	0.00%
A	\$12,982,069	\$54,150,400	\$54,150,400	\$54,150,400	0.00	0.00	\$108,300,800	\$108,300,800	\$0	0.00%
S	\$1,262,461	\$1,391,200	\$1,388,700	\$1,389,200	7.11	7.11	\$2,782,400	\$2,777,900	(\$4,500)	-0.16%
Total - Non Federal	\$14,244,530	\$55,541,600	\$55,539,100	\$55,539,600	7.11	7.11	\$111,083,200	\$111,078,700	(\$4,500)	0.00%
A	\$12,982,069	\$54,150,400	\$54,150,400	\$54,150,400	0.00	0.00	\$108,300,800	\$108,300,800	\$0	0.00%
S	\$1,262,461	\$1,391,200	\$1,388,700	\$1,389,200	7.11	7.11	\$2,782,400	\$2,777,900	(\$4,500)	-0.16%
PGM 02 Total	\$14,244,530	\$55,541,600	\$55,539,100	\$55,539,600	7.11	7.11	\$111,083,200	\$111,078,700	(\$4,500)	0.00%

SEG	\$14,244,530	\$55,541,600	\$55,539,100	\$55,539,600	7.11	7.11	\$111,083,200	\$111,078,700	(\$4,500)	0.00%
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Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

A	\$12,982,069	\$54,150,400	\$54,150,400	\$54,150,400	0.00	0.00	\$108,300,800	\$108,300,800	\$0	0.00%
S	\$1,262,461	\$1,391,200	\$1,388,700	\$1,389,200	7.11	7.11	\$2,782,400	\$2,777,900	(\$4,500)	-0.16%
TOTAL 02	\$14,244,530	\$55,541,600	\$55,539,100	\$55,539,600	7.11	7.11	\$111,083,200	\$111,078,700	(\$4,500)	0.00%
A	\$12,982,069	\$54,150,400	\$54,150,400	\$54,150,400	0.00	0.00	\$108,300,800	\$108,300,800	\$0	0.00%
S	\$1,262,461	\$1,391,200	\$1,388,700	\$1,389,200	7.11	7.11	\$2,782,400	\$2,777,900	(\$4,500)	-0.16%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
03 LOCAL GOVERNMENT PROPERTY INSURANCE FUND										
Non Federal										
SEG	\$2,054,456	\$31,091,200	\$500,000	\$500,000	0.00	0.00	\$62,182,400	\$1,000,000	(\$61,182,400)	-98.39%
L	\$1,582,225	\$29,660,200	\$500,000	\$500,000	0.00	0.00	\$59,320,400	\$1,000,000	(\$58,320,400)	-98.31%
S	\$472,231	\$1,431,000	\$0	\$0	0.00	0.00	\$2,862,000	\$0	(\$2,862,000)	-100.00%
Total - Non Federal	\$2,054,456	\$31,091,200	\$500,000	\$500,000	0.00	0.00	\$62,182,400	\$1,000,000	(\$61,182,400)	-98.39%
L	\$1,582,225	\$29,660,200	\$500,000	\$500,000	0.00	0.00	\$59,320,400	\$1,000,000	(\$58,320,400)	-98.31%
S	\$472,231	\$1,431,000	\$0	\$0	0.00	0.00	\$2,862,000	\$0	(\$2,862,000)	-100.00%
PGM 03 Total	\$2,054,456	\$31,091,200	\$500,000	\$500,000	0.00	0.00	\$62,182,400	\$1,000,000	(\$61,182,400)	-98.39%
SEG	\$2,054,456	\$31,091,200	\$500,000	\$500,000	0.00	0.00	\$62,182,400	\$1,000,000	(\$61,182,400)	-98.39%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

L	\$1,582,225	\$29,660,200	\$500,000	\$500,000	0.00	0.00	\$59,320,400	\$1,000,000	(\$58,320,400)	-98.31%
S	\$472,231	\$1,431,000	\$0	\$0	0.00	0.00	\$2,862,000	\$0	(\$2,862,000)	-100.00%
TOTAL 03	\$2,054,456	\$31,091,200	\$500,000	\$500,000	0.00	0.00	\$62,182,400	\$1,000,000	(\$61,182,400)	-98.39%
L	\$1,582,225	\$29,660,200	\$500,000	\$500,000	0.00	0.00	\$59,320,400	\$1,000,000	(\$58,320,400)	-98.31%
S	\$472,231	\$1,431,000	\$0	\$0	0.00	0.00	\$2,862,000	\$0	(\$2,862,000)	-100.00%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
04 STATE LIFE INSURANCE FUND										
Non Federal										
SEG	\$5,496,748	\$5,143,100	\$5,173,800	\$5,174,200	3.57	3.57	\$10,286,200	\$10,348,000	\$61,800	0.60%
A	\$4,965,211	\$4,493,000	\$4,493,000	\$4,493,000	0.00	0.00	\$8,986,000	\$8,986,000	\$0	0.00%
S	\$531,537	\$650,100	\$680,800	\$681,200	3.57	3.57	\$1,300,200	\$1,362,000	\$61,800	4.75%
Total - Non Federal	\$5,496,748	\$5,143,100	\$5,173,800	\$5,174,200	3.57	3.57	\$10,286,200	\$10,348,000	\$61,800	0.60%
A	\$4,965,211	\$4,493,000	\$4,493,000	\$4,493,000	0.00	0.00	\$8,986,000	\$8,986,000	\$0	0.00%
S	\$531,537	\$650,100	\$680,800	\$681,200	3.57	3.57	\$1,300,200	\$1,362,000	\$61,800	4.75%
PGM 04 Total	\$5,496,748	\$5,143,100	\$5,173,800	\$5,174,200	3.57	3.57	\$10,286,200	\$10,348,000	\$61,800	0.60%
SEG	\$5,496,748	\$5,143,100	\$5,173,800	\$5,174,200	3.57	3.57	\$10,286,200	\$10,348,000	\$61,800	0.60%

Agency Total by Program

145 Insurance, Office of the Commissioner of

1921 Biennial Budget

A	\$4,965,211	\$4,493,000	\$4,493,000	\$4,493,000	0.00	0.00	\$8,986,000	\$8,986,000	\$0	0.00%
S	\$531,537	\$650,100	\$680,800	\$681,200	3.57	3.57	\$1,300,200	\$1,362,000	\$61,800	4.75%
TOTAL 04	\$5,496,748	\$5,143,100	\$5,173,800	\$5,174,200	3.57	3.57	\$10,286,200	\$10,348,000	\$61,800	0.60%
A	\$4,965,211	\$4,493,000	\$4,493,000	\$4,493,000	0.00	0.00	\$8,986,000	\$8,986,000	\$0	0.00%
S	\$531,537	\$650,100	\$680,800	\$681,200	3.57	3.57	\$1,300,200	\$1,362,000	\$61,800	4.75%
Agency Total	\$38,914,055	\$112,036,900	\$81,071,500	\$81,104,900	136.00	136.00	\$224,073,800	\$162,176,400	(\$61,897,400)	-27.62%

Agency Total by Decision Item

Office of the Commissioner of Insurance

1921 Biennial Budget

Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000 Adjusted Base Funding Level	\$112,036,900	\$112,036,900	141.00	141.00
3001 Turnover Reduction	(\$242,900)	(\$242,900)	0.00	0.00
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$487,800	\$487,800	0.00	0.00
3010 Full Funding of Lease and Directed Moves Costs	(\$221,600)	(\$189,100)	0.00	0.00
4001 Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline	\$8,800	\$9,700	0.00	0.00
4002 Federal Funds Re-estimate	(\$541,300)	(\$541,300)	(5.10)	(5.10)
4003 Transfer of Position to Program Revenue	\$0	\$0	0.00	0.00
4004 Position Request to Fully Fund Agency Outreach	\$6,700	\$6,700	0.10	0.10
4005 Re-estimate of Segregated Fund Budget Authority	(\$30,462,900)	(\$30,462,900)	0.00	0.00
TOTAL	\$81,071,500	\$81,104,900	136.00	136.00

GPR Earned

1921 Biennial Budget

	CODES	TITLES
DEPARTMENT	145	Office of the Commissioner of Insurance
PROGRAM	01	Supervision of the insurance industry
DATE	September 04, 2018	

Revenue	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$0	\$0	\$0	\$0
GPR-Earned on Revenue	\$26,685,900	\$20,100,000	\$19,405,000	\$18,905,000
Total	\$26,685,900	\$20,100,000	\$19,405,000	\$18,905,000

Program Revenue

1921 Biennial Budget

	CODES	TITLES
DEPARTMENT	145	Office of the Commissioner of Insurance
PROGRAM	01	Supervision of the insurance industry
SUBPROGRAM		
NUMERIC APPROPRIATION	31	General program operations

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$2,760,500	\$2,111,100	\$1,809,800	\$1,617,900
CMO Examinations	\$196,700	\$196,700	\$196,700	\$196,700
Transfer to GPR Earned	(\$26,685,900)	(\$20,100,000)	(\$19,405,000)	(\$18,905,000)
Fees	\$36,028,800	\$31,800,000	\$32,000,000	\$32,000,000
Exam Assessments	\$6,753,100	\$6,700,000	\$6,750,000	\$6,750,000
Interfund Transfers	\$122,700	\$121,000	\$125,000	\$125,000
Total Revenue	\$19,175,900	\$20,828,800	\$21,476,500	\$21,784,600
Expenditures	\$17,064,800	\$19,019,000	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$19,646,600	\$19,646,600
3001 Turnover Reduction	\$0	\$0	(\$242,900)	(\$242,900)

3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	\$526,300	\$526,300
4003 Transfer of Position to Program Revenue	\$0	\$0	\$127,900	\$128,000
4004 Position Request to Fully Fund Agency Outreach	\$0	\$0	\$6,700	\$6,700
3010 Full Funding of Lease and Directed Moves Costs	\$0	\$0	(\$214,800)	(\$183,300)
4001 Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline	\$0	\$0	\$8,800	\$9,700
Total Expenditures	\$17,064,800	\$19,019,000	\$19,858,600	\$19,891,100
<u>Closing Balance</u>	\$2,111,100	\$1,809,800	\$1,617,900	\$1,893,500

Segregated Funds Revenue and Balances Statement

1921 Biennial Budget

	CODES	TITLES
DEPARTMENT	145	Office of the Commissioner of Insurance
NUMERIC APPROPRIATION		
PROGRAM	02	Injured patients and families compensation fund
SUBPROGRAM		
WISMA RT FUND	533	

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$1,332,255,500	\$1,326,953,700	\$1,351,353,700	\$1,334,614,600
Investment Income	(\$1,949,900)	\$29,400,000	\$28,600,000	\$27,200,000
Assessments	\$10,892,700	\$10,500,000	\$10,200,000	\$9,800,000
Total Revenue	\$1,341,198,300	\$1,366,853,700	\$1,390,153,700	\$1,371,614,600
Expenditures	\$14,244,600	\$15,500,000	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$55,541,600	\$55,541,600
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	\$1,200	\$1,200
3010 Full Funding of Lease and Directed Moves	\$0	\$0	(\$3,700)	(\$3,200)

Costs				
Total Expenditures	\$14,244,600	\$15,500,000	\$55,539,100	\$55,539,600
<u>Closing Balance</u>	\$1,326,953,700	\$1,351,353,700	\$1,334,614,600	\$1,316,075,000

Segregated Funds Revenue and Balances Statement

1921 Biennial Budget

	CODES	TITLES
DEPARTMENT	145	Office of the Commissioner of Insurance
NUMERIC APPROPRIATION		
PROGRAM	03	Local government property insurance fund
SUBPROGRAM		
WISMA RT FUND	531	

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$7,436,800	\$15,798,900	\$16,748,900	\$16,248,900
Assessments and Fees	\$10,325,600	\$1,200,000	\$0	\$0
Investment Income	\$90,900	\$0	\$0	\$0
Total Revenue	\$17,853,300	\$16,998,900	\$16,748,900	\$16,248,900
Expenditures	\$2,054,400	\$250,000	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$31,091,200	\$31,091,200
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	\$200	\$200
3010 Full Funding of Lease and Directed Moves	\$0	\$0	(\$600)	(\$500)

Costs				
4005 Re-estimate of Segregated Fund Budget Authority	\$0	\$0	(\$30,462,900)	(\$30,462,900)
4003 Transfer of Position to Program Revenue	\$0	\$0	(\$127,900)	(\$128,000)
Total Expenditures	\$2,054,400	\$250,000	\$500,000	\$500,000
<u>Closing Balance</u>	\$15,798,900	\$16,748,900	\$16,248,900	\$15,748,900

Segregated Funds Revenue and Balances Statement

1921 Biennial Budget

	CODES	TITLES
DEPARTMENT	145	Office of the Commissioner of Insurance
NUMERIC APPROPRIATION		
PROGRAM	04	State life insurance fund
SUBPROGRAM		
WISMA RT FUND	532	

Revenue and Expenditures	Prior Year Actuals	Base Year Estimate	1st Year Estimate	2nd Year Estimate
Opening Balance	\$131,738,200	\$127,507,700	\$123,562,200	\$119,714,900
Premiums	\$589,700	\$554,500	\$551,500	\$551,500
Investment Income	\$676,500	\$850,000	\$775,000	\$775,000
Total Revenue	\$133,004,400	\$128,912,200	\$124,888,700	\$121,041,400
Expenditures	\$5,496,700	\$5,350,000	\$0	\$0
2000 Adjusted Base Funding Level	\$0	\$0	\$5,143,100	\$5,143,100
3003 Full Funding of Continuing Position Salaries and Fringe Benefits	\$0	\$0	\$33,200	\$33,200
3010 Full Funding of Lease and Directed Moves	\$0	\$0	(\$2,500)	(\$2,100)

Costs				
Total Expenditures	\$5,496,700	\$5,350,000	\$5,173,800	\$5,174,200
<u>Closing Balance</u>	\$127,507,700	\$123,562,200	\$119,714,900	\$115,867,200

Decision Item (DIN) - 2000

Decision Item (DIN) Title - Adjusted Base Funding Level

NARRATIVE

Adjusted Base Funding Level

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	2000	Adjusted Base Funding Level

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$9,127,300	\$9,127,300
02	Turnover	\$0	\$0
03	Project Position Salaries	\$64,500	\$64,500
04	LTE/Misc. Salaries	\$38,100	\$38,100
05	Fringe Benefits	\$3,319,100	\$3,319,100
06	Supplies and Services	\$9,971,600	\$9,971,600
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$89,516,300	\$89,516,300
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$112,036,900	\$112,036,900

18	Project Positions Authorized	1.00	1.00
19	Classified Positions Authorized	136.00	136.00
20	Unclassified Positions Authorized	4.00	4.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	2000	Adjusted Base Funding Level			
01	Supervision of the insurance industry				
	31 General program operations	\$19,646,600	\$19,646,600	124.15	124.15
	41 Federal funds	\$614,400	\$614,400	5.10	5.10
	Supervision of the insurance industry SubTotal	\$20,261,000	\$20,261,000	129.25	129.25
02	Injured patients and families compensation fund				
	61 Administration	\$1,244,300	\$1,244,300	5.61	5.61
	62 Peer review council	\$146,900	\$146,900	1.50	1.50
	76 Specified responsibilities, inv. board payments and future medical expenses	\$54,150,400	\$54,150,400	0.00	0.00
	Injured patients and families compensation fund SubTotal	\$55,541,600	\$55,541,600	7.11	7.11
03	Local government property insurance fund				
	61 Administration	\$1,431,000	\$1,431,000	1.07	1.07
	76 Specified payments, fire dues and reinsurance	\$29,660,200	\$29,660,200	0.00	0.00
	Local government property insurance fund SubTotal	\$31,091,200	\$31,091,200	1.07	1.07
04	State life insurance fund				
	61 Administration	\$650,100	\$650,100	3.57	3.57
	76 Specified payments and losses	\$4,493,000	\$4,493,000	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

	State life insurance fund SubTotal	\$5,143,100	\$5,143,100	3.57	3.57
	Adjusted Base Funding Level SubTotal	\$112,036,900	\$112,036,900	141.00	141.00
	Agency Total	\$112,036,900	\$112,036,900	141.00	141.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	2000	Adjusted Base Funding Level				
	PR	S	\$19,646,600	\$19,646,600	124.15	124.15
	PR Federal	S	\$614,400	\$614,400	5.10	5.10
	SEG	A	\$58,643,400	\$58,643,400	0.00	0.00
	SEG	L	\$29,660,200	\$29,660,200	0.00	0.00
	SEG	S	\$3,472,300	\$3,472,300	11.75	11.75
	Total		\$112,036,900	\$112,036,900	141.00	141.00
Agency Total			\$112,036,900	\$112,036,900	141.00	141.00

Decision Item (DIN) - 3001

Decision Item (DIN) Title - Turnover Reduction

NARRATIVE

Standard Budget Adjustment - Turnover Reduction

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	3001	Turnover Reduction

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	(\$242,900)	(\$242,900)
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	(\$242,900)	(\$242,900)

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3001	Turnover Reduction			
01	Supervision of the insurance industry				
	31 General program operations	(\$242,900)	(\$242,900)	0.00	0.00
	Supervision of the insurance industry SubTotal	(\$242,900)	(\$242,900)	0.00	0.00
	Turnover Reduction SubTotal	(\$242,900)	(\$242,900)	0.00	0.00
	Agency Total	(\$242,900)	(\$242,900)	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3001	Turnover Reduction				
	PR	S	(\$242,900)	(\$242,900)	0.00	0.00
	Total		(\$242,900)	(\$242,900)	0.00	0.00
Agency Total			(\$242,900)	(\$242,900)	0.00	0.00

Decision Item (DIN) - 3003

Decision Item (DIN) Title - Full Funding of Continuing Position Salaries and Fringe Benefits

NARRATIVE

Standard Budget Adjustment - Full Funding of Continuing Position Salaries and Fringe Benefits

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	3003	Full Funding of Continuing Position Salaries and Fringe Benefits

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$340,100	\$340,100
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$147,700	\$147,700
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$487,800	\$487,800

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3003	Full Funding of Continuing Position Salaries and Fringe Benefits			
01	Supervision of the insurance industry				
	31 General program operations	\$526,300	\$526,300	0.00	0.00
	41 Federal funds	(\$73,100)	(\$73,100)	0.00	0.00
	Supervision of the insurance industry SubTotal	\$453,200	\$453,200	0.00	0.00
02	Injured patients and families compensation fund				
	61 Administration	\$1,000	\$1,000	0.00	0.00
	62 Peer review council	\$200	\$200	0.00	0.00
	Injured patients and families compensation fund SubTotal	\$1,200	\$1,200	0.00	0.00
03	Local government property insurance fund				
	61 Administration	\$200	\$200	0.00	0.00
	Local government property insurance fund SubTotal	\$200	\$200	0.00	0.00
04	State life insurance fund				
	61 Administration	\$33,200	\$33,200	0.00	0.00
	State life insurance fund SubTotal	\$33,200	\$33,200	0.00	0.00
	Full Funding of Continuing Position Salaries and Fringe Benefits SubTotal	\$487,800	\$487,800	0.00	0.00
	Agency Total	\$487,800	\$487,800	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

			Source of Funds	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3003	Full Funding of Continuing Position Salaries and Fringe Benefits					
	PR	S		\$526,300	\$526,300	0.00	0.00
	PR Federal	S		(\$73,100)	(\$73,100)	0.00	0.00
	SEG	S		\$34,600	\$34,600	0.00	0.00
	Total			\$487,800	\$487,800	0.00	0.00
Agency Total				\$487,800	\$487,800	0.00	0.00

Decision Item (DIN) - 3010

Decision Item (DIN) Title - Full Funding of Lease and Directed Moves Costs

NARRATIVE

Standard Budget Adjustment - Full Funding of Lease and Directed Moves Costs

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	3010	Full Funding of Lease and Directed Moves Costs

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	(\$221,600)	(\$189,100)
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	(\$221,600)	(\$189,100)

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	3010	Full Funding of Lease and Directed Moves Costs			
01	Supervision of the insurance industry				
	31 General program operations	(\$214,800)	(\$183,300)	0.00	0.00
	Supervision of the insurance industry SubTotal	(\$214,800)	(\$183,300)	0.00	0.00
02	Injured patients and families compensation fund				
	61 Administration	(\$3,000)	(\$2,600)	0.00	0.00
	62 Peer review council	(\$700)	(\$600)	0.00	0.00
	Injured patients and families compensation fund SubTotal	(\$3,700)	(\$3,200)	0.00	0.00
03	Local government property insurance fund				
	61 Administration	(\$600)	(\$500)	0.00	0.00
	Local government property insurance fund SubTotal	(\$600)	(\$500)	0.00	0.00
04	State life insurance fund				
	61 Administration	(\$2,500)	(\$2,100)	0.00	0.00
	State life insurance fund SubTotal	(\$2,500)	(\$2,100)	0.00	0.00
	Full Funding of Lease and Directed Moves Costs SubTotal	(\$221,600)	(\$189,100)	0.00	0.00
	Agency Total	(\$221,600)	(\$189,100)	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	3010	Full Funding of Lease and Directed Moves Costs				
	PR	S	(\$214,800)	(\$183,300)	0.00	0.00
	SEG	S	(\$6,800)	(\$5,800)	0.00	0.00
	Total		(\$221,600)	(\$189,100)	0.00	0.00
Agency Total			(\$221,600)	(\$189,100)	0.00	0.00

Decision Item (DIN) - 4001

Decision Item (DIN) Title - Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline

NARRATIVE

I. Request

The Office of the Commissioner of Insurance (OCI) is requesting a change in expenditure authority in the amount of \$8,800 for FY 2020 and \$9,700 in FY 2021 to fully fund the Board on Aging's Medigap Helpline. This request helps to achieve the state's goals of promoting healthy people and communities and improving government service delivery. It would also help support our agency's goal of providing information and assistance to our public, including consumers, legislators, agents, other states, the federal government, and other organizations.

II. Benefit

The Board on Aging bills OCI for the costs of running the Medigap Helpline. Since the Board on Aging is submitting an increase in expenditure authority in the 2019-2021 biennial budget, OCI will request a corresponding increase in expenditure authority in order to reimburse the Board on Aging for its increased costs.

III. Background

The Board on Aging runs a Medigap Helpline to assist the elderly. The Board on Aging bills OCI for the costs associated with the Medigap Helpline. As the costs of the Medigap Helpline change, OCI's expenditure authority must change accordingly so that it can fully reimburse the Board on Aging for these costs.

IV. Analysis of Need

The Board on Aging is requesting an expenditure authority increase from its current base funding level that OCI has for the Medigap Helpline. The change is \$8,800 in FY 2020 and \$9,700 in FY 2021. OCI will need this changed expenditure authority to fully reimburse the Board on Aging for the anticipated costs of running the Medigap Helpline.

V. Alternatives

- A. Request a change in expenditure authority to fully reimburse the Board on Aging for the costs related to the Medigap Helpline.
- B. Not fully reimburse the Board on Aging for the costs of the Medigap Helpline.

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	4001	Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$8,800	\$9,700
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$8,800	\$9,700

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	4001	Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline			
01	Supervision of the insurance industry				
	31 General program operations	\$8,800	\$9,700	0.00	0.00
	Supervision of the insurance industry SubTotal	\$8,800	\$9,700	0.00	0.00
	Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline SubTotal	\$8,800	\$9,700	0.00	0.00
	Agency Total	\$8,800	\$9,700	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	4001	Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline				
	PR	S	\$8,800	\$9,700	0.00	0.00
	Total		\$8,800	\$9,700	0.00	0.00
Agency Total			\$8,800	\$9,700	0.00	0.00

Decision Item (DIN) - 4002

Decision Item (DIN) Title - Federal Funds Re-estimate

NARRATIVE

OCI requests the removal of federal positions and their associated expenditure authority that are not supported by federal revenue.

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	4002	Federal Funds Re-estimate

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	(\$244,700)	(\$244,700)
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	(\$88,900)	(\$88,900)
06	Supplies and Services	(\$207,700)	(\$207,700)
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	(\$541,300)	(\$541,300)

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	-5.10	-5.10
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	4002	Federal Funds Re-estimate			
01	Supervision of the insurance industry				
	41 Federal funds	(\$541,300)	(\$541,300)	(5.10)	(5.10)
	Supervision of the insurance industry SubTotal	(\$541,300)	(\$541,300)	(5.10)	(5.10)
	Federal Funds Re-estimate SubTotal	(\$541,300)	(\$541,300)	(5.10)	(5.10)
	Agency Total	(\$541,300)	(\$541,300)	(5.10)	(5.10)

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	4002	Federal Funds Re-estimate				
	PR Federal	S	(\$541,300)	(\$541,300)	(5.10)	(5.10)
	Total		(\$541,300)	(\$541,300)	(5.10)	(5.10)
Agency Total			(\$541,300)	(\$541,300)	(5.10)	(5.10)

Decision Item (DIN) - 4003

Decision Item (DIN) Title - Transfer of Position to Program Revenue

NARRATIVE

I. Request

The Office of the Commissioner of Insurance (OCI) recommends the funding change of 1.07 FTE segregated funded positions be funded by program revenue. The position includes 1.0 FTE Insurance Program Manager and 0.07 FTE Division Administrator.

II. Benefit

Both positions are currently funded by the Local Property Insurance Fund (LGPIF) which is a segregated fund. While the LGPIF is slated to end and no claims will be accepted by LGPIF after June 30, 2019, the Insurance Program Manager position will be continuing to handle the run-off of LGPIF until all issues are fully resolved.

Additionally, OCI has also taken on a significant new responsibility in running the newly created Wisconsin Healthcare Stability Plan (WIHSP), for which no new positions were provided. OCI will need an administrator assisting with the day-to-day operations of WIHSP. WIHSP is a state-operated reinsurance program which aims to reduce premiums for all Wisconsinites in the individual market. WIHSP will reimburse qualifying individual health insurers for a percentage of an enrollee's claims between an attachment point and a cap. It will be administered by the State of Wisconsin and OCI.

We anticipate the position will also include other responsibilities such as serving as the COOP (Continuity of Operations) Administrator for the agency and assisting the Funds and Program Management Division Administrator with other projects as assigned.

The Funds and Program Management Division Administrator has broad responsibilities in the agency including supervision of the segregated funds, human resources, IT, and budget. OCI has repurposed other positions in this division to ensure efficient use of taxpayer resources. In order to keep the position fully funded, the 0.07 FTE should be funded out of the agency's existing program revenue.

The 0.07 FTE will allow the Funds and Program Management Division Administrator to be at a full 1.0 FTE. Responsibilities in this division have changed with WIHSP in addition to the daily administrative operations. Specifically, the Division Administrator has taken on duties as the Human Resources liaison between OCI and the Department of Administration.

III. Background

The change in funding of the 1.07 FTE would be funded from OCI's s.20.145 (1) (g) general program operations appropriation and 100 percent of the costs will be paid for by Wisconsin domestic insurers. Funding in this OCI appropriation derives from a mixture of assessments levied by OCI on insurance companies and fees paid by insurance agents to OCI.

IV. Analysis of Need

Both positions are necessary in supporting the agency. With the creation and implementation of WIHSP, the need for an agency COOP Administrator, and increased duties of the Division Administrator, OCI is recommending changing the provided funding from the segregated fund to program revenue. OCI is not requesting a decrease in our required lapse amount as a result of these changes.

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	4003	Transfer of Position to Program Revenue

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$0	\$0

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	4003	Transfer of Position to Program Revenue			
01	Supervision of the insurance industry				
	31 General program operations	\$127,900	\$128,000	1.07	1.07
	Supervision of the insurance industry SubTotal	\$127,900	\$128,000	1.07	1.07
03	Local government property insurance fund				
	61 Administration	(\$127,900)	(\$128,000)	(1.07)	(1.07)
	Local government property insurance fund SubTotal	(\$127,900)	(\$128,000)	(1.07)	(1.07)
	Transfer of Position to Program Revenue SubTotal	\$0	\$0	0.00	0.00
	Agency Total	\$0	\$0	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	4003	Transfer of Position to Program Revenue				
	PR	S	\$127,900	\$128,000	1.07	1.07
	SEG	S	(\$127,900)	(\$128,000)	(1.07)	(1.07)
	Total		\$0	\$0	0.00	0.00
Agency Total			\$0	\$0	0.00	0.00

Decision Item (DIN) - 4004

Decision Item (DIN) Title - Position Request to Fully Fund Agency Outreach

NARRATIVE

I. Request

The Office of the Commissioner of Insurance (OCI) recommends the addition of 0.1 FTE program revenue funded permanent position.

II. Benefit

OCI currently holds a program revenue funded position at 0.9 FTE. For several years, OCI funded the position with a mix of federal funds and program revenue. Federal funding of the position has ceased with the end of the Affordable Care Act's federal rate review grant. The position is currently vacant and in order to successfully recruit a qualified candidate for the position, it is needed to be a 1.0 FTE. The current 0.9 FTE position is responsible for OCI's community outreach and specifically coordinates with the traditionally underserved populations including veterans, seniors, rural residents, and minorities. Outreach includes developing relationships and educating consumers on important insurance issues. The position is also responsible for providing assistance in the case of a disaster such as coordinating with assistance provided by insurers. Community outreach also includes participating in speaking engagements, workshops, and other events that provide an opportunity to educate consumers on insurance.

III. Background

This is the agency's education and outreach specialist. The additional 0.1 FTE would be funded from OCI's s.20.145 (1) (g) general program operations appropriation and 100% of the costs will be paid for by Wisconsin domestic insurers. Funding in this OCI appropriation derives from a mixture of assessments levied by OCI on insurance companies and fees paid by insurance agents to OCI.

IV. Analysis of Need

The mission of OCI is to lead the way in informing and protecting the public and responding to their insurance needs. A key component to fulfilling this mission is to engage and empower individuals with knowledge of insurance laws. OCI understands the value of insurance education and fosters communication to raise awareness while understanding the needs of different audiences. Education and outreach efforts serve as a vital link between OCI and the people it serves. Furthermore, with the recent weather related disasters affecting the State of Wisconsin, it is critical for the agency to have an education and outreach specialist ready to disseminate and coordinate vital insurance information to help individuals piece their lives back together.

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	4004	Position Request to Fully Fund Agency Outreach

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$4,900	\$4,900
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$1,800	\$1,800
06	Supplies and Services	\$0	\$0
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	\$6,700	\$6,700

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.10	0.10
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	4004	Position Request to Fully Fund Agency Outreach			
01	Supervision of the insurance industry				
	31 General program operations	\$6,700	\$6,700	0.10	0.10
	Supervision of the insurance industry SubTotal	\$6,700	\$6,700	0.10	0.10
	Position Request to Fully Fund Agency Outreach SubTotal	\$6,700	\$6,700	0.10	0.10
	Agency Total	\$6,700	\$6,700	0.10	0.10

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	4004	Position Request to Fully Fund Agency Outreach				
	PR	S	\$6,700	\$6,700	0.10	0.10
	Total		\$6,700	\$6,700	0.10	0.10
Agency Total			\$6,700	\$6,700	0.10	0.10

Decision Item (DIN) - 4005

Decision Item (DIN) Title - Re-estimate of Segregated Fund Budget Authority

NARRATIVE

2017 Wisconsin Act 59 allowed for the closure of the Local Government Property Insurance Fund (LGPIF). No coverage after December 31, 2018 and no claim filed after July 1, 2019 will be covered by LGPIF. This is a re-estimate of the expenditure authority needed for LGPIF going forward.

Decision Item by Line

1921 Biennial Budget

DEPARTMENT	CODES	TITLES
	145	Office of the Commissioner of Insurance
DECISION ITEM	CODES	TITLES
	4005	Re-estimate of Segregated Fund Budget Authority

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	(\$1,302,700)	(\$1,302,700)
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$0	\$0
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	(\$29,160,200)	(\$29,160,200)
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
17	Total Cost	(\$30,462,900)	(\$30,462,900)

18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

Decision Item by Numeric

Office of the Commissioner of Insurance

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	4005	Re-estimate of Segregated Fund Budget Authority			
03	Local government property insurance fund				
	61 Administration	(\$1,302,700)	(\$1,302,700)	0.00	0.00
	76 Specified payments, fire dues and reinsurance	(\$29,160,200)	(\$29,160,200)	0.00	0.00
	Local government property insurance fund SubTotal	(\$30,462,900)	(\$30,462,900)	0.00	0.00
	Re-estimate of Segregated Fund Budget Authority SubTotal	(\$30,462,900)	(\$30,462,900)	0.00	0.00
	Agency Total	(\$30,462,900)	(\$30,462,900)	0.00	0.00

Decision Item by Fund Source

Office of the Commissioner of Insurance

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
Decision Item	4005	Re-estimate of Segregated Fund Budget Authority				
	SEG	L	(\$29,160,200)	(\$29,160,200)	0.00	0.00
	SEG	S	(\$1,302,700)	(\$1,302,700)	0.00	0.00
	Total		(\$30,462,900)	(\$30,462,900)	0.00	0.00
Agency Total			(\$30,462,900)	(\$30,462,900)	0.00	0.00