

# DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

## FINANCIAL SUMMARY

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	FY 2013 REQUEST	GOVERNOR RECOMMENDS FY 2013
Administration and Insurance Operations	\$ 7,266,270	\$ 11,649,728	\$ 11,637,328	\$ 11,661,812
Market Conduct and Financial Examinations	3,609,510	4,041,656	4,041,656	4,035,252
Health Insurance Counseling	1,314,607	900,000	900,000	900,000
Division of Credit Unions	973,332	1,249,846	1,249,846	1,255,478
Division of Finance	6,814,381	8,055,162	7,995,560	8,020,270
Division of Professional Registration	11,402,041	14,208,006	14,401,164	14,301,100
<b>DEPARTMENTAL TOTAL</b>	<b>\$ 31,380,141</b>	<b>\$ 40,104,398 *</b>	<b>\$ 40,225,554</b>	<b>\$ 40,173,912</b>
Federal Funds	1,164,607	3,112,803	3,100,403	3,109,290
Other Funds	30,215,534	36,991,595	37,125,151	37,064,622
<b>Total Full-time Equivalent Employees</b>	<b>517.83</b>	<b>583.15</b>	<b>586.15</b>	<b>585.15</b>
Federal Funds	0	21.00	21.00	21.00
Other Funds	517.83	562.15	565.15	564.15

\* Does not include \$89,736 recommended in the Fiscal Year 2012 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 2013 budget provides \$40.2 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.

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

**FINANCIAL SUMMARY**

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	GOVERNOR RECOMMENDS FY 2013
Administration	\$ 167,231	\$ 190,000	\$ 189,874
Insurance Operations	7,099,039	11,459,728	11,471,938
<b>TOTAL</b>	<b>\$ 7,266,270</b>	<b>\$ 11,649,728</b>	<b>\$ 11,661,812</b>
<b>PERSONAL SERVICE</b>			
Federal Funds	0	969,459	978,346
Other Funds	6,367,419	7,239,056	7,305,418
<b>EXPENSE AND EQUIPMENT</b>			
Federal Funds	0	1,443,344	1,430,944
Other Funds	898,851	1,997,868	1,947,103
<b>PROGRAM SPECIFIC DISTRIBUTION</b>			
Other Funds	0	1	1
<b>TOTAL</b>			
Federal Funds	0	2,412,803	2,409,290
Other Funds	7,266,270	9,236,925	9,252,522
<b>Total Full-time Equivalent Employees</b>	<b>136.82</b>	<b>184.00</b>	<b>184.00</b>
Federal Funds	0	21.00	21.00
Other Funds	136.82	163.00	163.00

**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 premium taxes paid by insurance companies, and providing information to around 28,000 consumers each year through a statewide toll-free hotline and the department's website.

**Fiscal Year 2013 Governor's Recommendations**

- \$75,249 federal and other funds for pay plan.
- (\$50,765) other funds core reduction from the Fiscal Year 2012 appropriation level.
- (\$12,400) federal funds core reduction for one-time expenditures.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
MARKET CONDUCT AND FINANCIAL EXAMINATIONS**

**FINANCIAL SUMMARY**

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	GOVERNOR RECOMMENDS FY 2013
Market Conduct and Financial Examinations TOTAL	\$ 3,609,510	\$ 4,041,656	\$ 4,035,252
PERSONAL SERVICE EXPENSE AND EQUIPMENT TOTAL	3,174,344 435,166	3,239,880 801,776	3,269,578 765,674
Other Funds	3,609,510	4,041,656	4,035,252
Total Full-time Equivalent Employees	44.66	42.50	42.50
Other Funds	44.66	42.50	42.50

The department conducts both financial and market conduct examinations. Financial examinations ensure that 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 2013 Governor's Recommendations**

- \$29,698 Insurance Examiners Fund for pay plan.
- (\$36,102) Insurance Examiners Fund core reduction from the Fiscal Year 2012 appropriation level.

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

**FINANCIAL SUMMARY**

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	GOVERNOR RECOMMENDS FY 2013
Health Insurance Counseling TOTAL	\$ 1,314,607	\$ 900,000	\$ 900,000
<b>PROGRAM SPECIFIC DISTRIBUTION</b>			
Federal Funds	1,164,607	700,000	700,000
Other Funds	150,000	200,000	200,000
TOTAL			
Federal Funds	1,164,607	700,000	700,000
Other Funds	150,000	200,000	200,000
<b>Total Full-time Equivalent Employees</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

The department sponsors the CLAIM Program, which is the Missouri State Health Insurance Assistance Program. CLAIM's trained counselors provide free, unbiased advocacy, education and assistance to people with Medicare and those who help them to make informed decisions about Medicare and related health insurance needs.

**Fiscal Year 2013 Governor's Recommendations**

Continue funding at the current level.

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

**FINANCIAL SUMMARY**

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	GOVERNOR RECOMMENDS FY 2013
Division of Credit Unions TOTAL	\$ 973,332	\$ 1,249,846	\$ 1,255,478
PERSONAL SERVICE	853,374	1,126,071	1,136,394
EXPENSE AND EQUIPMENT	119,958	123,775	119,084
TOTAL			
Other Funds	973,332	1,249,846	1,255,478
Total Full-time Equivalent Employees	14.28	15.50	15.50
Other Funds	14.28	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 125 credit unions have approximately 1.2 million members and assets exceeding \$10 billion. Missouri ranks eighth in the nation in the number of state-chartered credit unions.

**Fiscal Year 2013 Governor's Recommendations**

- \$10,323 Division of Credit Unions Fund for pay plan.
- (\$4,691) Division of Credit Unions Fund core reduction from the Fiscal Year 2012 appropriation level.

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

**FINANCIAL SUMMARY**

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	GOVERNOR RECOMMENDS FY 2013
Division of Finance TOTAL	\$ 6,814,381	\$ 8,055,162	\$ 8,020,270
PERSONAL SERVICE	6,066,583	7,027,358	7,091,779
EXPENSE AND EQUIPMENT	746,123	1,026,804	927,491
PROGRAM SPECIFIC DISTRIBUTION	1,675	1,000	1,000
TOTAL			
Other Funds	6,814,381	8,055,162	8,020,270
Total Full-time Equivalent Employees	105.14	118.15	118.15
Other Funds	105.14	118.15	118.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's nearly 300 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 fifth in the nation in the number of state-chartered banks.

**Fiscal Year 2013 Governor's Recommendations**

- \$64,421 Division of Finance Fund for pay plan.
- (\$59,602) Division of Finance Fund core reduction for one-time expenditures.
- (\$39,711) Division of Finance Fund core reduction from the Fiscal Year 2012 appropriation level.

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

**FINANCIAL SUMMARY**

	FY 2011 EXPENDITURE	FY 2012 APPROPRIATION	GOVERNOR RECOMMENDS FY 2013
Administration	\$ 3,699,142	\$ 4,479,192	\$ 4,488,394
State Board of Accountancy	428,475	459,600	459,484
State Board of Architects, Professional Engineers, Land Surveyors and Landscape Architects	539,034	707,443	703,898
State Board of Chiropractic Examiners	94,021	149,567	147,672
Missouri Dental Board	385,187	635,009	635,031
State Board of Embalmers and Funeral Directors	89,297	209,781	204,033
State Board of Registration for the Healing Arts	2,331,691	2,481,609	2,583,164
State Board of Nursing	1,475,760	1,788,234	1,788,255
State Board of Optometry	8,722	42,043	41,110
State Board of Pharmacy	1,187,971	1,618,016	1,620,133
State Board of Podiatric Medicine	4,484	20,669	20,069
Missouri Real Estate Commission	905,423	1,214,991	1,215,369
Missouri Veterinary Medical Board	70,741	109,579	108,079
State Board of Cosmetology and Barber Examiners	182,093	292,273	286,409
<b>TOTAL</b>	<b>\$ 11,402,041</b>	<b>\$ 14,208,006</b>	<b>\$ 14,301,100</b>
PERSONAL SERVICE	7,859,555	9,106,963	9,267,274
EXPENSE AND EQUIPMENT	3,538,064	5,081,043	5,013,826
PROGRAM SPECIFIC DISTRIBUTION	4,422	20,000	20,000
<b>TOTAL</b>			
Other Funds	11,402,041	14,208,006	14,301,100
<b>Total Full-time Equivalent Employees</b>	<b>216.93</b>	<b>223.00</b>	<b>225.00</b>
Other Funds	216.93	223.00	225.00

The Division of Professional Registration is responsible for supporting 40 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 2013 Governor's Recommendations**

**ADMINISTRATION**

- \$30,568 Professional Registration Fees Fund for pay plan.
- (\$21,366) Professional Registration Fees Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF ACCOUNTANCY**

- \$2,559 State Board of Accountancy Fund for pay plan.
- (\$2,675) State Board of Accountancy Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD FOR ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS AND LANDSCAPE ARCHITECTS**

- \$3,446 Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects Fund for pay plan.
- (\$6,991) Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF CHIROPRACTIC EXAMINERS**

- (\$1,895) State Board of Chiropractic Examiners Fund core reduction from the Fiscal Year 2012 appropriation level.

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

**MISSOURI DENTAL BOARD**

- \$3,412 Dental Board Fund for pay plan.
- (\$3,390) Dental Board Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS**

- (\$5,748) Board of Embalmers and Funeral Directors Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF REGISTRATION FOR THE HEALING ARTS**

- \$92,670 Board of Registration for Healing Arts Fund and two staff to implement HB 265 (2011) which expands the enforcement authority of the State Board of Registration for the Healing Arts.
- \$15,785 Board of Registration for Healing Arts Fund for pay plan.
- (\$6,900) Board of Registration for Healing Arts Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF NURSING**

- \$10,871 State Board of Nursing Fund for pay plan.
- (\$10,850) State Board of Nursing Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF OPTOMETRY**

- (\$933) Optometry Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF PHARMACY**

- \$8,617 Board of Pharmacy Fund for pay plan.
- (\$6,500) Board of Pharmacy Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF PODIATRIC MEDICINE**

- (\$600) State Board of Podiatric Medicine Fund core reduction from the Fiscal Year 2012 appropriation level.

**MISSOURI REAL ESTATE COMMISSION**

- \$8,228 Real Estate Commission Fund for pay plan.
- (\$7,850) Real Estate Commission Fund core reduction from the Fiscal Year 2012 appropriation level.

**MISSOURI VETERINARY MEDICAL BOARD**

- (\$1,500) Veterinary Medical Board Fund core reduction from the Fiscal Year 2012 appropriation level.

**STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS**

- (\$5,864) Board of Cosmetology and Barber Examiners Fund core reduction from the Fiscal Year 2012 appropriation level.