

## 160 - Office of Insurance Commissioner

### A001 Agency Administration

The Office of the Insurance Commissioner (OIC) is responsible for regulating the insurance industry in Washington State and protecting consumers through education and timely communications. The activities of the OIC are primarily funded by fees from insurance organizations. Agency management develops policies, regulations, and codes to ensure that the citizens of Washington are able to access affordable insurance; it also provides the administrative support necessary for other divisions within the agency to carry out their functions.

Account	FY 2016	FY 2017	Biennial Total
FTE	51.3	54.0	52.7
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$6,608,000	\$6,527,000	\$13,135,000

**Statewide Result Area:** Prosperous Economy  
**Statewide Strategy:** Provide consumer protection

#### Expected Results

To provide executive and administrative services in support of the agency’s mission in a professional, qualitative, and responsive manner which emphasizes efficiency and cost-effectiveness.

### A002 Producer Licensing and Oversight

This activity ensures compliance with all requirements applicable to insurance producers, surplus line brokers, adjusters, life settlement brokers, and other licensees including determination of eligibility for license issuance and renewal; performance of financial examinations of licensees; and compliance with the requirements applicable to their post-licensure activities including those relating to continuing education.

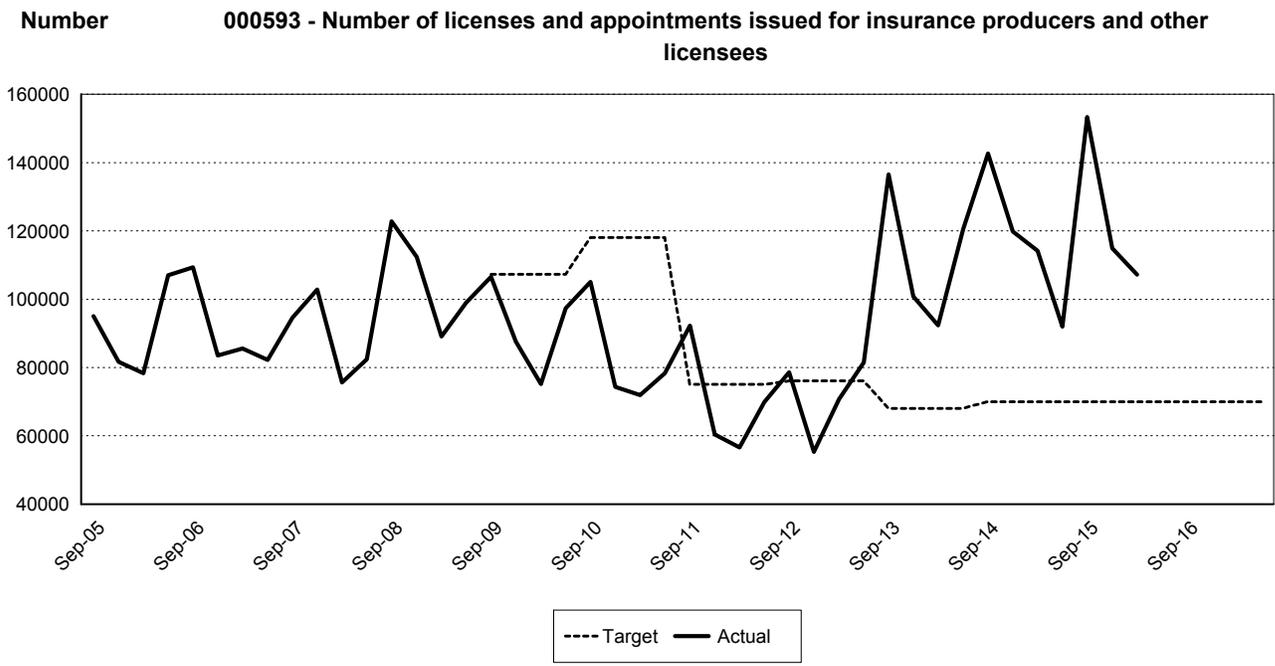
Account	FY 2016	FY 2017	Biennial Total
FTE	12.0	12.0	12.0
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$1,229,000	\$1,254,000	\$2,483,000

**Statewide Result Area:** Prosperous Economy  
**Statewide Strategy:** Provide consumer protection

#### Expected Results

Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

<b>000593 Number of licenses and appointments issued for insurance producers and other licensees.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		70,000
	Q7		70,000
	Q6		70,000
	Q5		70,000
	Q4		70,000
	Q3	107,236	70,000
	Q2	114,904	70,000
	Q1	153,406	70,000
2013-15	Q8	91,951	70,000
	Q7	114,180	70,000
	Q6	119,866	70,000
	Q5	142,723	70,000
	Q4	120,620	68,000
	Q3	92,378	68,000
	Q2	100,781	68,000
	Q1	136,559	68,000
2011-13	Q8	81,432	76,000
	Q7	70,678	76,000
	Q6	55,289	76,000
	Q5	78,639	76,000
	Q4	69,830	75,000
	Q3	56,578	75,000
	Q2	60,407	75,000
	Q1	92,245	75,000



**A003      Consumer Information and Advocacy**

Staff members respond to oral and written complaints and inquiries from consumers regarding insurance companies, and act as advocates when appropriate. Assistance is rendered to enforce the various provisions of the insurance code with the primary function of ensuring that consumer rights have not been violated.

Account	FY 2016	FY 2017	Biennial Total
FTE	28.0	28.0	28.0
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$2,540,000	\$2,617,000	\$5,157,000

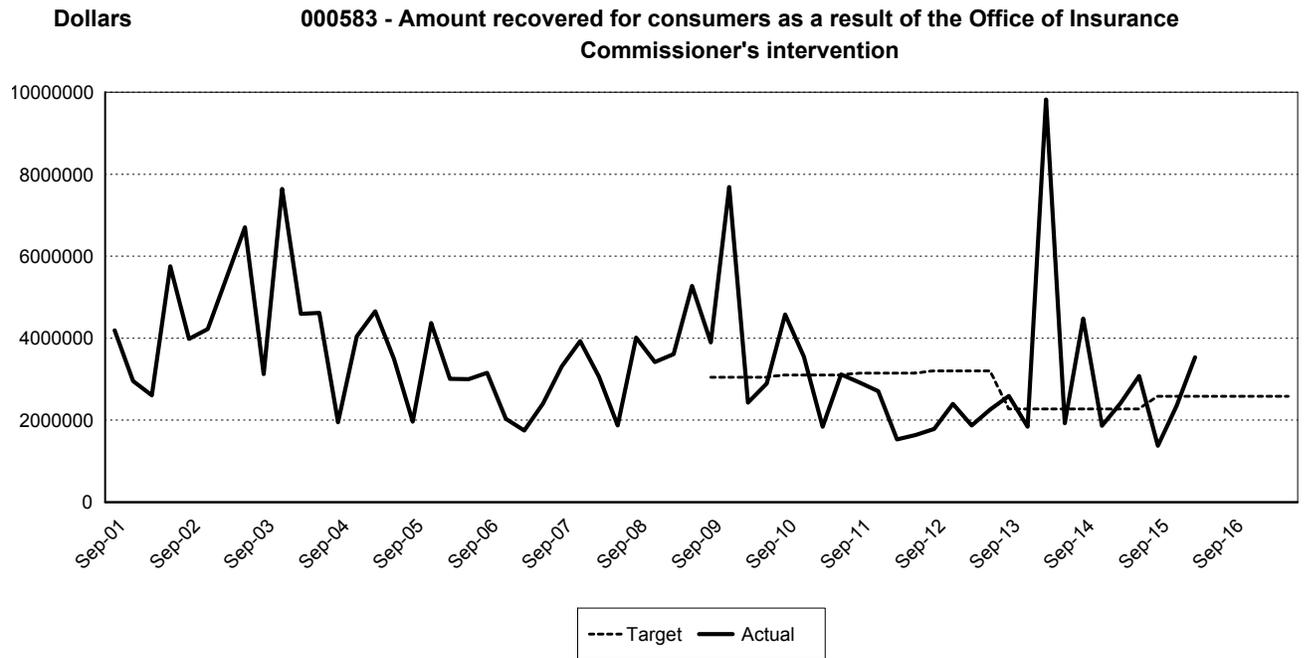
Statewide Result Area:      **Prosperous Economy**

Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

**Statewide Strategy: Provide consumer protection**

**Expected Results**

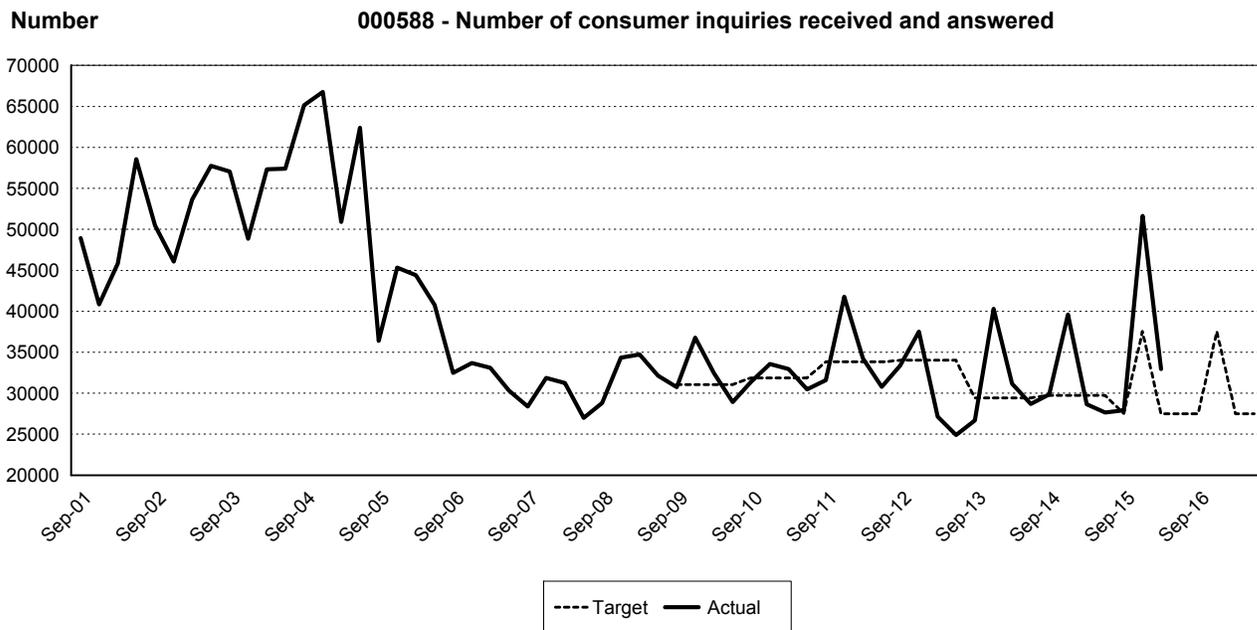
<b>000583 Amount recovered for consumers as a result of the Office of Insurance Commissioner's intervention.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		\$2,585,000
	Q7		\$2,585,000
	Q6		\$2,585,000
	Q5		\$2,585,000
	Q4		\$2,585,000
	Q3	\$3,537,487	\$2,585,000
	Q2	\$2,352,241	\$2,585,000
	Q1	\$1,373,031	\$2,585,000
2013-15	Q8	\$3,078,668	\$2,275,000
	Q7	\$2,416,036	\$2,275,000
	Q6	\$1,859,535	\$2,275,000
	Q5	\$4,477,184	\$2,275,000
	Q4	\$1,926,022	\$2,275,000
	Q3	\$9,823,205	\$2,275,000
	Q2	\$1,838,917	\$2,275,000
	Q1	\$2,590,669	\$2,275,000
2011-13	Q8	\$2,255,857	\$3,200,000
	Q7	\$1,869,569	\$3,200,000
	Q6	\$2,399,919	\$3,200,000
	Q5	\$1,787,317	\$3,200,000
	Q4	\$1,640,711	\$3,150,000
	Q3	\$1,528,144	\$3,150,000
	Q2	\$2,707,949	\$3,150,000
	Q1	\$2,911,337	\$3,150,000



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<b>000588 Number of insurance consumer inquiries received and answered by the Office of the Insurance Commissioner</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		27,500
	Q7		27,500
	Q6		37,500
	Q5		27,500
	Q4		27,500
	Q3	32,962	27,500
	Q2	51,641	37,500
	Q1	27,910	27,500
2013-15	Q8	27,631	29,750
	Q7	28,646	29,750
	Q6	39,617	29,750
	Q5	29,867	29,750
	Q4	28,682	29,425
	Q3	31,158	29,425
	Q2	40,314	29,425
	Q1	26,671	29,425
2011-13	Q8	24,917	33,975
	Q7	27,131	33,975
	Q6	37,526	33,975
	Q5	33,383	33,975
	Q4	30,791	33,818
	Q3	34,240	33,818
	Q2	41,761	33,818
	Q1	31,598	33,818

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**A004 Health Insurance Benefit Advisors**

A statewide network of trained volunteers and paid staff educate, assist, and advocate for consumers regarding public and private health insurance and health care access issues.

Account	FY 2016	FY 2017	Biennial Total
<b>FTE</b>	14.0	14.0	14.0
<b>001 General Fund</b>			
001-2 Federal	\$1,275,000	\$1,285,000	\$2,560,000
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$1,355,000	\$1,584,000	\$2,939,000

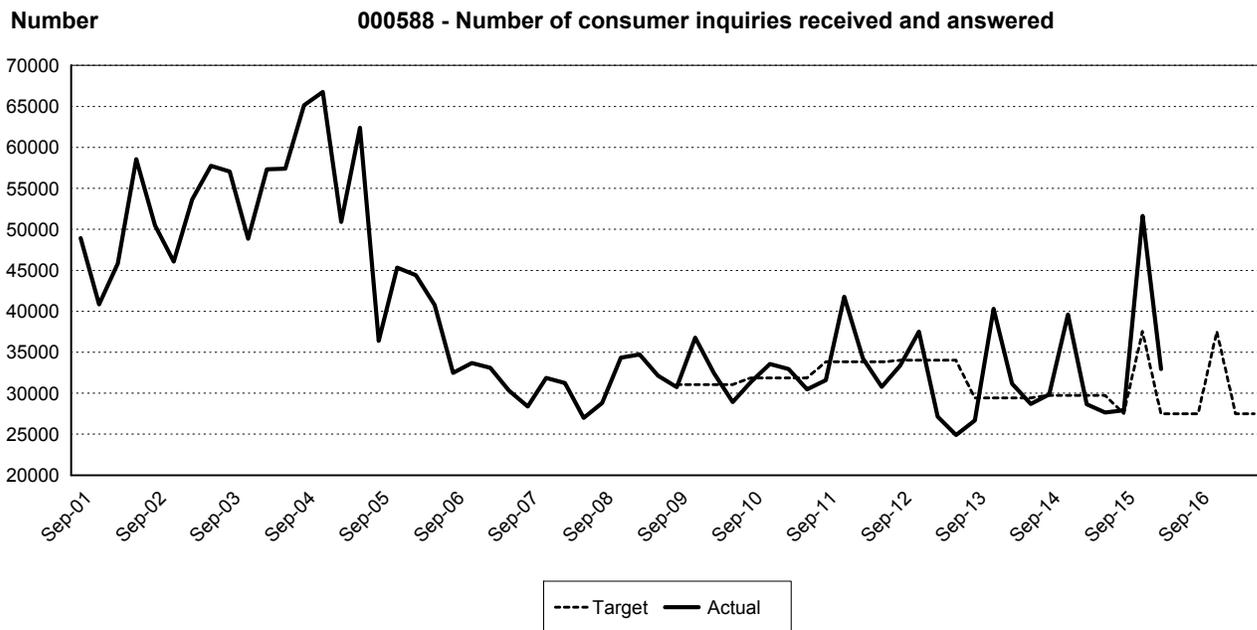
Statewide Result Area: **Healthy and Safe Communities**

Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

**Statewide Strategy:** Provide access to health care

**Expected Results**

<b>000588 Number of insurance consumer inquiries received and answered by the Office of the Insurance Commissioner</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		27,500
	Q7		27,500
	Q6		37,500
	Q5		27,500
	Q4		27,500
	Q3	32,962	27,500
	Q2	51,641	37,500
	Q1	27,910	27,500
2013-15	Q8	27,631	29,750
	Q7	28,646	29,750
	Q6	39,617	29,750
	Q5	29,867	29,750
	Q4	28,682	29,425
	Q3	31,158	29,425
	Q2	40,314	29,425
	Q1	26,671	29,425
2011-13	Q8	24,917	33,975
	Q7	27,131	33,975
	Q6	37,526	33,975
	Q5	33,383	33,975
	Q4	30,791	33,818
	Q3	34,240	33,818
	Q2	41,761	33,818
	Q1	31,598	33,818



**A006 Monitoring Insurance Company Solvency**

This activity includes monitoring the solvency of insurance carriers, health care service contractors, health maintenance organizations, certified health plans, and self-funded Multiple Employer Welfare Arrangements authorized to conduct business in Washington State. Solvency issues may be identified through market conduct oversight activities, financial examinations, or financial analysis of statements filed by insurers.

Account	FY 2016	FY 2017	Biennial Total
FTE	59.1	63.3	61.2
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$6,725,000	\$8,108,000	\$14,833,000

Statewide Result Area: **Prosperous Economy**

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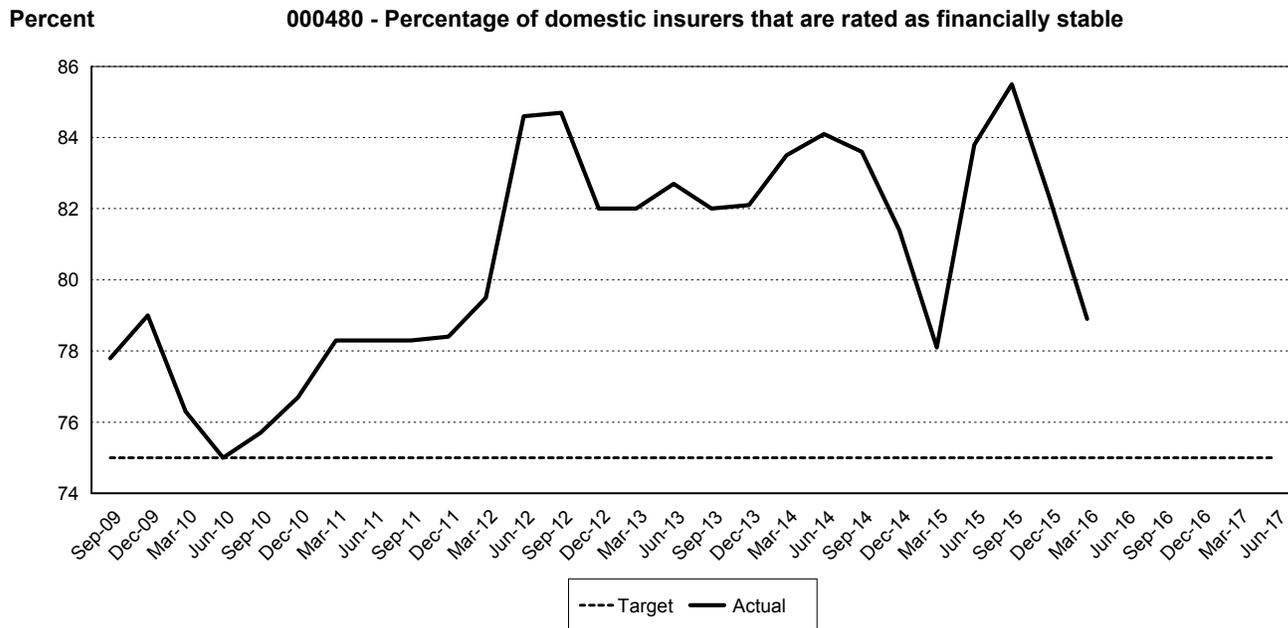
**Statewide Strategy: Provide consumer protection**

**Expected Results**

In addition to the financial and market conduct oversight activities completed, Company Supervision staff complete 360 detailed desk examinations of quarterly, annual, and supplemental financial statements; review 60 monthly statements filed by domestic insurers; performs cursory quarterly review of statements filed by over 1,400 foreign insurers; review intermediate quarterly statements filed by 426 financially distressed foreign insurers; and annually review the annual reports of over 300 issuers of charitable gift annuities.

<b>000480 Percentage of domestic insurers that are rated as financially stable.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		75%
	Q7		75%
	Q6		75%
	Q5		75%
	Q4		75%
	Q3	78.9%	75%
	Q2	82.3%	75%
	Q1	85.5%	75%
2013-15	Q8	83.8%	75%
	Q7	78.1%	75%
	Q6	81.4%	75%
	Q5	83.6%	75%
	Q4	84.1%	75%
	Q3	83.5%	75%
	Q2	82.1%	75%
	Q1	82%	75%
2011-13	Q8	82.7%	75%
	Q7	82%	75%
	Q6	82%	75%
	Q5	84.7%	75%
	Q4	84.6%	75%
	Q3	79.5%	75%
	Q2	78.4%	75%
	Q1	78.3%	75%

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**A007 Policy and Enforcement**

Staff handle enforcement actions against insurance companies, health carriers, insurance producers, and others; identify and investigate consumer complaints, violations of the insurance code and criminal insurance fraud; provide information and counsel to other agency divisions; and support the public policy activities of the agency.

Account	FY 2016	FY 2017	Biennial Total
<b>FTE</b>	41.8	41.8	41.8
<b>001 General Fund</b>			
001-1 State	\$300,000	\$227,000	\$527,000
001-2 Federal	\$923,000	\$1,088,000	\$2,011,000
<b>001 Account Total</b>	<b>\$1,223,000</b>	<b>\$1,315,000</b>	<b>\$2,538,000</b>
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$4,972,000	\$5,081,000	\$10,053,000

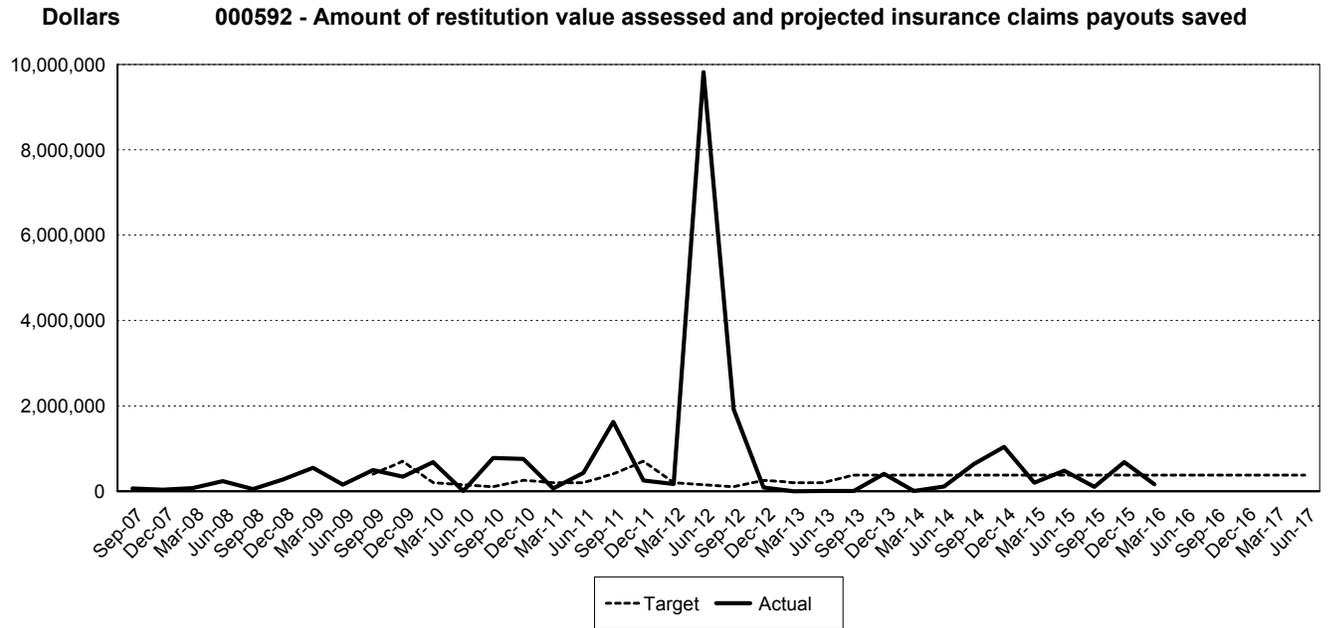
Statewide Result Area: **Prosperous Economy**  
 Statewide Strategy: **Provide consumer protection**

**Expected Results**

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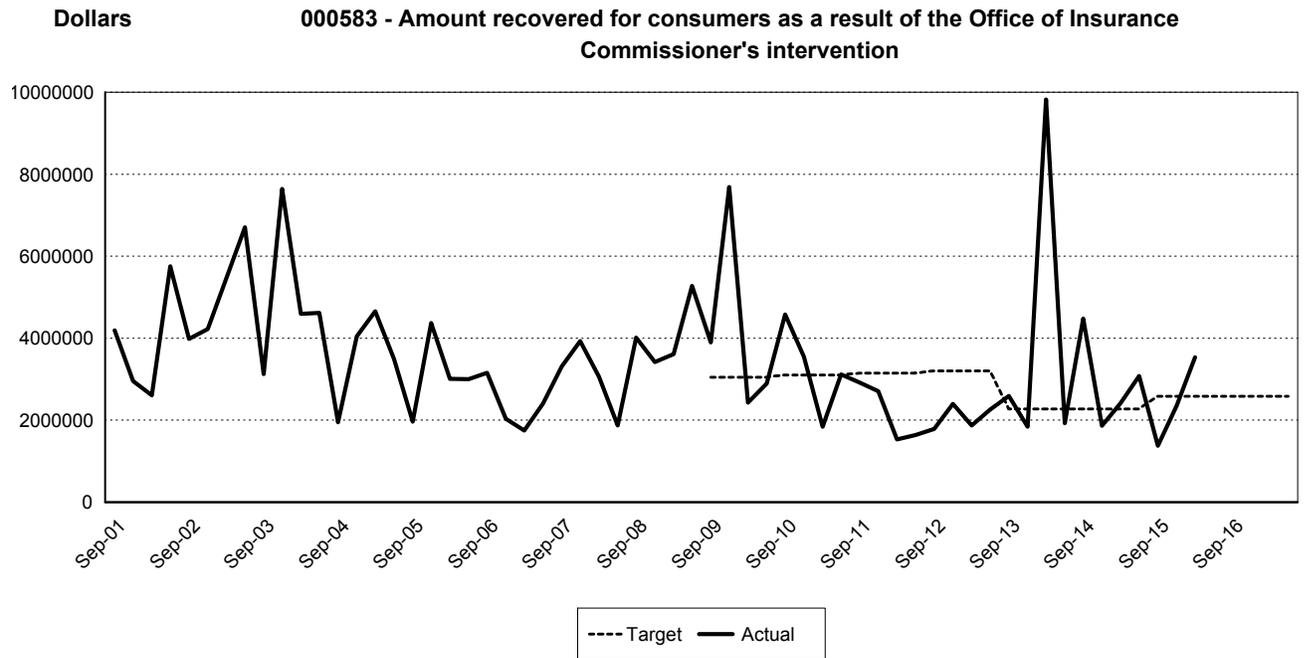
<b>000592 Amount of restitution value assessed and projected insurance claim payouts saved on behalf of victims of insurance fraud.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		\$375,000
	Q7		\$375,000
	Q6		\$375,000
	Q5		\$375,000
	Q4		\$375,000
	Q3	\$166,066	\$375,000
	Q2	\$684,584	\$375,000
	Q1	\$104,931	\$375,000
2013-15	Q8	\$479,525	\$375,000
	Q7	\$203,179	\$375,000
	Q6	\$1,040,523	\$375,000
	Q5	\$634,775	\$375,000
	Q4	\$107,851	\$375,000
	Q3	\$4,108	\$375,000
	Q2	\$404,639	\$375,000
	Q1	\$6,500	\$375,000
2011-13	Q8	\$10,694	\$200,000
	Q7	\$2,400	\$200,000
	Q6	\$89,101	\$250,000
	Q5	\$1,918,816	\$100,000
	Q4	\$9,821,384	\$150,000
	Q3	\$172,216	\$200,000
	Q2	\$253,496	\$700,000
	Q1	\$1,623,715	\$400,000

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Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

<b>000583 Amount recovered for consumers as a result of the Office of Insurance Commissioner's intervention.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		\$2,585,000
	Q7		\$2,585,000
	Q6		\$2,585,000
	Q5		\$2,585,000
	Q4		\$2,585,000
	Q3	\$3,537,487	\$2,585,000
	Q2	\$2,352,241	\$2,585,000
	Q1	\$1,373,031	\$2,585,000
2013-15	Q8	\$3,078,668	\$2,275,000
	Q7	\$2,416,036	\$2,275,000
	Q6	\$1,859,535	\$2,275,000
	Q5	\$4,477,184	\$2,275,000
	Q4	\$1,926,022	\$2,275,000
	Q3	\$9,823,205	\$2,275,000
	Q2	\$1,838,917	\$2,275,000
	Q1	\$2,590,669	\$2,275,000
2011-13	Q8	\$2,255,857	\$3,200,000
	Q7	\$1,869,569	\$3,200,000
	Q6	\$2,399,919	\$3,200,000
	Q5	\$1,787,317	\$3,200,000
	Q4	\$1,640,711	\$3,150,000
	Q3	\$1,528,144	\$3,150,000
	Q2	\$2,707,949	\$3,150,000
	Q1	\$2,911,337	\$3,150,000

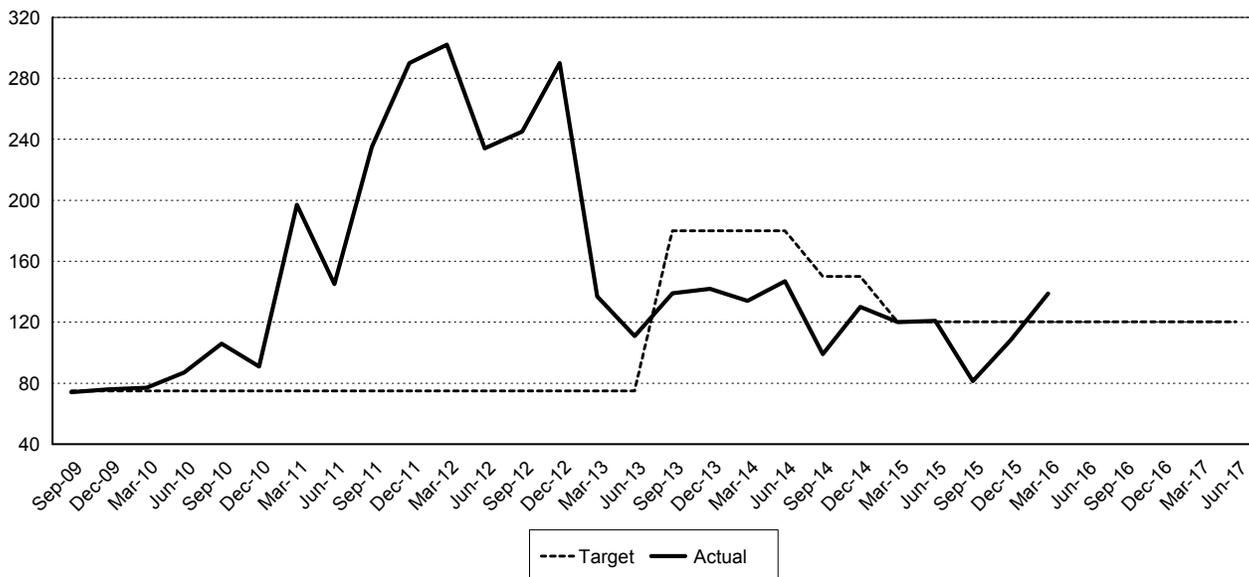


Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

000575 Average number of days it takes to complete investigations of suspected violations of the insurance code.			
Biennium	Period	Actual	Target
2015-17	Q8		120
	Q7		120
	Q6		120
	Q5		120
	Q4		120
	Q3	138.7	120
	Q2	108.3	120
	Q1	81.3	120
2013-15	Q8	121	120
	Q7	120	120
	Q6	130	150
	Q5	99	150
	Q4	147	180
	Q3	134	180
	Q2	142	180
	Q1	139	180
2011-13	Q8	111	75
	Q7	137	75
	Q6	290	75
	Q5	245	75
	Q4	234	75
	Q3	302	75
	Q2	290	75
	Q1	235	75

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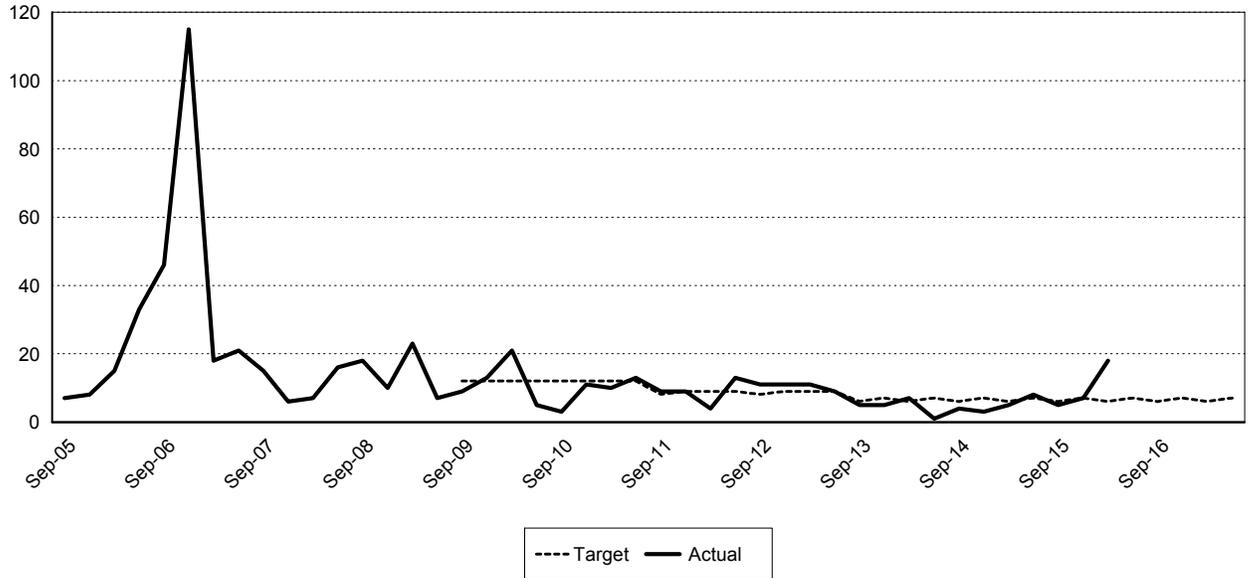
**Number 000575 - Average Number of days it takes to complete investigations of suspected insurance code violations.**



Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

<b>000590 Number of enforcement actions and compliance plans issued against authorized insurers.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		7
	Q7		6
	Q6		7
	Q5		6
	Q4		7
	Q3	18	6
	Q2	7	7
	Q1	5	6
2013-15	Q8	8	7
	Q7	5	6
	Q6	3	7
	Q5	4	6
	Q4	1	7
	Q3	7	6
	Q2	5	7
	Q1	5	6
2011-13	Q8	9	9
	Q7	11	9
	Q6	11	9
	Q5	11	8
	Q4	13	9
	Q3	4	9
	Q2	9	9
	Q1	9	8

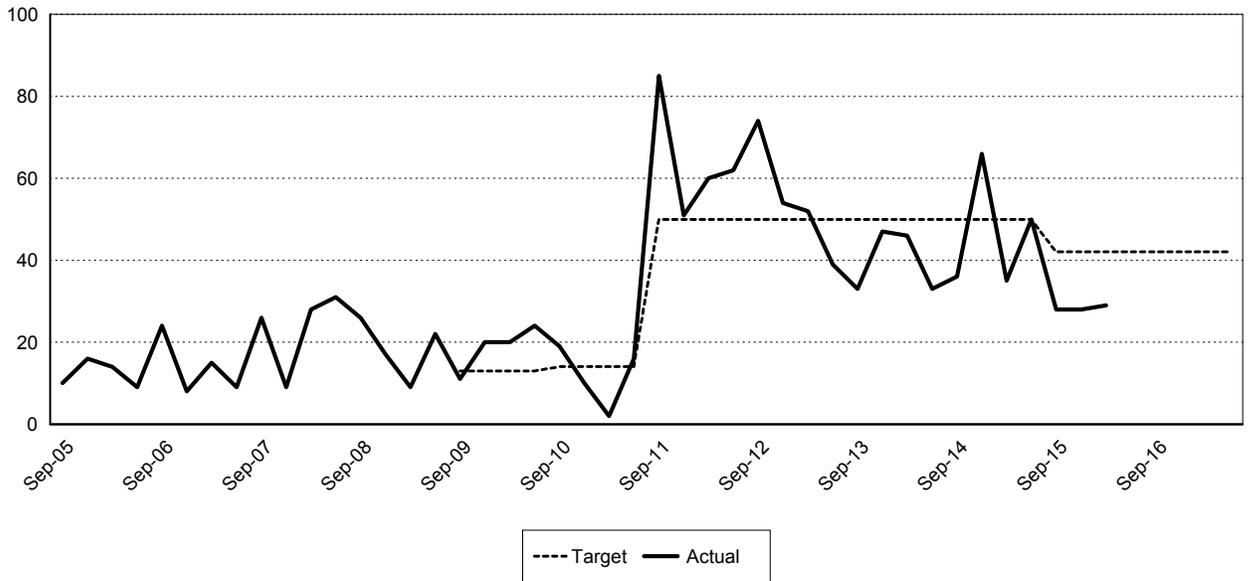
**Number**                    **000590 - Number of enforcement actions and compliance plans issued against authorized insurers**



Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

<b>000591 Number of investigations of potential violatons of the insurance code completed.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		42
	Q7		42
	Q6		42
	Q5		42
	Q4		42
	Q3	29	42
	Q2	28	42
	Q1	28	42
2013-15	Q8	50	50
	Q7	35	50
	Q6	66	50
	Q5	36	50
	Q4	33	50
	Q3	46	50
	Q2	47	50
	Q1	33	50
2011-13	Q8	39	50
	Q7	52	50
	Q6	54	50
	Q5	74	50
	Q4	62	50
	Q3	60	50
	Q2	51	50
	Q1	85	50

**Number**      **000591 - Number of investigations of potential violations of the insurance code completed.**



**A008      Regulation of Insurance Rates and Forms**

Staff review and approve the complex actuarial formulas, assumptions, and experience data submitted as part of a proposed rate filing to ensure that rates are neither excessive, inadequate, nor unfairly discriminatory. Staff also review policy forms and provider contracts to ensure that the terms and conditions of the insurance contract comply with state and federal laws before they are sold in Washington State.

Account	FY 2016	FY 2017	Biennial Total
FTE	32.0	32.0	32.0
<b>138 Insurance Commissioners Regulatory Account</b>			
138-1 State	\$3,531,000	\$3,641,000	\$7,172,000

Statewide Result Area:      **Prosperous Economy**

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**Statewide Strategy: Provide consumer protection**

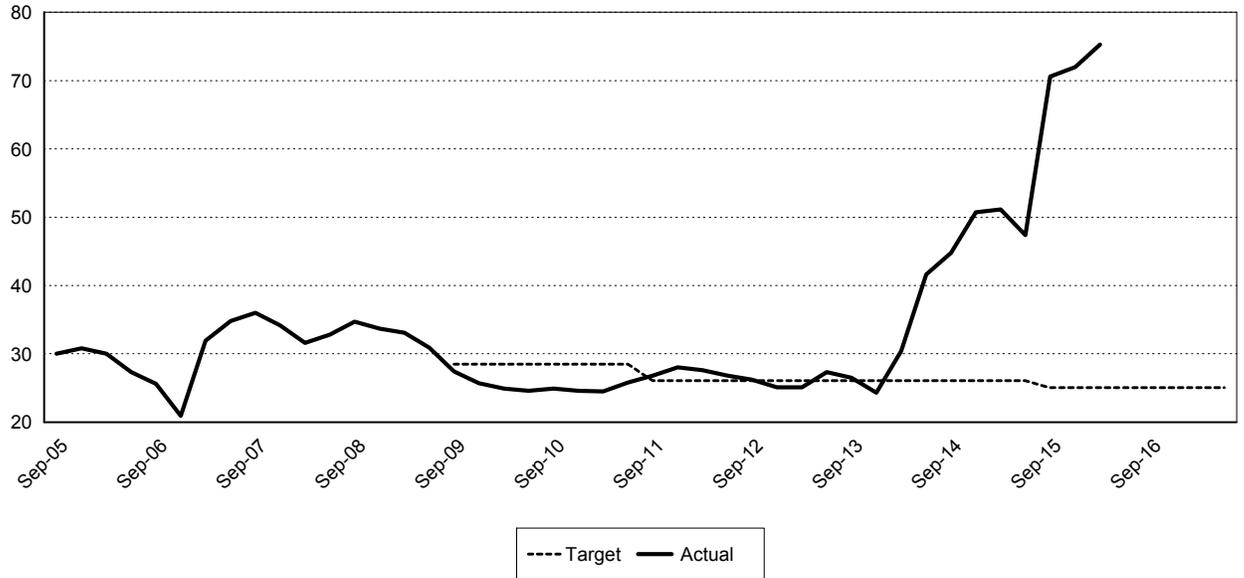
**Expected Results**

Rates and Forms staff review approximately 4,800 rate filings and 10,000 form filings per year.

<b>000734 Average number of days required to finalize the filing review process for insurance rate and form filings.</b>			
<b>Biennium</b>	<b>Period</b>	<b>Actual</b>	<b>Target</b>
2015-17	Q8		25
	Q7		25
	Q6		25
	Q5		25
	Q4		25
	Q3	75.3	25
	Q2	72	25
	Q1	70.6	25
2013-15	Q8	47.4	26
	Q7	51.16	26
	Q6	50.7	26
	Q5	44.8	26
	Q4	41.6	26
	Q3	30.4	26
	Q2	24.3	26
	Q1	26.5	26
2011-13	Q8	27.3	26
	Q7	25.1	26
	Q6	25.1	26
	Q5	26.2	26
	Q4	26.8	26
	Q3	27.6	26
	Q2	28	26
	Q1	26.8	26

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**Number**                      **000734 - Average Number of days required to finalize the filing review process for rate and form filings**



**Grand Total**

	FY 2016	FY 2017	Biennial Total
FTE's	238.2	245.1	241.7
GFS	\$300,000	\$227,000	\$527,000
Other	\$29,158,000	\$31,185,000	\$60,343,000
<b>Total</b>	<b>\$29,458,000</b>	<b>\$31,412,000</b>	<b>\$60,870,000</b>

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<u>Parameter</u>	<u>Entered As</u>
Budget Period	2015-17
Agency	160
Version	2D - 2016 Supplemental 1 Recast
Result Area	All Result Areas
Activity	All Activities
Program	All Programs
Sub Program	All Sub Programs
Account	All Accounts
Expenditure Authority Type	All Expenditure Authority Types
Theme	All
Sort By	Activity
Display All Account Types	Yes
Include Policy Level	Yes
Include Activity Description	Yes
Include Statewide Result Area	Yes
Include Statewide Strategy	Yes
Include Expected Results Text	Yes
Include Charts	Yes
Chart Type	Line
Include Parameter Selections	Yes
Version Source	OFM