

FY21 Budget Performance Review

Insurance Department 385

Lead Administrator: Glen Mulready

Lead Financial Officer: Sherry Marczewski

Agency Mission

The Oklahoma Insurance Department will provide competent and trustworthy employees that will work to protect Oklahoma consumers by: providing assistance and information, efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace.

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

Administration (01)

This division includes the Executive, Communications, Comptroller and Administrative Services Divisions of the agency. Their purpose is to provide general administrative support and guidance to all functions of the agency. All agency operations are directed through the Executive Division. The Communications Division delivers current event information to the public through press releases, press conferences, seminars, industry meetings, direct mail to insurers and by updating the agency website. The Comptroller Division is responsible for handling revenue and expenditures and all other agency financial issues in compliance with all state and federal laws. The Administrative Services Division is responsible for coordinating staff recruitment and personnel actions including

General Insurance (10)

This division is comprised of the following divisions: Producer Licensing, Consumer Assistance and Claims, Financial, Legal, Anti-Fraud, Rate & Form Compliance, Utilization Review, Bail Bonds, Real Estate Appraiser Board, Government Relations and Public Policy, Field Operations, and ISO Advocacy. It is charged with the duty of regulating the insurance industry, bail bondsmen and real estate appraisers while ensuring compliance with the relevant statutes and rules and regulations from state and federal sources.

Medicare Assistance Program (20)

The purpose of the State Health Insurance Assistance Program (SHIP) is to provide and support locally accessible counseling services to Medicare beneficiaries and their caregivers in coordination with staff and a network of local community partners and volunteers. Services provided by SHIP are intended for Medicare beneficiaries who need accurate and objective information, counseling and enrollment assistance to help them understand and utilize their Medicare and related benefits. The Senior Medicare Patrol (SMP) program is aimed at facilitating the collaboration of aging network agencies and other entities in recruiting and training retired professionals to educate Medicare and Medicaid beneficiaries and their caregivers on how to better monitor what is

ISD Data Processing (88)

The purpose of this division is to manage all IT-related issues within the agency.

FY'20 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
01	Administration			5,977,912			\$5,977,912
10	General Insurance			9,214,559			\$9,214,559
20	Medicare Assistance Program		1,184,385				\$1,184,385
88	ISD Data Processing			733,038			\$733,038
Total		\$0	\$1,184,385	\$15,925,509	\$0	\$0	\$17,109,894

1. Please describe source of Local funding not included in other categories:
2. Please describe source(s) and % of total of "Other" funding if applicable for each department

FY'19 Carryover by Funding Source

	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
Carryover	\$0	\$0	\$0	\$0	\$0	\$0
	\$0					\$0

1. Please describe source of Local funding not included in other categories:
2. Please describe source(s) and % of total of "Other" funding if applicable:

What changes did the agency make between FY'19 and FY'20?

1.) Are there any services no longer provided because of budget cuts?

None

2.) What services are provided at a higher cost to the user?

None

3.) What services are still provided but with a slower response rate?

None

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

In FY-2019 the Oklahoma Insurance Department provided a total of \$121,754 in raises to 59 employees. The raises were based on performance

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evaluations, promotions, certifications attained, and the assignment of additional job duties. FY-2019 salary expenses were \$127,556 under budget.

FY'21 Requested Funding By Department and Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change
01	Administration	\$0	\$0	\$5,977,912	\$0	\$5,977,912	0.00%
10	General Insurance	\$0	\$0	\$9,214,559	\$0	\$9,214,559	0.00%
20	Medicare Assistance Program	\$0	\$1,184,385	\$0	\$0	\$1,184,385	0.00%
88	ISD Data Processing	\$0	\$0	\$733,038	\$0	\$733,038	0.00%
Total		\$0	\$1,184,385	\$15,925,509	\$0	\$17,109,894	0.00%

1. Please describe source(s) and % of total of "Other" funding for each department:

FY'21 Top Five Operational Appropriation Funding Requests

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:	No changes	
Request 2:		
Request 3:		
Request 4:		
Request 5:		
Top Five Request Subtotal:		\$0
Total Increase above FY-20 Budget (including all requests)		\$ -
Difference between Top Five requests and total requests:		\$0

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

Approximately \$4,320/year for Medicare Assistance Program staff

How would the agency be affected by receiving the same appropriation for FY '21 as was received in FY '20? (Flat/ 0% change)

N/A as OID is non-appropriated

How would the agency handle a 2% appropriation reduction in FY '21?

N/A as OID is non-appropriated

Is the agency seeking any fee increases for FY '21?

Increase	Request (\$)	Statutory change required? (Yes/No)
Increase 1	No	
Increase 2		
Increase 3		

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

Description of request in order of priority	Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)
Priority 1	None	
Priority 2		
Priority 3		

Federal Funds

CFDA	Federal Program Name	Agency Dept. #	FY 20 budgeted	FY 19	FY 18	FY 17	FY 16
93.324	Senior Health Insurance Counseling Program	20-01	647,669	551,629	559,854	584,571	635,540
93.048	Senior Medicare Patrol Program	20-02	274,458	254,883	277,021	274,107	259,529
93.071	Medicare Improvements for Patients & Providers Act	20-03	262,258	236,320	157,115	116,410	160,639

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

None

2.) Are any of those funds inadequate to pay for the federal mandate?

N/A

3.) What would the consequences be of ending all of the federal funded programs for your agency?

The agency would have to end all services to the senior population and other medicare beneficiaries in the state.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

We do not anticipate any detrimental changes in our federal grant funding for the coming fiscal year.

5.) Has the agency requested any additional federal earmarks or increases?

No

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FY'20 Budgeted FTE							
Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
01	Administration	7		23	0	17	6
10	General Insurance	17		93	4	79	10
20	Medicare Assistance Program	1		5	0	4	1
88	ISD Data Processing	1		4	0	2	2
Total		26	0	125	4	102	19

FTE History						
Division #	Division Name	2020 Budgeted	2019	2018	2016	2011
01	Administration	23.0	24.0	24.0	25.0	22.0
10	General Insurance	93.0	88.0	91.0	84.0	85.0
20	Medicare Assistance Program	5.0	5.0	5.0	5.0	7.0
88	ISD Data Processing	4.0	2.0	4.0	2.0	4.0
Total		125.0	119.0	124.0	116.0	118.0

Performance Measure Review					
Program Name	FY 19	FY 18	FY 17	FY 16	FY 15
Number of investigations opened by Anti-Fraud Division	133	128	164	220	222
Number of public education events by Legal Division	1	15	16	14	17
Number of attendees at Medicare Assistance Program events	55,003	73,418	51,669	48,289	45,109
Number of client contacts made by Medicare Assistance Program staff	21,257	23,027	24,691	27,202	24,965
Total number of events hosted by the Medicare Assistance Program	818	1,028	1,131	1,036	845

Revolving Funds (200 Series Funds)			
Please provide fund number, fund name, description, and revenue source	FY'17-19 Avg. Revenues	FY'17-19 Avg. Expenditures	June '19 Balance
200 - Commissioner's Revolving Fund			
Operating fund for the agency	\$17,179,544	\$12,707,516	\$7,769,478
225 - Real Estate Appraisal Board			
Operating fund for the Real Estate Appraisal Board	\$580,432	\$569,763	\$693,942
230 - Anti-Fraud Fund			
Funds used for anti-fraud related expenses by the agenc's Anti-Fraud unit.	\$126,778	\$159,074	\$556,770