

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Administration and Insurance Operations	\$ 6,853,188	\$ 9,118,070	\$ 9,115,715	\$ 9,115,716
Market Conduct and Financial Examinations	3,533,948	4,219,866	4,219,866	4,219,866
Health Insurance Counseling	1,240,562	900,000	900,000	900,000
Division of Credit Unions	1,020,534	1,249,846	1,312,670	1,249,846
Division of Finance	5,861,019	7,202,886	7,086,544	7,086,544
Division of Professional Registration	11,946,573	13,968,171	14,782,832	14,567,069
DEPARTMENTAL TOTAL	\$ 30,455,824	\$ 36,658,839 *	\$ 37,417,627	\$ 37,139,041
Federal Funds	1,090,562	700,000	700,000	700,001
Other Funds	29,365,262	35,958,839	36,717,627	36,439,040
Total Full-time Equivalent Employees	501.73	545.15	552.15	550.15
Other Funds	501.73	545.15	552.15	550.15

* Does not include \$5,000 recommended in the Fiscal Year 2010 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 2011 budget provides \$37.1 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. Despite the difficult economic times, the Fiscal Year 2011 budget not only continues the prior year funding level, it provides additional critical resources for consumer protection functions.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
ADMINISTRATION AND INSURANCE OPERATIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 6,710,640	\$ 8,922,792	\$ 8,920,437
Insurance Operations	142,548	195,278	195,279
TOTAL	\$ 6,853,188	\$ 9,118,070	\$ 9,115,716
PERSONAL SERVICE			
Other Funds	5,823,914	7,117,846	7,117,846
EXPENSE AND EQUIPMENT			
Other Funds	1,029,274	2,000,223	1,997,868
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	1	1
Other Funds	0	0	1
TOTAL			
Federal Funds	0	1	1
Other Funds	6,853,188	9,118,069	9,115,715
Total Full-time Equivalent Employees	131.23	161.00	161.00
Other Funds	131.23	161.00	161.00

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 based on usage to the appropriate divisions within the department.

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 over \$200 million in premium taxes paid by insurance companies, and providing information to around 30,000 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2011 Governor's Recommendations

- \$1 federal funds on an open-ended basis to maximize the state's access to and use of federal funds when they become available.
- (\$2,355) 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 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Market Conduct and Financial Examinations TOTAL	\$ 3,533,948	\$ 4,219,866	\$ 4,219,866
PERSONAL SERVICE	3,100,488	3,418,090	3,418,090
EXPENSE AND EQUIPMENT	433,460	801,776	801,776
TOTAL			
Other Funds	3,533,948	4,219,866	4,219,866
Total Full-time Equivalent Employees	43.27	44.50	44.50
Other Funds	43.27	44.50	44.50

The department conducts both financial and market conduct examinations. Financial examinations ensure 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 2011 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Health Insurance Counseling TOTAL	\$ 1,240,562	\$ 900,000	\$ 900,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,090,562	700,000	700,000
Other Funds	150,000	200,000	200,000
TOTAL			
Federal Funds	1,090,562	700,000	700,000
Other Funds	150,000	200,000	200,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The department provides counseling services through the CLAIM (Community Leaders Assisting the Insured of Missouri) Program. CLAIM provides counseling and educational activities to seniors on health insurance coverage and Medicare benefits. The program recruits sponsors and volunteers, develops and conducts volunteer training, publicizes the program, and maintains a toll-free number and website. Volunteers are recruited locally and community organizations such as hospitals, community centers, extension offices, or senior centers serve as cosponsors and provide space, supplies, and local publicity for the program.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Credit Unions TOTAL	\$ 1,020,534	\$ 1,249,846	\$ 1,249,846
PERSONAL SERVICE	897,304	1,126,071	1,126,071
EXPENSE AND EQUIPMENT	123,230	123,775	123,775
TOTAL			
Other Funds	1,020,534	1,249,846	1,249,846
Total Full-time Equivalent Employees	15.32	15.50	15.50
Other Funds	15.32	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 131 credit unions have approximately 1.2 million members and assets exceeding \$9.9 billion. Missouri ranks seventh in the nation in the number of state-chartered credit unions.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

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

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Finance TOTAL	\$ 5,861,019	\$ 7,202,886	\$ 7,086,544
PERSONAL SERVICE	5,152,203	6,216,626	6,216,626
EXPENSE AND EQUIPMENT	706,766	985,260	868,918
PROGRAM SPECIFIC DISTRIBUTION	2,050	1,000	1,000
TOTAL			
Other Funds	5,861,019	7,202,886	7,086,544
Total Full-time Equivalent Employees	91.38	106.15	106.15
Other Funds	91.38	106.15	106.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 296 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 sixth in the nation in the number of state-chartered banks.

Fiscal Year 2011 Governor's Recommendations

- (\$116,342) Division of Finance Fund core reduction for one-time expenditures.

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

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 3,737,658	\$ 4,278,785	\$ 4,479,192
State Board of Accountancy	414,089	459,600	459,600
State Board of Architects, Professional Engineers, Land Surveyors and Landscape Architects	547,947	707,443	707,443
State Board of Chiropractic Examiners	106,316	149,567	149,567
Missouri Dental Board	559,181	635,009	635,009
State Board of Embalmers and Funeral Directors	103,569	145,393	568,844
State Board of Registration for the Healing Arts	2,328,853	2,506,569	2,481,609
State Board of Nursing	1,591,401	1,788,234	1,788,234
State Board of Optometry	25,809	42,043	42,043
State Board of Pharmacy	1,227,972	1,618,016	1,618,016
State Board of Podiatric Medicine	12,429	20,669	20,669
Missouri Real Estate Commission	900,717	1,214,991	1,214,991
Missouri Veterinary Medical Board	101,705	109,579	109,579
State Board of Cosmetology and Barber Examiners	<u>288,927</u>	<u>292,273</u>	<u>292,273</u>
TOTAL	\$ 11,946,573	\$ 13,968,171	\$ 14,567,069
PERSONAL SERVICE	7,865,984	8,779,161	8,956,963
EXPENSE AND EQUIPMENT	4,054,532	5,169,010	5,590,106
PROGRAM SPECIFIC DISTRIBUTION	26,057	20,000	20,000
TOTAL			
Other Funds	11,946,573	13,968,171	14,567,069
Total Full-time Equivalent Employees	220.53	218.00	223.00
Other Funds	220.53	218.00	223.00

The Division of Professional Registration is responsible for supporting 39 professional licensing boards and commissions in licensing and regulating the activities of over 400,000 Missourians representing 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 2011 Governor's Recommendations

ADMINISTRATION

- \$177,802 Professional Registration Fees Fund and five staff for the State Board of Embalmers and Funeral Directors to implement Senate Bill 1 (2009).
- \$24,960 Professional Registration Fees Fund and one staff reallocated from State Board of Registration for the Healing Arts.
- (\$2,355) Professional Registration Fees Fund core reduction for one-time expenditures.

STATE BOARD OF ACCOUNTANCY

Continue funding at the current level.

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

Continue funding at the current level.

STATE BOARD OF CHIROPRACTIC EXAMINERS

Continue funding at the current level.

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

MISSOURI DENTAL BOARD

Continue funding at the current level.

STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

- \$423,451 Board of Embalmers and Funeral Directors Fund for the State Board of Embalmers and Funeral Directors to implement Senate Bill 1 (2009).

STATE BOARD OF REGISTRATION FOR THE HEALING ARTS

- (\$24,960) Board of Registration for Healing Arts Fund and (one) staff reallocated to Professional Registration Administration.

STATE BOARD OF NURSING

Continue funding at the current level.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

Continue funding at the current level.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

Continue funding at the current level.

MISSOURI VETERINARY MEDICAL BOARD

Continue funding at the current level.

STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS

Continue funding at the current level.