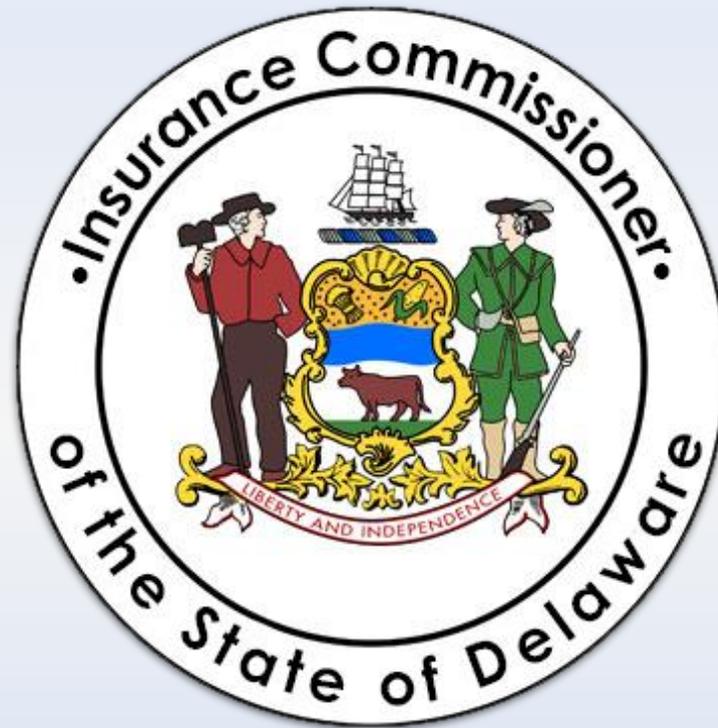


Delaware Department of Insurance FY 2021 Joint Finance Committee Hearing



TRINIDAD NAVARRO, INSURANCE COMMISSIONER

DOI Financial Contributions

Where it comes from	FY 17 Actual	FY 18 Actual	FY 19 Actual	FY 20 Projected	FY 21 Projected
Premium Taxes	\$96.9 million	\$108.8 million	\$109.4 million	\$106.5 million	\$111.6 million
Licensing Fees and Fines	\$15.4 million	\$10.5 million	\$15.3 million	\$11.9 million	\$15.4 million
Gross Receipts-General Fund	\$112.3 million	\$119.3 million	\$124.7 million	\$118.4 million	\$127.0 million

Where it goes	FY 17 Actual	FY 18 Actual	FY 19 Actual	FY 20 Projected	FY 21 Projected
Fire/Ambulance/ Police Pension Fund/Health Fund	\$43.1 million	\$46.8 million	\$48.3 million	\$45.1 million	\$49.4 million
Fraud Fund	\$1 million	\$1 million	\$1 million	\$1.0 million	\$1.0 million
Workers' Comp	\$4.0 million	\$4.4 million	\$4.4 million	\$4.0 million	\$4.0 million
Net General Fund	\$64.2 million	\$67.1 million	\$71.0 million	\$68.3 million	\$72.6 million



FY 2021 Budget Requests

1 new full time Fraud Investigator position due to steady trend increase of reported insurance fraud as well as added complexity and reporting requirements of health care fraud.

1 new full time Deputy Attorney General dedicated part time to fraud prosecutions, and part time to added work load of agency legal review.

Increase spending authority for Examiners Fees by \$2,095,000.00 due to increase in fees collected in FY2019. This has been trending upward over the past several years.



Captive Bureau Contribution

FY20	City of Wilmington:	\$1 million
	General Fund:	\$2.9 million
FY19	City of Wilmington:	\$1 million
	General Fund:	\$3 million
FY18	City of Wilmington:	\$1 million
	General Fund:	\$3 million

Revenues from Captives has gone down industry wide due to recent changes in the IRS. Delaware is anticipating a revenue drop by the end of FY20 compared to FY19 by 3%.



New Dover Office

Move was completed in 1 week in July, moving our staff of approximately 85 and still remaining open to the public the entire time. Our thanks to DTI and our DOI I.T. team for running complex dual systems to maintain phone and on line connectivity with the public simultaneously to both facilities, virtually eliminating downtime for the 1 week move.

We're saving about 30% per square foot on rent. We retained almost all of our furniture, and transferred more than ½ of our security hardware into the new building, saving thousands. We will realize approximately \$2 million in rent savings over the course of the 15 year lease.



DOI Future Goals

(look back from fy'20)

Cyber-security Model Law

Require insurance companies to adopt specific cyber-security standards to protect consumers' privacy data and to timely notify the Insurance Commissioner of any potential data breaches

Codify ACA Protections

Adopt certain protections realized under the ACA to prevent consumers from being discriminated against for preexisting conditions, establish permissible rating factors and mandating guaranteed issue and availability of health insurance coverage for all Delawareans

Promote Transparency of Drug Costs to Consumers



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DOI Future Goals for FY '21

In 2019, we promoted more than a dozen of pro-consumer bills that were passed by the General Assembly and signed into law.

We also plan to:

- *Increase capacity of our Fraud and Medicare Assistance Bureaus*
- *Make strides in implementing the Office of Value-Based Health Care Delivery*
- *Protect consumers in contracting processes by updating our assignment of benefits laws*
- *Enhance homeowners' regulations, particularly for disclosures and non-renewals*
- *Create a more consumer-friendly auto insurance environment and increase departmental efficiency by making it easier to appeal cancellation and non-renewals*
- *Seek clarifying language around the private funding of bail bond agents to ensure unauthorized individuals are not holding undue power in the industry*
- *Pursue renewal of our national accreditation*

