

**Delaware Department of Insurance
FY 2026 Joint Finance Committee Hearing**

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DOI Financial Contributions – *Fiscal Year*

SOURCES	FY2024	FY2025 PROJECTED	FY2026 PROJECTED
Premium Taxes	\$145.7M	\$149M	\$155M
Licensing Fees, Fines, etc.	\$13.4M	\$23.6M	\$15.2M
GROSS GENERAL FUND	\$159.1M	\$172.6M	\$170.2M

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DOI Financial Contributions – *Calendar Year*

SPECIAL FUNDS	Calendar Year 2024	Calendar Year 2025 Projected	Calendar Year 2026 Projected
Fire Companies, Ambulance, Police Pension, Health Funds	\$76.7M	\$78.5M	\$81M
Fraud Fund	\$1.2M	\$1.5M	\$1.5M
Workers' Comp	\$3.7M	\$4.0M	\$4.0M
SB 160 Cancer Fund	\$1.1M	\$1.2M	\$1.3M

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DOI-Usable Revenues vs. Expenses

	Fiscal Year 2024	Fiscal Year 2025 Projected	Fiscal Year 2026 Projected / Requested
Revenues	\$7.81M	\$6.72M*	\$6.75M
Expenses	\$8.15M	\$9.95M	\$10.86M
Deficit	\$934K*	\$3.23M	\$4.10M
General Fund Assistance	\$600K	\$3.2M	\$4.4M

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DOI Fiscal Year 2026 Budget Requests

- ASF increases due to various mandates
- 1 Non-Merit FTE for the Office of Value-Based Health Care Delivery
- 1 Market Conduct FTE (Health Insurer Regulation / Consumer Assistance)
- 1 FTE for BERG (Domestic Company Financial Regulation)
- \$4.4M in General Funds

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Returning to Fully Self-Funded Status

- **House Bill 18** presents a long-term funding model through a small increase to certain fees and permitting DOI to retain a small amount as operating revenue.
- The bill would **NOT**: increase premiums or taxes, reduce insurers, reduce licenses, put licensing fees out of line with other states, or drastically divert General Fund Dollars.
- Solving this issue means we can **begin** to address other ones.

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Accreditation Report

- **“Delaware’s salaries for its analysis staff (both analysts and analysis supervisors) fall below the suggested salary ranges in the NAIC Financial Analysis Handbook and this has heightened the difficulty the Department has had in attracting and retaining analysis staff. It appears that the Department needs additional financial analysts, and especially additional financial analysis supervisors, to be able to continue to consistently perform the various tasks assigned to them commensurate with the size and complexity of Delaware’s domestic insurance industry.”**

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Key Metrics and Measurement Adjustments

- Nearly all categories show improvement FY over FY.
- Number of consumer complaints/inquiries – increased from 3,592 to 5,057 due to Health Insurance Marketplace carrier expansion and other work.
- 441 total Arbitration Cases
- Stabilization in Captive Insurer Growth

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- In 2024, DOI celebrated:

- 53,931 Delawareans signed up for ACA plans from 4 insurers
- \$59M invested in primary care providers
- Saved Medicare beneficiaries \$2.21M from 4,864 counseling sessions
- Provided response to 5,223 consumer complaints/inquiries recovering over \$6M
- Added 56,675 new licenses, 306,855 total
- 8th consecutive Workers Comp Rate decrease
- Saved nearly 932 local businesses \$4.9M through Workplace Safety
- Received and reviewed 34,129 filings, including rates, forms, advertisements, and rules
- Managed \$809B in insurer assets for more 2,454 companies

DOI gets results

- Completed 78 insurer interrogatories, market analyses, and market conduct exams as well as 22 financial exams
- Processed 751 fraud referrals, closing 22 criminal cases with 90 charges
- Licensed 56 new captives for a total of 660 licensed captives
- Provided arbitration services, with more than \$517K in awards
- Served on roles more than 20 local and national committees
- Engagement in more than 50 policy efforts with legislative partners

...and so much more.

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Vacancies

- Fraud – Investigator II: Vacant since August; Multiple interview rounds have occurred. Issues with salary and qualifications.
- Captive Analyst: Not yet posted due to busy season
- All positions remain necessary.

Epilogue Compliance

- Compliant, no requests.

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Questions ?

Thank you for your attention and consideration.