

**INSURANCE DEPARTMENT
(Agency #425) FISCAL YEAR 2015**

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

According to Arkansas Code § 23-61-101(c)(1)(A) and (B),"(A) The purpose of the department is to serve and protect the public interest by the equitable enforcement of the state's laws and regulations affecting the insurance industry.

(B) The primary mission of the department shall be consumer protection through insurer solvency and market conduct regulation, and fraud prosecution and deterrence."

TOTAL AUTHORIZED

The total appropriation is \$84,747,332 for FY2015.

II) APPROPRIATION TOTALS/SIGNIFICANT CHANGES

INSURANCE-STATE OPERATIONS (APPROPRIATION 2SW)

This appropriation is funded by special revenues which are fees assessed or imposed upon insurers, insurance agents, brokers, professional bail bond companies, and other licensees or registrants and other regulatory fees, and is to be used to defray the expenses of the State Insurance Department in the discharge of its administrative and regulatory powers and duties.

The total appropriation is \$12,452,948 in FY15 and includes an increase of \$155,000 for Capital Outlay for IT equipment and other equipment.

FRAUD INVESTIGATION UNIT (APPROPRIATION 2SX) - \$363,969

INSURANCE FRAUD INVESTIGATION DIVISION (APPROPRIATION 2SY)- \$1,028,363

PREPAID FUNERAL BENEFITS DIVISION (APPROPRIATION 2SZ) - \$379,720

PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM (APPROPRIATION 2TN) - \$500,000

REFUNDS OF OVERPAYMENTS (APPROPRIATION 2TF) - \$11,000,000

CONTINUING EDUCATION PROGRAM (APPROPRIATION 2TA) - \$35,764

HEALTH INFORMATION COUNSELING (APPROPRIATION 2TE) - \$921,647

CONSUMER INFORMATION SYSTEM - CASH (APPROPRIATION 2TK) - \$97,546

TRAVEL AND SUBSISTENCE - CASH (APPROPRIATION 2TM) - \$100,000

PUBLIC EMPLOYEE CLAIMS SECTION (APPROPRIATION 2TD) - \$1,559,352

STATE EMPLOYEE CLAIMS (APPROPRIATION 2TB) - \$16,000,000

PUBLIC SCHOOL EMPLOYEE CLAIMS (APPROPRIATION 2TG) - \$450,000

COUNTY EMPLOYEES CLAIMS (APPROPRIATION 2TH) - \$200,000

CITY EMPLOYEE CLAIMS (APPROPRIATION 2TJ) - \$600,000

GOVERNMENTAL BONDING BOARD (APPROPRIATION 2TC) - \$4,104,855

ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND (APPROPRIATION 1QA) -
\$10,000,000

PUBLIC SCHOOL INSURANCE PROGRAM (APPROPRIATION 56A) - \$14,000,000

CRIMINAL BACKGROUND CHECKS - CASH (APPROPRIATION 4HH) - \$125,000

HEALTH INSURANCE PREMIUM RATE REVIEW - FEDERAL (APPROPRIATION 85P) -
\$3,246,738

LEVEL ONE COOPERATIVE AGREEMENT - FEDERAL (APPROPRIATION F08) -
\$7,581,430

III) POSITIONS

Total Positions for FY 2015: 198

Total Positions for FY 2014: 198

Increase / (Decrease): 0

IV) SPECIAL LANGUAGE

TRANSFER PROVISION: Recommends language that allows unused appropriations in Regular Salaries, Extra Help, and Personal Services Matching to be transferred to Professional Services special line item for contracting with qualified individuals or firms for exam assistance in the event the Department cannot maintain a full roster of examination personnel.

Updated October 2013