

Insurance Department DOI37500

Permanent Full-Time Positions

Fund	Actual FY 17	Actual FY 18	Appropriation FY 19	Governor Recommended		Legislative	
				FY 20	FY 21	FY 20	FY 21
Insurance Fund	159	151	150	151	151	151	151

Budget Summary

Account	Actual FY 17	Actual FY 18	Appropriation FY 19	Governor Recommended		Legislative	
				FY 20	FY 21	FY 20	FY 21
Personal Services	13,753,332	13,270,222	13,796,046	14,649,306	15,496,303	14,649,306	15,496,303
Other Expenses	2,124,801	2,007,831	1,727,807	1,850,916	1,725,916	1,850,916	1,725,916
Equipment	52,423	52,499	52,500	52,500	52,500	52,500	52,500
Other Current Expenses							
Fringe Benefits	10,899,326	10,761,501	10,938,946	13,138,962	13,898,634	13,138,962	13,898,634
Indirect Overhead	532,887	466,740	466,740	228,468	228,468	228,468	228,468
Agency Total - Insurance Fund	27,362,769	26,558,793	26,982,039	29,920,152	31,401,821	29,920,152	31,401,821
Additional Funds Available							
Special Funds, Non-Appropriated	-	7,860	7,860	-	-	-	-
Private Contributions & Other Restricted	-	294,850	294,847	-	-	-	-
Agency Grand Total	27,362,769	26,861,503	27,284,746	29,920,152	31,401,821	29,920,152	31,401,821

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

Policy Revisions

Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(1,891)	(1,891)	(1,891)	(1,891)	-	-
Total - Insurance Fund	(1,891)	(1,891)	(1,891)	(1,891)	-	-

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$1,891 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

Current Services

Provide Funding for Expanded Monitoring of Prescription Drug Costs

Personal Services	52,812	105,623	52,812	105,623	-	-
Other Expenses	125,000	-	125,000	-	-	-
Fringe Benefits	47,367	94,733	47,367	94,733	-	-
Total - Insurance Fund	225,179	200,356	225,179	200,356	-	-
Positions - Insurance Fund	1	1	1	1	-	-

Background

PA 18-41 requires, among other things, that the Insurance Department collect, analyze, and report on certain health carrier and pharmacy benefits manager information and data.

Governor

Provide one new position with half year funding of \$100,179 in FY 20 and full year funding of \$200,356 in FY 21 for both personal services and fringe benefits to support an insurance actuary beginning January 1, 2020. The actuary's responsibilities would include providing expertise in the dynamics of pharmaceutical pricing, including the modeling and analysis of the interdependencies between retail drug prices, reimbursement rates and rebates, and also the modeling of impacts as respects behavioral economics.

Provide one-time funding of \$125,000 in FY 20 in Other Expenses for consultant services focused on providing expertise on pharmacy benefits managers and prescription drug rebates.

Legislative

Same as Governor

Provide Funding for Wage Increases

Personal Services	800,448	1,594,634	800,448	1,594,634	-	-
Total - Insurance Fund	800,448	1,594,634	800,448	1,594,634	-	-

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$800,448 in FY 20 and \$1,594,634 in FY 21 to reflect this agency's increased wage costs.

Legislative

Same as Governor

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	2,152,649	2,864,955	2,152,649	2,864,955	-	-
Indirect Overhead	(238,272)	(238,272)	(238,272)	(238,272)	-	-
Total - Insurance Fund	1,914,377	2,626,683	1,914,377	2,626,683	-	-

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Provide funding of \$1,914,377 in FY 20 and \$2,626,683 in FY 21 to ensure sufficient funds for fringe benefits and reflect revised indirect overhead costs.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21
FY 19 Appropriation - IF	26,982,039	26,982,039	26,982,039	26,982,039	-	-
Policy Revisions	(1,891)	(1,891)	(1,891)	(1,891)	-	-
Current Services	2,940,004	4,421,673	2,940,004	4,421,673	-	-
Total Recommended - IF	29,920,152	31,401,821	29,920,152	31,401,821	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21
FY 19 Appropriation - IF	150	150	150	150	-	-
Current Services	1	1	1	1	-	-
Total Recommended - IF	151	151	151	151	-	-