

State of Alaska FY2018 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Insurance Operations RDU/Component Budget Summary

RDU/Component: Insurance Operations

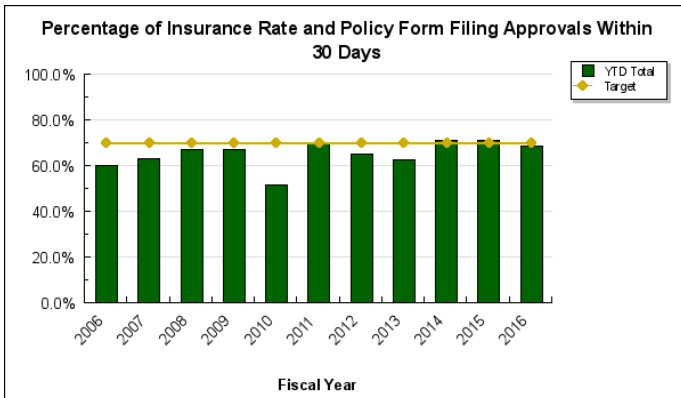
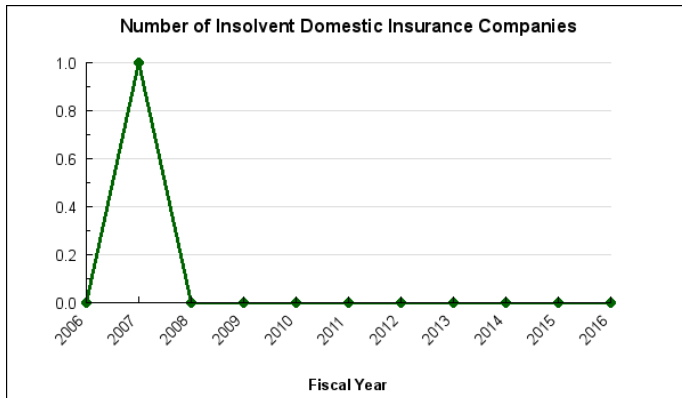
(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

Regulate the insurance industry to protect Alaskan consumers.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



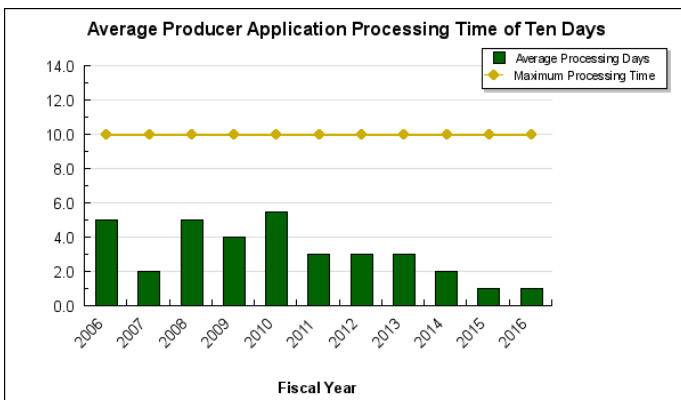
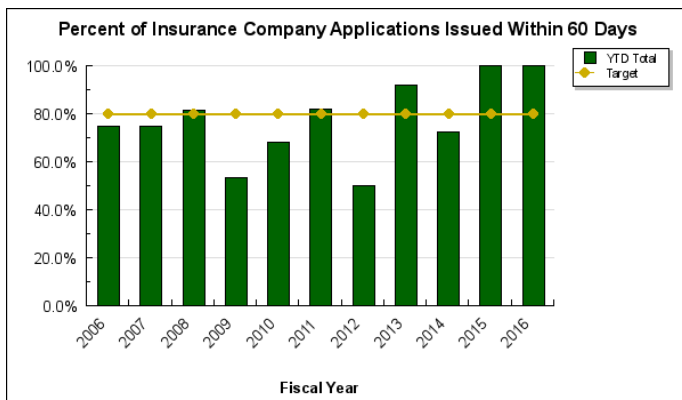
Core Services

- Licensing
- Compliance
- Investigations
- Property & Casualty
- Consumer Services

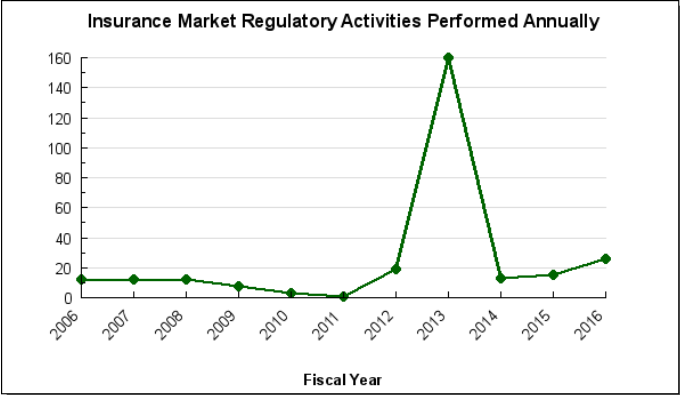
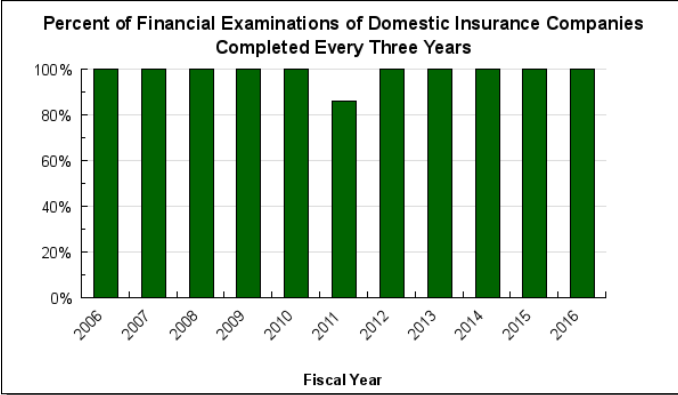
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

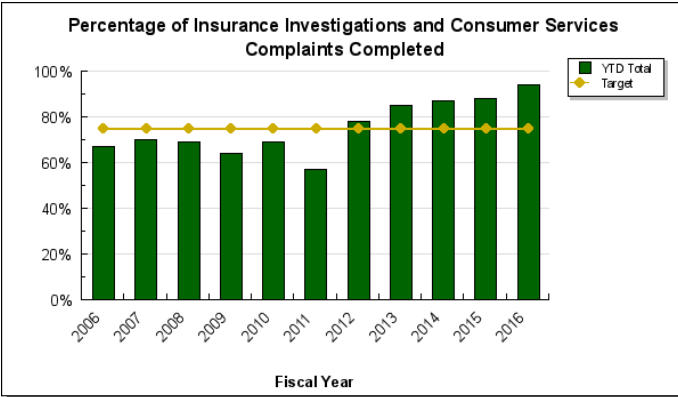
1. Licensing



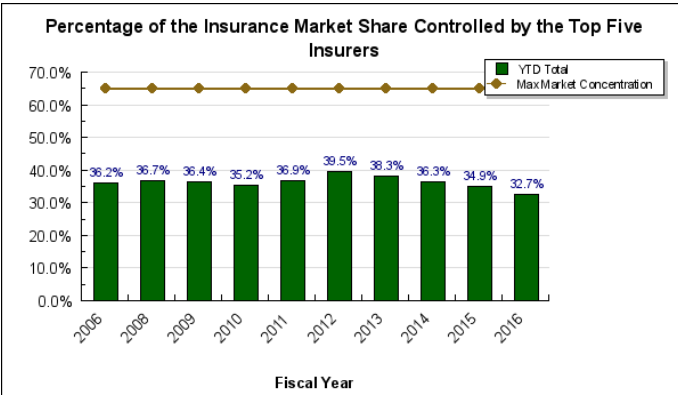
2. Compliance



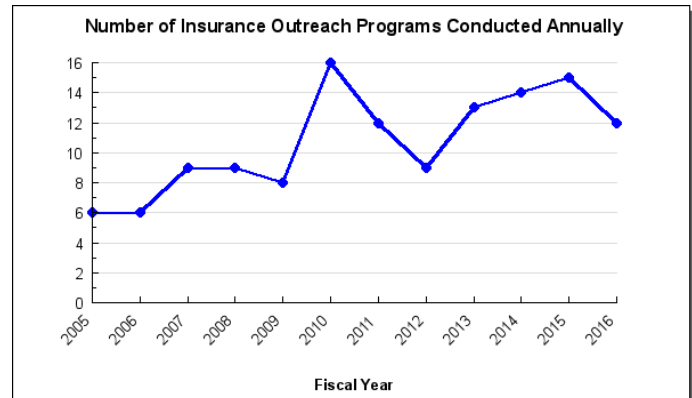
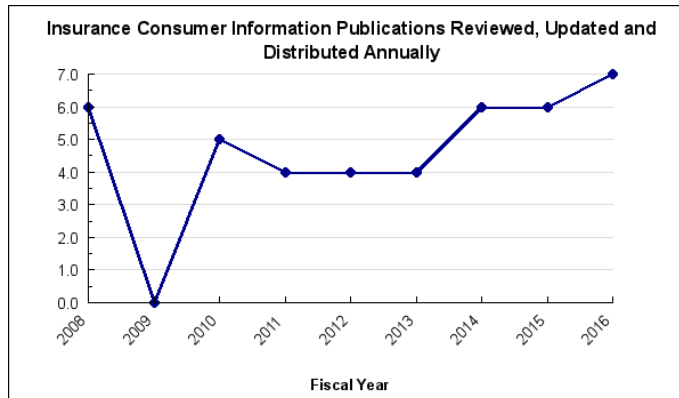
3. Investigations



4. Property & Casualty



5. Consumer Services



Major Component Accomplishments in 2016

- The Division of Insurance continues to devote significant time and resources to ongoing implementation of the Affordable Care Act, including analyzing federal regulation and guidance documents; developing filing guidance for insurers; reviewing and approving health insurance rate and form filings; working with the Office of Personnel Management (OPM) to approve multi-state plan offerings on the federal marketplace; responding to surveys, media, and consumer inquiries; and monitoring the financial health of insurers with ACA plans.
- Introduced legislation that was successful in creating the Alaska Comprehensive Health Insurance Fund. Specific insurance revenues in FY2016, FY2017, and FY2018 originally accounted for in the unrestricted general fund will be transferred to the new Alaska Comprehensive Health Insurance fund.
- The financial section completed four examinations, including three delayed examinations from prior fiscal years due to a long-term staff vacancy and a significant increase in workload over the past two years.
- Approved a merger of a domestic insurer with an affiliate and secured \$8.8 million for charitable vision care services for Alaska consumers if the merged company becomes insolvent or ceases writing business in Alaska, which is funded in a deposit account only accessible by written consent of the director.
- Worked with Oregon, California, and Washington throughout the year to monitor the financial performance and regulatory compliance of a non-domiciled health insurer on the Alaska Insurance Exchange.
- Approved Certificates of Authority for eight new insurers; registered two new Risk Retention Groups, four new surplus lines companies, and three trust reinsurers; and renewed the registration of one air ambulance service provider.
- Collected \$74.7 million in premium tax, penalties, and fees.
- Completed 26 market regulatory activities.
- Completed 394 rate and form filings.
- The licensing section issued 13,254 initial licenses and 21,955 license renewals.
- Approved 17 new continuing education (CE) providers and 923 CE courses.
- Continued a scanning and archiving project that will improve access to and allow for electronic searches of the division's files.
- The consumer services section recovered a record \$1,225,705 for Alaska consumers, the largest amount of funds the Consumer Services section has ever recovered in a fiscal year, through research and application of insurance law regarding consumer complaints.
- The administrative section processed 176 service of procedure requests, and 80 public record requests.

Key Component Challenges

Accreditation

The National Association of Insurance Commissioners (NAIC) Accreditation Program was established to develop and maintain standards to promote effective insurance company financial solvency regulation. In the 2015 legislative session, Senate Bill 107 was introduced and was subsequently adopted into Alaska law. This legislation incorporated the 2010 NAIC Model Law accreditation standards into AS 21. The ability to understand and document compliance in conjunction with the accreditation requirements is an ongoing and intensive effort, but the outcome is especially

important for Alaska domiciled insurers and other states where those domiciled insurers do business. In 2015, Alaska successfully completed an Interim Annual Review and was found in compliance with the accreditation standards. The Division of Insurance is currently accredited until January 1, 2017. Recertification of the accreditation program occurs every five years.

The five-year full accreditation review will be conducted by the National Association of Insurance Commissioners (NAIC) in August 2017. The financial section is the only accredited section in the division. It is essential that the section retains its full five-year accreditation status, and it will take a significant amount of preparation.

Affordable Care Act

The division will continue to respond to the changes and inquiries of the US Department of Health and Human Services, the Centers for Medicare and Medicaid Services (CMS), and the Center for Consumer Information & Insurance Oversight related to the Affordable Care Act (ACA), and will be responsive to the impact to Alaska consumers.

In 2017, rate review will be affected by Medicaid expansion and the end of transition policies. Resources will also be needed for consideration of possible state-based solutions, such as reinsurance, state-based exchange, etc. as part of a federal innovation waiver for certain ACA provisions.

Recent legislation will result in a number of significant activities related to the ACA. The division has drafted regulations and plans to implement the Alaska Reinsurance Program in FY2017 to reinsure the high risk individuals in the Alaska insurance market. The division also plans to submit a 1332 waiver to CMS, which will require additional staff hours for drafting and analysis of the Alaska insurance market and potential health care reforms. Regulations for an ACA-compliant external review and grievance process are expected to take effect in FY2017. These new processes are expected to require additional time and work to implement and maintain.

Consumer Services

The consumer services section will be an integral part of the division's implementation of the NAIC State Based Systems External Healthcare Review module, to organize the compilation of requests and to allow for efficient transmission of documents among the involved parties. Legislation passed in 2016 provided the division with authority under AS 21.07.005 to implement regulations under the Alaska Administrative Code at least as restrictive as the Utilization Review and Benefit Determination Model Act, the Health Carrier Grievance Procedure Model Act, and Uniform Health Carrier External Review Model Act adopted by the NAIC.

Licensing

The licensing section is working towards revising the independent adjuster laws in the state. Our goal is to adopt NAIC model legislation which would provide uniformity amongst states for licensing of public adjusters. Implementation of the new SBS system will require new practices and procedures to conform to the new back-end software system.

State Based Systems Conversion

In FY2017 the division will convert from the legacy State Based Systems (SBS) regulatory system to SBS2016, which will require considerable staff time for information technology testing before going live. The learning curve is expected to be steep, but the upgrade is expected to provide efficiencies in the manner in which we collect premium taxes for deposit into the general fund.

Other Technology

The electronic exam system TeamMate will be going through upgrades that present challenges in terms of training and effective use on exams. The division will develop a program to incorporate the annual and quarterly financial statement and filings review procedures in the TeamMate system to increase efficiencies. Increased use of scanned documents and the TeamMate audit management software should lead to better tracking and documentation of the financial analysis function.

Significant Changes in Results to be Delivered in FY2018

The Division will oversee the Alaska Reinsurance Program. No other significant changes are anticipated.

Statutory and Regulatory Authority

AS 21 Insurance
3 AAC 21 to 31 Insurance

Contact Information
<p>Contact: Lori Wing-Heier, Director Phone: (907) 269-7896 Fax: (907) 269-7910 E-mail: lori.wing-heier@alaska.gov</p>

Insurance Operations Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2017 Management Plan	FY2018 Governor		
Full-time	46	46	Annual Salaries	3,342,858
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	1,949,895
			<i>Less 4.42% Vacancy Factor</i>	<i>(233,853)</i>
			Lump Sum Premium Pay	0
Totals	46	46	Total Personal Services	5,058,900

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk	0	0	1	0	1
Accounting Tech I	0	0	1	0	1
Actuary	0	0	2	0	2
Administrative Assistant II	1	0	1	0	2
Administrative Officer II	0	0	1	0	1
Consmr Service Spec(Insurance)	2	0	0	0	2
Consmr Service Supr(Insurance)	1	0	0	0	1
Deputy Director, Insurance	0	0	1	0	1
Division Director	1	0	0	0	1
Ins Financial Exam I	2	0	0	0	2
Ins Financial Exam II	2	0	0	0	2
Ins Financial Exam III	1	0	0	0	1
Insurance Licensing Exam I	0	0	2	0	2
Insurance Licensing Exam II	0	0	1	0	1
Insurance Specialist I	1	0	0	0	1
Insurance Specialist II	1	0	6	0	7
Insurance Specialist III	1	0	2	0	3
Investigator III	3	0	0	0	3
Investigator IV	1	0	0	0	1
Office Assistant I	1	0	2	0	3
Office Assistant II	0	0	1	0	1
Program Coordinator II	0	0	2	0	2
Publications Spec III	0	0	1	0	1
Records & Licensing Spvr	0	0	1	0	1
Regulations Spec II	0	0	1	0	1
Secretary	1	0	0	0	1
Tax Auditor III	0	0	1	0	1
Totals	19	0	27	0	46

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	4,334.0	5,008.9	5,008.9	5,008.9	5,058.9	50.0	1.0%
72000 Travel	150.1	160.6	160.6	160.6	200.6	40.0	24.9%
73000 Services	1,694.7	2,093.2	2,093.2	2,093.2	2,093.2	0.0	0.0%
74000 Commodities	61.6	59.2	59.2	59.2	59.2	0.0	0.0%
75000 Capital Outlay	0.0	35.3	35.3	35.3	35.3	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	55,000.0	55,000.0	0.0	-55,000.0	-100.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	6,240.4	7,357.2	62,357.2	62,357.2	7,447.2	-54,910.0	-88.1%
Fund Sources:							
1061CIP Rcpts (Other)	52.7	258.8	258.8	258.8	259.2	0.4	0.2%
1108Stat Desig (Other)	0.0	0.0	0.0	0.0	40.0	40.0	100.0%
1156Rcpt Svcs (DGF)	6,187.7	7,098.4	7,098.4	7,098.4	7,148.0	49.6	0.7%
1248ACHI Fund (DGF)	0.0	0.0	55,000.0	55,000.0	0.0	-55,000.0	-100.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	6,187.7	7,098.4	62,098.4	62,098.4	7,148.0	-54,950.4	-88.5%
Other Funds	52.7	258.8	258.8	258.8	299.2	40.4	15.6%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	47	47	47	46	46	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	1	1	1	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
ConfCom		7,357.2	5,008.9	160.6	2,093.2	59.2	35.3	0.0	0.0	47	0	1
1061 CIP Rcpts		258.8										
1156 Rcpt Svcs		7,098.4										
Reinsurance Program; Health Insurance Waivers Ch5 4SSLA2016 (HB374) (Sec2 Ch3 4SSLA2016 P47 L26 (HB256))												
FisNot		55,000.0	0.0	0.0	0.0	0.0	0.0	55,000.0	0.0	0	0	0
1248 ACHI Fund		55,000.0										
HB 374 amends AS 21.55.430, the Alaska Comprehensive Health Insurance Association (ACHIA), to allow legislative appropriation of insurance premium tax receipts collected by the Division of Insurance to fund the reinsurance program created in HB374.												
In 2014 the division collected approximately \$74 million in total receipts, of which \$64 million was premium taxes. Of that \$64 million, approximately \$5 million is transferred to the Department of Labor as a Workers' Compensation Service Fee as required under AS 23. 05.067. Annual collections of premium taxes for the prior three fiscal years are: \$52 million in FY2013; \$55 million in FY2014; and \$64 million in FY2015.												
The Alaska Comprehensive Health Insurance Fund will be created, as well as new designated fund code 1248. The Division of Insurance will enter into a grant agreement under AS 37.05.316 with ACHIA to reimburse for claims paid in excess of policy premiums collected.												
While there is no net change to revenue generated from premium taxes, premium taxes previously received and deposited into the general fund will instead be deposited in to the new fund, and used to fund the reinsurance program.												
Subtotal		62,357.2	5,008.9	160.6	2,093.2	59.2	35.3	55,000.0	0.0	47	0	1
***** Changes From FY2017 Authorized To FY2017 Management Plan *****												
Delete Vacant Office Assistant III (08-4037) and Office Assistant I (08-N11002)												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	-1
During FY2016 the Division of Insurance reprioritized and reorganized workloads. As a result, the duties previously performed by these two Office Assistant positions were reassigned.												
The Office Assistant III, PCN 08-4037, provided administrative support to the Investigations Unit in the Anchorage office. While this position has been vacant, these duties have been performed by other staff. The division will permanently reassign those duties, resulting in administrative support staff that is shared between sections.												
The Office Assistant I, PCN 08-N11002, was created to scan documents for inclusion in to the division's electronic database, and was funded by a capital project. Work within the division was reprioritized, and supervision of the scanning project and hiring of this position was determined to be a lower priority than other life, health, and safety related insurance regulatory activity. While scanning work still remains, the division is currently using existing staff to scan as they are available.												
Subtotal		62,357.2	5,008.9	160.6	2,093.2	59.2	35.3	55,000.0	0.0	46	0	0

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	

***** **Changes From FY2017 Management Plan To FY2018 Governor** *****

National Association of Insurance Commissioners (NAIC) Training Reimbursement

1108 Stat Desig	Inc	40.0	40.0	0.0	40.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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The Division of Insurance expects to receive a grant from the National Association of Insurance Commissioners (NAIC) of up to \$40.0 for calendar year 2018. The purpose of the grant is to promote educational and training opportunities to division staff, primarily those who need to obtain or maintain specialized certifications needed by the Insurance Specialists, Financial Examiners and Market Conduct Examiners. The grants can be used for training, both in-house or to attend conferences or seminars out-of-state, provided that they meet the guidelines as established by the NAIC. The division has experienced turnover of experienced staff in specialized positions in recent years, and has encountered recruitment challenges when hiring for those positions since many Insurance positions require specific credentials, certifications, or experience. This grant will allow division staff to participate in educational and training opportunities to ensure that continuing education and credential requirements are met.

Reverse Year 1 HB374 Reinsurance Program; Health Insurance Waivers Ch5 4SSLA2016

1248 ACHI Fund	OTI	-55,000.0	0.0	0.0	0.0	0.0	0.0	0.0	-55,000.0	0.0	0	0	0
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Reverse year one of HB374 fiscal note.

HB 374 amended AS 21.55.430, the Alaska Comprehensive Health Insurance Association (ACHIA), to allow legislative appropriation of insurance premium tax receipts collected by the Division of Insurance to fund the reinsurance program created in HB374.

In 2014, the division collected approximately \$74 million in total receipts, of which \$64 million was premium taxes. Of that \$64 million, approximately \$5 million was transferred to the Department of Labor as a Workers' Compensation Service Fee as required under AS 23.05.067. Annual collections of premium taxes for the prior three fiscal years were: \$52 million in FY2013; \$55 million in FY2014; and \$64 million in FY2015.

The Alaska Comprehensive Health Insurance Fund was created, as well as new designated fund code 1248. The Division of Insurance will enter into a grant agreement under AS 37.05.316 with ACHIA to reimburse for claims paid in excess of policy premiums collected.

While there is no net change to revenue generated from premium taxes, premium taxes previously received and deposited into the general fund will instead be deposited in to the new fund, and used to fund the reinsurance program.

FY2018 Salary and Health Insurance Increases

1061 CIP Rcpts	SalAdj	15.0	15.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs		0.4											
		14.6											

Includes: ACOA COLA, 2.25% per contract ending 6/30/2018; GGU HI increase from \$1346 to \$1389; LTC HI increase from \$1363 to \$1432.: \$15.0

FY2018 PS Health Ins.: \$15.0

Supervisory Unit 15 Hour Furlough Contract Terms

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
1156 Rcpt Svcs	SalAdj	-3.4	-3.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Alaska Public Employees Association, supervisory unit, 15 hours of furlough required for each permanent full-time employee in each year from July 1, 2016 to June 30, 2018.												
FY2018 Alaska Care & PSEA Health Insurance Increase												
1156 Rcpt Svcs	SalAdj	38.4	38.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Alaska Care rate increase from \$1346 to \$1555 per month for APEA members. \$28.8												
Alaska Care rate increase from \$1346 to \$1555 per month for exempt and partially exempt employees. \$9.6												
Totals		7,447.2	5,058.9	200.6	2,093.2	59.2	35.3	0.0	0.0	46	0	0

Personal Services Expenditure Detail
Department of Commerce, Community, and Economic Development

Scenario: FY2018 Governor (13956)
Component: Insurance Operations (354)
RDU: Insurance (116)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
08-4001	Division Director	FT	A	XE	Anchorage	N00	27J / K	12.0		128,360	0	0	62,581	190,941	0
08-4002	Office Assistant I	FT	A	GP	Juneau	205	8B / C	12.0		32,916	0	0	28,084	61,000	0
08-4003	Deputy Director, Insurance	FT	A	XE	Juneau	N05	24F / J	12.0		112,082	0	0	57,079	169,161	0
08-4004	Insurance Specialist II	FT	A	GP	Juneau	205	19C	12.0		68,892	0	0	40,402	109,294	0
08-4005	Insurance Specialist I	FT	A	GP	Anchorage	200	17B / C	12.0		56,911	0	0	36,300	93,211	0
08-4007	Insurance Licensing Exam I	FT	A	GP	Juneau	205	12C / D	12.0		43,018	0	0	31,543	74,561	0
08-4008	Program Coordinator II	FT	A	SS	Juneau	205	20F / J	12.0		85,413	0	0	48,091	133,504	0
08-4009	Publications Spec III	FT	A	GP	Juneau	205	19E / F	12.0		76,181	0	0	42,898	119,079	0
08-4021	Secretary	FT	A	GP	Anchorage	200	11J	12.0		45,132	0	0	32,267	77,399	0
08-4022	Insurance Licensing Exam I	FT	A	GP	Juneau	205	12C / D	12.0		42,800	0	0	31,469	74,269	0
08-4023	Administrative Officer II	FT	A	SS	Juneau	205	19M / N	12.0		92,930	0	0	50,665	143,595	0
08-4024	Administrative Assistant II	FT	A	SS	Juneau	605	14F / J	12.0		56,620	0	0	38,232	94,852	0
08-4025	Ins Financial Exam II	FT	A	GP	Anchorage	200	21F / G	12.0		85,607	0	0	46,126	131,733	0
08-4026	Investigator IV	FT	A	SS	Anchorage	200	20F / J	12.0		81,560	0	0	46,772	128,332	0
08-4027	Administrative Assistant II	FT	A	SS	Anchorage	600	14F	12.0		53,412	0	0	37,134	90,546	0
08-4028	Insurance Specialist II	FT	A	GP	Anchorage	200	19C / D	12.0		67,452	0	0	39,909	107,361	0
08-4029	Accounting Tech I	FT	A	GP	Juneau	99	12L	12.0		54,305	0	0	35,408	89,713	0
08-4030	Consumr Service Spec(Insurance)	FT	A	GP	Anchorage	99	16P	12.0		79,383	0	0	43,995	123,378	0
08-4031	Insurance Specialist III	FT	A	SS	Juneau	205	21E / F	12.0		88,576	0	0	49,174	137,750	0
08-4032	Office Assistant I	FT	A	GP	Juneau	205	8F / G	12.0		36,731	0	0	29,390	66,121	0
08-4033	Insurance Specialist II	FT	A	GP	Juneau	205	19A / B	12.0		66,512	0	0	39,588	106,100	0
08-4034	Ins Financial Exam I	FT	A	GP	Anchorage	99	19N	12.0		90,075	0	0	47,655	137,730	0
08-4035	Ins Financial Exam III	FT	A	SS	Anchorage	99	23N	12.0		116,352	0	0	58,685	175,037	0
08-4036	Insurance Licensing Exam II	FT	A	GP	Juneau	205	14C / D	12.0		50,373	0	0	34,062	84,435	0
08-4041	Tax Auditor III	FT	A	SS	Juneau	99	20O	12.0		105,588	0	0	54,999	160,587	0
08-4042	Program Coordinator II	FT	A	SS	Juneau	205	20A / B	12.0		73,351	0	0	43,961	117,312	0
08-4043	Records & Licensing Spvr	FT	A	SS	Juneau	205	16D / E	12.0		62,844	0	0	40,364	103,208	0
08-4044	Actuary	FT	A	XE	Juneau	N05	25B / C	12.0		107,975	0	0	55,672	163,647	0
08-4045	Insurance Specialist II	FT	A	GP	Juneau	205	19B / C	12.0		68,435	0	0	40,246	108,681	0
08-4046	Insurance Specialist III	FT	A	SS	Juneau	205	21B / C	12.0		85,821	0	0	48,231	134,052	0
08-4048	Insurance Specialist II	FT	A	GP	Juneau	205	19G	12.0		78,732	0	0	43,772	122,504	0
08-4051	Insurance Specialist III	FT	A	GP	Anchorage	200	21K	12.0		92,340	0	0	48,431	140,771	0
08-4052	Actuary	FT	A	XE	Juneau	N05	25A / B	12.0		102,750	0	0	53,883	156,633	0
08-4053	Office Assistant I	FT	A	GP	Anchorage	200	8B / C	12.0		31,386	0	0	27,560	58,946	0
08-4054	Office Assistant II	FT	A	GP	Juneau	205	10C / D	12.0		37,900	0	0	29,791	67,691	0
08-4056	Investigator III	FT	A	GP	Anchorage	200	18D / E	12.0		65,266	0	0	39,161	104,427	0
08-4057	Ins Financial Exam II	FT	A	GG	Anchorage	200	21A / B	12.0		71,490	0	0	41,292	112,782	0
08-4058	Ins Financial Exam I	FT	A	GP	Anchorage	200	19D / E	12.0		69,675	0	0	40,671	110,346	0

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.
 [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Personal Services Expenditure Detail
Department of Commerce, Community, and Economic Development

Scenario: FY2018 Governor (13956)
Component: Insurance Operations (354)
RDU: Insurance (116)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
08-4059	Accounting Clerk	FT	A	GP	Juneau	205	10D / E	12.0		39,305	0	0	30,272	69,577	0
08-4060	Consmr Service Supr(Insurance)	FT	A	SS	Anchorage	200	18F	12.0		70,944	0	0	43,137	114,081	0
08-4062	Insurance Specialist II	FT	A	GP	Juneau	99	19P	12.0		101,809	0	0	51,673	153,482	0
08-4063	Investigator III	FT	A	GP	Anchorage	99	18M	12.0		81,229	0	0	44,627	125,856	0
08-4064	Investigator III	FT	A	GP	Anchorage	200	18J	12.0		73,092	0	0	41,841	114,933	0
08-4068	Consmr Service Spec(Insurance)	FT	A	GP	Anchorage	200	16B / C	12.0		53,016	0	0	34,966	87,982	0
08-4069	Insurance Specialist II	FT	A	GP	Juneau	99	19M	12.0		91,153	0	0	48,025	139,178	0
08-9072	Regulations Spec II	FT	A	GP	Juneau	205	16G / J	12.0		67,164	0	0	39,811	106,975	0
Total													Total Salary Costs:	3,342,858	
Positions													Total COLA:	0	
Full Time Positions:													Total Premium Pay:	0	
Part Time Positions:													Total Benefits:	1,949,895	
Non Permanent Positions:													Total Pre-Vacancy:	5,292,753	
Positions in Component:													Minus Vacancy Adjustment of 4.42%:	(233,853)	
Total Component Months: 552.0													Total Post-Vacancy:	5,058,900	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	5,058,900	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1156 Receipt Supported Services	5,292,753	5,058,900	100.00%
Total PCN Funding:	5,292,753	5,058,900	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Travel

Component: Insurance Operations (354)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		150.1	160.6	200.6
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000 Travel Detail Totals			150.1	160.6	200.6
2000	In-State Employee Travel	In-State Transportation - Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	42.4	42.4	75.0
2002	Out of State Employee Travel	Out-of-State Transportation - Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	107.6	118.1	125.5
2006	Other Travel Costs	Miscellaneous travel-related expenses.	0.1	0.1	0.1

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Insurance Operations (354)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		1,694.7	2,093.2	2,093.2
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			1,694.7	2,093.2	2,093.2
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses.	29.0	35.0	35.0
3001	Financial Services	Accounting, auditing, management consulting, grantee monitoring, loan servicing and insurance related services.	0.0	200.0	200.0
3002	Legal and Judicial Services	Legal and judicial services, including costs to conduct hearings and transcription fees.	5.7	10.0	10.0
3003	Information Technology	Information Technology - Training, consulting, equipment and software leases, licensing and maintenance.	13.7	50.0	50.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	20.9	25.0	25.0
3006	Delivery Services	Freight, courier services, and postage.	2.5	2.5	2.5
3007	Advertising and Promotions	Advertising, promotions and legal notices.	1.1	1.5	1.5
3008	Utilities	Electricity, heating fuel, water, sewage and disposal services.	0.1	0.1	0.1
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rentals and leases.	60.1	60.1	60.1

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Insurance Operations (354)

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			1,694.7	2,093.2	2,093.2
3010	Equipment/Machinery	Machinery, furniture and equipment purchase, repairs, maintenance, rentals, and leases.	14.2	15.0	15.0
3011	Other Services	Other services, including printer/copy machine services, printing services, and State Travel Office fees.	2.6	139.8	99.5
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Enterprise Technology Services - Computer services (EPR).	35.0	35.0	35.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Information Technology services for telecommunications (e.g. video conference, internet access, messaging, virtual private network).	74.3	74.3	74.3
3020	Inter-Agency Building Maintenance	Admin - Department-wide Building maintenance services.	3.0	3.0	3.0
3021	Inter-Agency Mail	Admin - Department-wide Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	19.4	19.4	19.4
3022	Inter-Agency Human Resources	Admin - Department-wide Division of Personnel and Labor Relations - Human resource and personnel services.	30.5	35.0	35.0
3023	Inter-Agency Building Leases	Admin - Department-wide Parking permits.	1.4	1.4	1.4
3023	Inter-Agency Building Leases	Admin - Department-wide Linny Pacillo Parking Garage lease.	14.5	14.5	14.5
3024	Inter-Agency Legal	Law - Department-wide Legal services.	374.7	374.7	415.0
3024	Inter-Agency Legal	Law - Department-wide Regulations review.	5.1	10.0	10.0
3026	Inter-Agency Insurance	Admin - Department-wide Division of Risk Management - Risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead.	0.9	0.9	0.9
3027	Inter-Agency Financial	Admin - Department-wide Division of Finance - Computer services for State accounting (IRIS), payroll (AKPAY), and reporting	3.9	3.9	3.9

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Insurance Operations (354)

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			1,694.7	2,093.2	2,093.2
		(ALDER) systems.			
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Americans with Disabilities Act (ADA) enforcement.	0.1	0.1	0.1
3036	Inter-Agency Safety	Admin - Department-wide Security guard services.	0.8	0.0	0.0
3036	Inter-Agency Safety	PubSaf - Department-wide Fingerprinting services.	22.9	23.7	23.7
3037	State Equipment Fleet	Trans - Department-wide State equipment fleet services.	8.0	8.0	8.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028) Administrative Services and Commissioner's Office support.	724.0	724.0	724.0
3038	Inter-Agency Management/Consulting	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent.	226.3	226.3	226.3

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Commodities

Component: Insurance Operations (354)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		61.6	59.2	59.2
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000 Commodities Detail Totals			61.6	59.2	59.2
4000	Business	Supplies for office, library, training, and instructional needs, including small equipment, tools and subscriptions.	57.0	59.2	59.2
4011	Electrical	Electrical services.	4.6	0.0	0.0

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Capital Outlay**

Component: Insurance Operations (354)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5000	Capital Outlay		0.0	35.3	35.3
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5000 Capital Outlay Detail Totals			0.0	35.3	35.3
5004	Equipment	Equipment and furniture.	0.0	35.3	35.3

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Grants, Benefits**

Component: Insurance Operations (354)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
7000	Grants, Benefits		0.0	55,000.0	0.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
		7000 Grants, Benefits Detail Totals	0.0	55,000.0	0.0
7001	Grants	Alaska Reinsurance Program - calendar year 2017.	0.0	55,000.0	0.0
7001	Grants	Alaska Reinsurance Program - calendar year 2018.	0.0	0.0	0.0

Revenue Detail (1681)

Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5005 GF/Prgm (1005 GF/Prgm)			40.8	0.0	0.0
5104 Program Receipts Charges for Services - 3rd Party Collectns		National Association of Insurance Commissioners and other third-party reimbursements.	40.8	0.0	0.0
5061 CIP Rcpts (1061 CIP Rcpts)			52.7	258.8	259.2
5351 Capital Improvement Project Inter-Agency		Capital Improvement Project Receipts.	52.7	258.8	259.2
5108 Stat Desig (1108 Stat Desig)			0.0	0.0	40.0
5200 Statutory Dsgntd Prgm Rcpts Pblc Prctn - 3rd Party Clctns		National Association of Insurance Commissioners and other third-party reimbursement.	0.0	0.0	40.0
5156 Rcpt Svcs (1156 Rcpt Svcs)			12,410.8	7,098.4	7,148.0
5162 Receipt Supported Services - Charges for Services		Charges for services.	6,187.7	7,098.4	7,148.0
5162 Receipt Supported Services - Charges for Services		Charges for services. Per wordage in the operating bill, \$1,000.0 of this revenue is carried forward to FY2017. Receipts collected in excess of appropriations and carryforward lapse to the General Fund.	6,223.1	0.0	0.0
6004 Gen Fund (1004 Gen Fund)			57,211.7	0.0	0.0
6003 General Fund Pblc Prctn - Miscellaneous Fines/Forfeitures		Company and Producers Penalties, Fines and Surcharges.	431.8	0.0	0.0
6040 General Fund - Insurance Premium Tax		Insurance Premium Tax collected in the General Fund in FY2016.	61,819.9	0.0	0.0
6040 General Fund - Insurance Premium Tax		Insurance Premium Tax collected in the General Fund and transferred to the Department of Labor and Workforce Development for the Workers' Compensation Service	-5,040.9	0.0	0.0

Revenue Detail (1681)

Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
6044 General Fund - Jury & Worker's Compensation Recovery		Fee. Jury & Worker's Compensation Recovery.	0.1	0.0	0.0
6046 General Fund - Prior Year Reimbursement Recovery		Prior year reimbursement recovery.	0.8	0.0	0.0
6248 ACHI Fund (1248 ACHI Fund)			0.0	55,000.0	0.0
6127 ACHI Insurance Premium Tax		Insurance Premium Tax collected in the Alaska Comprehensive Health Insurance Fund.	0.0	55,000.0	0.0

Inter-Agency Services (1682)

Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Component Totals				1,544.8	1,554.2	1,594.5
With Department of Administration				183.8	187.5	187.5
With Department of Law				379.8	384.7	425.0
With Department of Public Safety				22.9	23.7	23.7
With Department of Transportation/Public Facilities				8.0	8.0	8.0
With Department of Commerce, Community, and Economic Development				950.3	950.3	950.3
Object Class	Servicing Agency	Explanation		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Enterprise Technology Services - Computer services (EPR).	35.0	35.0	35.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Information Technology services for telecommunications (e.g. video conference, internet access, messaging, virtual private network).	74.3	74.3	74.3
3020	Inter-Agency Building Maintenance	Admin - Department-wide	Building maintenance services.	3.0	3.0	3.0
3021	Inter-Agency Mail	Admin - Department-wide	Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	19.4	19.4	19.4
3022	Inter-Agency Human Resources	Admin - Department-wide	Division of Personnel and Labor Relations - Human resource and personnel services.	30.5	35.0	35.0
3023	Inter-Agency Building Leases	Admin - Department-wide	Parking permits.	1.4	1.4	1.4
3023	Inter-Agency Building Leases	Admin - Department-wide	Linny Pacillo Parking Garage lease.	14.5	14.5	14.5
3024	Inter-Agency Legal	Law - Department-wide	Legal services.	374.7	374.7	415.0
3024	Inter-Agency Legal	Law - Department-wide	Regulations review.	5.1	10.0	10.0
3026	Inter-Agency Insurance	Admin - Department-wide	Division of Risk Management - Risk management insurance charges for leased buildings, repossessed properties, public official bonds, and	0.9	0.9	0.9

Inter-Agency Services (1682)

Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)

Object Class		Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
			overhead.			
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance - Computer services for State accounting (IRIS), payroll (AKPAY), and reporting (ALDER) systems.	3.9	3.9	3.9
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	Americans with Disabilities Act (ADA) enforcement.	0.1	0.1	0.1
3036	Inter-Agency Safety	Admin - Department-wide	Security guard services.	0.8	0.0	0.0
3036	Inter-Agency Safety	PubSaf - Department-wide	Fingerprinting services.	22.9	23.7	23.7
3037	State Equipment Fleet	Trans - Department-wide	State equipment fleet services.	8.0	8.0	8.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	Administrative Services and Commissioner's Office support.	724.0	724.0	724.0
3038	Inter-Agency Management/Consulting	Commerce - DCCED State Facilities Rent (2472)	State-owned facility space rent.	226.3	226.3	226.3