

DEPARTMENT OF COMMERCE - STATE INSURANCE DEPARTMENT

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2020

None

Employment Summary

	Male	Female	Total	%
White Employees	48	64	112	78 %
Black Employees	4	21	25	17 %
Other Racial Minorities	2	4	6	5 %
Total Minorities			31	22 %
Total Employees			143	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	A.C.A 23-61-112	Y	N	120	Required for the Governor and provided to others upon request.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2019-2020		2020-2021		2020-2021		2021-2022				2022-2023			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1QA AMAIT - Operations	9,135,939	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
2SW Insurance-State Operations	11,822,435	112	14,377,497	126	14,258,746	134	14,635,703	134	14,635,703	134	14,641,739	134	14,641,739	134
2SX Fraud Investigation Unit	768,798	10	841,489	11	828,509	11	861,353	11	861,353	11	861,723	11	861,723	11
2SY Insurance Fraud Investigation Division	400,469	2	618,638	3	509,295	3	625,903	3	625,903	3	626,518	3	626,518	3
2SZ Prepaid Funeral Benefits Division	284,559	4	393,534	5	374,744	5	406,544	5	406,544	5	406,544	5	406,544	5
2TA Continuing Education Program	0	0	0	0	31,184	0	31,184	0	31,184	0	31,184	0	31,184	0
2TB State Employee Claims	12,375,365	0	16,500,000	0	16,500,000	0	16,500,000	0	16,500,000	0	16,500,000	0	16,500,000	0
2TC Governmental Bonding Board Operations	184,745	0	3,005,000	0	3,005,000	0	3,005,000	0	3,005,000	0	3,005,000	0	3,005,000	0
2TD Public Employees Claims Section	1,604,304	21	1,943,487	23	1,923,478	23	1,976,967	23	1,976,967	23	1,978,199	23	1,978,199	23
2TE Health Information Counseling	476,690	5	1,222,573	7	804,007	7	841,411	7	841,411	7	841,411	7	841,411	7
2TF Refunds of Overpayments	9,338,620	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0
2TG Public School Employees Claims	18,130	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
2TH County Employee Claims	3,815	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
2TJ City Employee Claims	7,269	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
2TK Consumer Info System - Cash	1,945	0	28,005	0	28,005	0	28,005	0	28,005	0	28,005	0	28,005	0
2TM Travel & Subsistence-Cash	57,646	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
2TN Prepaid Funeral Contracts Recovery	17,750	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
4HH Criminal Background Checks-Cash	5,676	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0	125,000	0
56A Public School Insurance Program	8,438,491	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
N41 MIPPA - 3	135,793	0	325,723	0	0	0	518,000	0	518,000	0	518,000	0	518,000	0
V46 AR Healthcare Transparency Initiative Data	1,931,399	0	3,200,000	0	3,200,000	0	3,200,000	0	3,200,000	0	3,200,000	0	3,200,000	0
V98 Funeral Services	266,446	4	564,659	6	564,479	6	566,639	6	566,639	6	566,639	6	566,639	6
X39 Market Stabilization Grant	169,453	1	123,235	1	0	0	232,500	0	232,500	0	232,500	0	232,500	0
Z65 Firefighters Cancer Relief	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
Total	57,445,737	159	96,118,840	182	95,002,447	189	96,404,209	189	96,404,209	189	96,412,462	189	96,412,462	189

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	35,656,705	23.4	95,230,745	56.5	72,522,923	45.5	72,522,923	45.5	64,289,724	42.5	64,289,724	42.5
Federal Revenue	4000020	781,936	0.5	1,671,531	1.0	1,589,391	1.0	1,589,391	1.0	1,589,391	1.1	1,589,391	1.1
Special Revenue	4000030	54,382,607	35.6	39,575,487	23.5	39,504,871	24.8	39,504,871	24.8	39,506,103	26.1	39,506,103	26.1
Cash Fund	4000045	422,776	0.3	686,000	0.4	801,000	0.5	801,000	0.5	801,000	0.5	801,000	0.5
Trust Fund	4000050	2,559,126	1.7	4,478,000	2.7	4,478,000	2.8	4,478,000	2.8	4,478,000	3.0	4,478,000	3.0
Interest	4000300	707,386	0.5	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Funding Sources		%		%		%		%		%		%	
Investments	4000315	38,050,707	24.9	0	0.0	13,500,000	8.5	13,500,000	8.5	13,500,000	8.9	13,500,000	8.9
Inter-agency Fund Transfer	4000316	132	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	(294)	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	4,036	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Adjustments	4000345	30,000	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Revolving	4000350	21,369,058	14.0	28,500,000	16.9	28,500,000	17.9	28,500,000	17.9	28,500,000	18.9	28,500,000	18.9
Other	4000370	212,307	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to State Central Services	4000676	(1,500,000)	(1.0)	(1,500,000)	(0.9)	(1,500,000)	(0.9)	(1,500,000)	(0.9)	(1,500,000)	(1.0)	(1,500,000)	(1.0)
Total Funds		152,676,482	100.0	168,641,763	100.0	159,396,185	100.0	159,396,185	100.0	151,164,218	100.0	151,164,218	100.0
Excess Appropriation/(Funding)		(95,230,745)		(72,522,923)		(62,991,976)		(62,991,976)		(54,751,756)		(54,751,756)	
Grand Total		57,445,737		96,118,840		96,404,209		96,404,209		96,412,462		96,412,462	

FY21 Budget amount in FC 2SW (State Operations), 2SX (Fraud Investigation Unit), 2SY (Fraud Investigation Division), 2TD (Public Employees Claims Section), 2TE (Health Information Counseling), and V98 (Funeral Services) exceeds the authorized amount due to salary and matching rate adjustments during the 2019-2021 Biennium.

Budget exceeds Authorized Appropriation in FC 2SW (State Operations), 2SY (Fraud Investigation Division), and 2SZ (Prepaid Funeral Benefits Division) due to a transfer from the Various Temporary Appropriation Holding Account.

Budget exceeds Authorized Appropriation in FC 2TE (Health Information Counseling) due to a transfer from the Miscellaneous Federal Grant Holding Account.

FC N41 (MIPPA-3) and X39 (Market Stabilization Grant) appropriations were established through the authority of the Miscellaneous Federal Program Act.

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 1QA - AMAIT - Operations

Funding Sources: TMI - Arkansas Multi-Agency Insurance Trust Fund

The Arkansas Multi-Agency Insurance Trust Fund Program was established by Act 1762 of 2003 to reduce the costs of insurance coverage for state agencies by combining their premium dollars in purchasing broader coverage for property and vehicle insurance with higher deductibles. The program is also designed to build a growing reserve to self-insure ever larger deductible amounts allowing further reductions in policy prices. Act 1188 of 2015 included cybersecurity risk insurance premiums and expenses.

Continuing level of appropriation is the FY2021 Authorized.

Funding is derived from premiums collected and any insured loss or loss expenses paid by insurance or reinsurance companies, and any interest income.

The Agency is requesting to continue appropriation in the amount of \$20,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1QA - AMAIT - Operations

Funding Sources: TMI - Arkansas Multi-Agency Insurance Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
AMAIT	5900046	9,135,939	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total		9,135,939	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources								
Fund Balance	4000005	5,016,598	18,327,185		8,557,185	8,557,185	12,057,185	12,057,185
Special Revenue	4000030	10,230,066	10,230,000		10,000,000	10,000,000	10,000,000	10,000,000
Interest	4000300	216,460	0		0	0	0	0
Investments	4000315	12,000,000	0		13,500,000	13,500,000	13,500,000	13,500,000
Total Funding		27,463,124	28,557,185		32,057,185	32,057,185	35,557,185	35,557,185
Excess Appropriation/(Funding)		(18,327,185)	(8,557,185)		(12,057,185)	(12,057,185)	(15,557,185)	(15,557,185)
Grand Total		9,135,939	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: 2SW - Insurance-State Operations

Funding Sources: TSI - State Insurance Department Trust Fund

A.C.A. §23-61-101 et seq. established the State Insurance Department to serve and protect the public interest through insurer solvency and market conduct regulation, and fraud protection and deterrence. Act 910 of 2019 transferred the Insurance Department to the Department of Commerce.

With the exception of Regular Salaries, Personal Services Matching and Capital Outlay, continuing level of appropriation is the FY2021 Authorized.

This appropriation provides for the division's state operations and is funded by special revenues that are authorized in A.C.A. §19-5-922. Revenues are derived from: additional fees assessed or imposed upon insurers, insurance agents, brokers, professional bail bond companies, and other licensees or registrants; health maintenance organization fees; professional employer organization biennial license fees; and employer service assurance organization affidavit fees.

The Agency is requesting appropriation in the amount of \$14,635,703 in FY22 and \$14,641,739 in FY23.

The Agency Request includes a continuation to increase \$150,000 in Capital Outlay appropriation to replace outdated equipment and/or vehicles during the biennium, which was originally approved by ALC in June 2020 through Various Temporary Appropriation transfer.

The Executive Recommendation provides for the Agency Request and title changes for 40 positions.

Appropriation Summary

Appropriation: 2SW - Insurance-State Operations
Funding Sources: TSI - State Insurance Department Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	6,410,346	7,570,901	7,500,172	7,731,855	7,731,855	7,736,755	7,736,755
#Positions		112	126	134	134	134	134	134
Extra Help	5010001	51,150	140,000	140,000	140,000	140,000	140,000	140,000
#Extra Help		9	19	19	19	19	19	19
Personal Services Matching	5010003	2,158,590	2,436,822	2,448,800	2,530,074	2,530,074	2,531,210	2,531,210
Overtime	5010006	15	27,500	27,500	27,500	27,500	27,500	27,500
Operating Expenses	5020002	2,053,391	2,200,674	2,200,674	2,200,674	2,200,674	2,200,674	2,200,674
Conference & Travel Expenses	5050009	86,931	188,000	188,000	188,000	188,000	188,000	188,000
Professional Fees	5060010	5,300	161,600	161,600	161,600	161,600	161,600	161,600
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	66,599	146,000	86,000	150,000	150,000	150,000	150,000
Special Maintenance	5120032	0	50,000	50,000	50,000	50,000	50,000	50,000
Professional Services	5900043	501,332	956,000	956,000	956,000	956,000	956,000	956,000
AHIM EXPENSES	5900046	0	500,000	500,000	500,000	500,000	500,000	500,000
AACET Restitution	5900047	488,781	0	0	0	0	0	0
Total		11,822,435	14,377,497	14,258,746	14,635,703	14,635,703	14,641,739	14,641,739

Funding Sources								
Fund Balance	4000005	14,469,473	31,656,294		31,957,308	31,957,308	31,964,212	31,964,212
Special Revenue	4000030	31,303,695	17,000,000		17,000,000	17,000,000	17,000,000	17,000,000
Intra-agency Fund Transfer	4000317	(850,579)	(821,489)		(857,393)	(857,393)	(857,763)	(857,763)
M & R Sales	4000340	4,036	0		0	0	0	0
Other	4000370	52,104	0		0	0	0	0
Transfer to State Central Services	4000676	(1,500,000)	(1,500,000)		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Total Funding		43,478,729	46,334,805		46,599,915	46,599,915	46,606,449	46,606,449
Excess Appropriation/(Funding)		(31,656,294)	(31,957,308)		(31,964,212)	(31,964,212)	(31,964,710)	(31,964,710)
Grand Total		11,822,435	14,377,497		14,635,703	14,635,703	14,641,739	14,641,739

FY21 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2019-2021 Biennium.
 Budget exceeds Authorized Appropriation in Capital Outlay due to a transfer from the Various Temporary Appropriation Holding Account.

Analysis of Budget Request

Appropriation: 2SX - Fraud Investigation Unit

Funding Sources: TSI - State Insurance Department Trust Fund

A.C.A. 11-9-106(d) established the Fraud Investigation Unit within the State Insurance Department. The unit investigates allegations of fraud in workers' compensation cases, additional criminal violations that may be related, and any other insurance fraud matters.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

Funding is provided by special revenues collected by the Insurance Department and earmarked for this purpose.

The Agency is requesting to continue appropriation in the amount of \$861,353 in FY22 and \$861,723 in FY23.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SX - Fraud Investigation Unit
Funding Sources: TSI - State Insurance Department Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries 5010000	581,963	638,286	626,424	651,200	651,200	651,500	651,500
#Positions	10	11	11	11	11	11	11
Personal Services Matching 5010003	186,835	203,203	202,085	210,153	210,153	210,223	210,223
Total	768,798	841,489	828,509	861,353	861,353	861,723	861,723
Funding Sources							
Fund Balance 4000005	108,212	30,431		10,431	10,431	6,471	6,471
Intra-agency Fund Transfer 4000317	691,017	821,489		857,393	857,393	857,763	857,763
Total Funding	799,229	851,920		867,824	867,824	864,234	864,234
Excess Appropriation/(Funding)	(30,431)	(10,431)		(6,471)	(6,471)	(2,511)	(2,511)
Grand Total	768,798	841,489		861,353	861,353	861,723	861,723

FY21 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2019-2021 Biennium.

Analysis of Budget Request

Appropriation: 2SY - Insurance Fraud Investigation Division

Funding Sources: TIF - State Insurance Department Criminal Investigation Division Trust Fund

A.C.A. §23-100-101 et seq. provides for the funding of the Insurance Fraud Investigation Division in the State Insurance Department to investigate suspected cases of fraud over a broad range of activities in the insurance industry in Arkansas.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

Funding comes from special revenues derived from the Division's annual antifraud assessment and any penalties from licensed insurers.

The Agency is requesting appropriation in the amount of \$625,903 in FY22 and \$626,518 in FY23.

The Agency Request includes a continuation to increase \$60,000 in Capital Outlay appropriation to replace outdated equipment and/or vehicles during the biennium, which was originally approved by ALC in June 2020 through Various Temporary Appropriation transfer.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SY - Insurance Fraud Investigation Division

Funding Sources: TIF - State Insurance Department Criminal Investigation Division Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	184,596	230,518	190,049	235,540	235,540	236,040	236,040	
#Positions		2	3	3	3	3	3	3	
Personal Services Matching	5010003	58,424	68,485	59,611	70,728	70,728	70,843	70,843	
Operating Expenses	5020002	149,620	220,635	220,635	220,635	220,635	220,635	220,635	
Conference & Travel Expenses	5050009	7,829	35,000	35,000	35,000	35,000	35,000	35,000	
Professional Fees	5060010	0	4,000	4,000	4,000	4,000	4,000	4,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	60,000	0	60,000	60,000	60,000	60,000	
Total		400,469	618,638	509,295	625,903	625,903	626,518	626,518	
Funding Sources									
Fund Balance	4000005	2,758,392	3,062,226		2,783,588	2,783,588	2,497,685	2,497,685	
Special Revenue	4000030	704,350	340,000		340,000	340,000	340,000	340,000	
Intra-agency Fund Transfer	4000317	(47)	0		0	0	0	0	
Total Funding		3,462,695	3,402,226		3,123,588	3,123,588	2,837,685	2,837,685	
Excess Appropriation/(Funding)		(3,062,226)	(2,783,588)		(2,497,685)	(2,497,685)	(2,211,167)	(2,211,167)	
Grand Total		400,469	618,638		625,903	625,903	626,518	626,518	

FY21 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2019-2021 Biennium. Budget exceeds Authorized Appropriation in Capital Outlay due to a transfer from the Various Temporary Appropriation Holding Account.

Analysis of Budget Request

Appropriation: 2SZ - Prepaid Funeral Benefits Division

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

A.C.A. §23-40-107 et seq. provides for the administration and regulation of the sale of prepaid funeral benefit plans in the State of Arkansas and established the Division of Prepaid Funeral Benefits within the State Insurance Department for this purpose.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

Funding consists of investment income, grants, refunds, gifts, annual report fees, and all license fees paid.

The Agency is requesting appropriation in the amount of \$406,544 in each year of the biennium.

The Agency Request includes a continuation to increase \$30,000 in Capital Outlay appropriation to replace outdated equipment and/or vehicles during the biennium, which was originally approved by ALC in June 2020 through Various Temporary Appropriation transfer.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SZ - Prepaid Funeral Benefits Division

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	204,174	241,684	250,258	250,258	250,258	250,258	250,258
#Positions		4	5	5	5	5	5	5
Personal Services Matching	5010003	72,128	81,150	83,786	85,586	85,586	85,586	85,586
Operating Expenses	5020002	8,257	36,700	36,700	36,700	36,700	36,700	36,700
Conference & Travel Expenses	5050009	0	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	30,000	0	30,000	30,000	30,000	30,000
Total		284,559	393,534	374,744	406,544	406,544	406,544	406,544
Funding Sources								
Fund Balance	4000005	925,835	948,676		833,142	833,142	704,598	704,598
Trust Fund	4000050	307,400	278,000		278,000	278,000	278,000	278,000
Total Funding		1,233,235	1,226,676		1,111,142	1,111,142	982,598	982,598
Excess Appropriation/(Funding)		(948,676)	(833,142)		(704,598)	(704,598)	(576,054)	(576,054)
Grand Total		284,559	393,534		406,544	406,544	406,544	406,544

Budget exceeds Authorized Appropriation in Capital Outlay due to a transfer from the Various Temporary Appropriation Holding Account.

Analysis of Budget Request

Appropriation: 2TA - Continuing Education Program

Funding Sources: TIE - Insurance Continuing Education Trust Fund

A.C.A. §23-64-301 et seq. requires, unless exempted by law, an insurance producer licensed in Arkansas to complete and report within the biennial period continuing education courses necessary to continue their license. The Insurance Department's Continuing Education Program ensures that requirement and maintains continuing education records which are required for agent license renewals.

Continuing level of appropriation is the FY2021 Authorized.

Funding is provided from the certification filing fees, as authorized in A.C.A. §23-64-307.

The Agency is requesting to continue appropriation in the amount of \$31,184 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TA - Continuing Education Program
Funding Sources: TIE - Insurance Continuing Education Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	0	0	25,268	25,268	25,268	25,268	25,268	
#Positions		0	0	0	0	0	0	0	
Personal Services Matching	5010003	0	0	5,916	5,916	5,916	5,916	5,916	
Total		0	0	31,184	31,184	31,184	31,184	31,184	
Funding Sources									
Fund Balance	4000005	2,143,582	2,277,234		2,277,234	2,277,234	2,377,234	2,377,234	
Special Revenue	4000030	133,652	0		131,184	131,184	131,184	131,184	
Total Funding		2,277,234	2,277,234		2,408,418	2,408,418	2,508,418	2,508,418	
Excess Appropriation/(Funding)		(2,277,234)	(2,277,234)		(2,377,234)	(2,377,234)	(2,477,234)	(2,477,234)	
Grand Total		0	0		31,184	31,184	31,184	31,184	

Analysis of Budget Request

Appropriation: 2TB - State Employee Claims

Funding Sources: TUW - Workers' Compensation Revolving Fund

The Insurance Department's State Employee Claims appropriation provides for the payments of state employee claims.

Continuing level of appropriation is the FY2021 Authorized.

This appropriation is funded by the Workers' Compensation Resolving Fund derived from employer workers' compensation benefits as authorized in A.C.A. §19-5-805.

The Agency is requesting to continue appropriation in the amount of \$16,500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TB - State Employee Claims

Funding Sources: TUW - Workers' Compensation Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Claims	5110015	12,375,365	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000
Total		12,375,365	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000
Funding Sources								
Fund Balance	4000005	969,809	9,825,640		9,825,640	9,825,640	9,825,640	9,825,640
Interest	4000300	152,288	0		0	0	0	0
Investments	4000315	8,900,000	0		0	0	0	0
Miscellaneous Revolving	4000350	12,019,974	16,500,000		16,500,000	16,500,000	16,500,000	16,500,000
Other	4000370	158,934	0		0	0	0	0
Total Funding		22,201,005	26,325,640		26,325,640	26,325,640	26,325,640	26,325,640
Excess Appropriation/(Funding)		(9,825,640)	(9,825,640)		(9,825,640)	(9,825,640)	(9,825,640)	(9,825,640)
Grand Total		12,375,365	16,500,000		16,500,000	16,500,000	16,500,000	16,500,000

Analysis of Budget Request

Appropriation: 2TC - Governmental Bonding Board Operations

Funding Sources: TFB - Fidelity Bond Trust Fund

The Governmental Bonding Board is responsible for the development and administration of the Self-Insured Fidelity Bond Program for officials and public employees of counties, municipalities, public schools, and the State of Arkansas, as authorized by A.C.A. §21-2-705. The Self-Insured Fidelity Bond Program provides the fidelity bond coverage which covers actual losses sustained by a participating governmental entity through fraudulent act(s) committed by any governmental official or employee.

Continuing level of appropriation is the FY2021 Authorized.

This appropriation provides for the operating expenses of the Governmental Bonding Board.

Funding comes the Fidelity Bond Trust Fund, A.C.A. §21-2-711, and is derived from bond premiums withheld from the County Aid, Municipal Aid, and Public School funds and from premiums transferred from the fund accounts of State agencies.

The Agency is requesting to continue appropriation in the amount of \$3,005,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TC - Governmental Bonding Board Operations

Funding Sources: TFB - Fidelity Bond Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		2022-2023	
		2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	2021-2022 Agency	2021-2022 Executive	Agency	Executive
Operating Expenses	5020002	825	5,000	5,000	5,000	5,000	5,000	5,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	0	150,000	150,000	150,000	150,000	150,000	150,000
Claims	5110015	183,920	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Professional Services	5900043	0	50,000	50,000	50,000	50,000	50,000	50,000
Total		184,745	3,005,000	3,005,000	3,005,000	3,005,000	3,005,000	3,005,000
Funding Sources								
Fund Balance	4000005	483,884	6,547,906		4,542,906	4,542,906	2,537,906	2,537,906
Trust Fund	4000050	1,019,666	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000
Interest	4000300	129,101	0		0	0	0	0
Investments	4000315	5,100,000	0		0	0	0	0
Total Funding		6,732,651	7,547,906		5,542,906	5,542,906	3,537,906	3,537,906
Excess Appropriation/(Funding)		(6,547,906)	(4,542,906)		(2,537,906)	(2,537,906)	(532,906)	(532,906)
Grand Total		184,745	3,005,000		3,005,000	3,005,000	3,005,000	3,005,000

Analysis of Budget Request

Appropriation: 2TD - Public Employees Claims Section

Funding Sources: HUA - Miscellaneous Agencies Fund

The Public Employees Claims Division, as authorized by A.C.A. §21-5-605, is responsible for the administration of public employee workers' compensation claims in the State of Arkansas.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

This appropriation is funded by transfers from the Public School Fund, the County Aid Fund, the Municipal Aid Fund, and various treasury fund accounts of State agencies to the Miscellaneous Agencies Fund for workers' compensation claims administered by the Public Employees Claims Division, A.C.A. §11-9-307.

The Agency is requesting to continue appropriation in the amount of \$1,976,967 in FY22 and \$1,978,199 in FY23.

The Executive Recommendation provides for the Agency Request and title changes for 2 positions and a reclassification of 1 position.

Appropriation Summary

Appropriation: 2TD - Public Employees Claims Section

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	976,795	1,059,388	1,040,942	1,079,850	1,079,850	1,080,850	1,080,850
#Positions		21	23	23	23	23	23	23
Personal Services Matching	5010003	344,618	361,168	359,605	374,186	374,186	374,418	374,418
Operating Expenses	5020002	273,366	498,631	498,631	498,631	498,631	498,631	498,631
Conference & Travel Expenses	5050009	9,525	24,300	24,300	24,300	24,300	24,300	24,300
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		1,604,304	1,943,487	1,923,478	1,976,967	1,976,967	1,978,199	1,978,199
Funding Sources								
Fund Balance	4000005	4,622	27,355		27,355	27,355	19,075	19,075
Special Revenue	4000030	1,597,037	1,943,487		1,968,687	1,968,687	1,969,919	1,969,919
Miscellaneous Adjustments	4000345	30,000	0		0	0	0	0
Total Funding		1,631,659	1,970,842		1,996,042	1,996,042	1,988,994	1,988,994
Excess Appropriation/(Funding)		(27,355)	(27,355)		(19,075)	(19,075)	(10,795)	(10,795)
Grand Total		1,604,304	1,943,487		1,976,967	1,976,967	1,978,199	1,978,199

FY21 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2019-2021 Biennium.

Analysis of Budget Request

Appropriation: 2TE - Health Information Counseling

Funding Sources: FID - Insurance Department - Federal

The Insurance Department's Health Information Counseling Program is to help Arkansans save money and make informed decisions about Medicare. The program also provides consultations for Medicare beneficiaries and caregivers about Medicare, MEDICAP policies, Medicare Advantage, Medicare Part D and Long-term care insurance.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

Funding is 100% federal.

The Agency is requesting appropriation in the amount of \$841,411 in each year of the biennium.

The Agency Request includes an increase of \$30,000 in Capital Outlay appropriation to replace outdated equipment and/or vehicles during the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TE - Health Information Counseling

Funding Sources: FID - Insurance Department - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	157,344	262,195	261,168	265,684	265,684	265,684	265,684
#Positions		5	7	7	7	7	7	7
Personal Services Matching	5010003	72,183	96,419	96,419	99,307	99,307	99,307	99,307
Operating Expenses	5020002	60,323	217,407	138,420	138,420	138,420	138,420	138,420
Conference & Travel Expenses	5050009	4,838	10,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	182,002	601,552	300,000	300,000	300,000	300,000	300,000
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	0	35,000	0	0	0	0	0
Capital Outlay	5120011	0	0	0	30,000	30,000	30,000	30,000
Total		476,690	1,222,573	804,007	841,411	841,411	841,411	841,411
Funding Sources								
Federal Revenue	4000020	476,690	1,222,573		838,891	838,891	838,891	838,891
Total Funding		476,690	1,222,573		838,891	838,891	838,891	838,891
Excess Appropriation/(Funding)		0	0		2,520	2,520	2,520	2,520
Grand Total		476,690	1,222,573		841,411	841,411	841,411	841,411

FY21 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2019-2021 Biennium.

Budget exceeds Authorized Appropriation in Operating Expenses, Conference & Travel Expenses, Professional Fees, and Promotional Items due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: 2TF - Refunds of Overpayments

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Refunds of Overpayments appropriation is used to return premium taxes paid to this State in error and to return amounts that are overpaid. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$11,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TF - Refunds of Overpayments
Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements	5110014	9,338,620	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Total		9,338,620	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Funding Sources								
Fund Balance	4000005	1,050,872	1,061,371		1,061,371	1,061,371	1,061,371	1,061,371
Miscellaneous Revolving	4000350	9,349,084	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000
Other	4000370	35	0		0	0	0	0
Total Funding		10,399,991	12,061,371		12,061,371	12,061,371	12,061,371	12,061,371
Excess Appropriation/(Funding)		(1,061,371)	(1,061,371)		(1,061,371)	(1,061,371)	(1,061,371)	(1,061,371)
Grand Total		9,338,620	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000

Analysis of Budget Request

Appropriation: 2TG - Public School Employees Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Public School Employees Claims appropriation provides for the payments of public school employees claims. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$400,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TG - Public School Employees Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Claims	5110015	18,130	400,000	400,000	400,000	400,000	400,000	400,000
Total		18,130	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources								
Fund Balance	4000005	424,575	406,467		406,467	406,467	406,467	406,467
Miscellaneous Revolving	4000350	0	400,000		400,000	400,000	400,000	400,000
Other	4000370	22	0		0	0	0	0
Total Funding		424,597	806,467		806,467	806,467	806,467	806,467
Excess Appropriation/(Funding)		(406,467)	(406,467)		(406,467)	(406,467)	(406,467)	(406,467)
Grand Total		18,130	400,000		400,000	400,000	400,000	400,000

Analysis of Budget Request

Appropriation: 2TH - County Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's County Employees Claims appropriation provides for the payments of county employees claims. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$200,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TH - County Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Claims 5110015	3,815	200,000	200,000	200,000	200,000	200,000	200,000
Total	3,815	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources							
Fund Balance 4000005	41,721	37,906		37,906	37,906	37,906	37,906
Miscellaneous Revolving 4000350	0	200,000		200,000	200,000	200,000	200,000
Total Funding	41,721	237,906		237,906	237,906	237,906	237,906
Excess Appropriation/(Funding)	(37,906)	(37,906)		(37,906)	(37,906)	(37,906)	(37,906)
Grand Total	3,815	200,000		200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: 2TJ - City Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's City Employees Claims appropriation provides for the payments of city employees claims. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$400,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TJ - City Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Claims 5110015	7,269	400,000	400,000	400,000	400,000	400,000	400,000
Total	7,269	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources							
Fund Balance 4000005	303,526	296,550		296,550	296,550	296,550	296,550
Miscellaneous Revolving 4000350	0	400,000		400,000	400,000	400,000	400,000
Other 4000370	293	0		0	0	0	0
Total Funding	303,819	696,550		696,550	696,550	696,550	696,550
Excess Appropriation/(Funding)	(296,550)	(296,550)		(296,550)	(296,550)	(296,550)	(296,550)
Grand Total	7,269	400,000		400,000	400,000	400,000	400,000

Analysis of Budget Request

Appropriation: 2TK - Consumer Info System - Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

The Consumer Information System is used to dispense information to the public concerning the various policy types, coverages, and purchasing options offered by the insurance industry. Funding comes from earned interest on a previous \$100 annual assessment levied on each licensed insurer, as authorized by A.C.A. §23-63-108, but was repealed in the 2001-2003 Biennium.

Continuing level of appropriation is the FY2021 Authorized. Expenditure of appropriation is contingent upon funding.

The Agency is requesting to continue appropriation in the amount of \$28,005 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TK - Consumer Info System - Cash
Funding Sources: NDD - Insurance Department - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
	2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	2021-2022 Agency	2021-2022 Executive	2022-2023 Agency	2022-2023 Executive
Operating Expenses 5020002	1,945	28,005	28,005	28,005	28,005	28,005	28,005
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0
Total	1,945	28,005	28,005	28,005	28,005	28,005	28,005
Funding Sources							
Fund Balance 4000005	56,979	56,093		29,088	29,088	2,083	2,083
Cash Fund 4000045	1,059	1,000		1,000	1,000	1,000	1,000
Total Funding	58,038	57,093		30,088	30,088	3,083	3,083
Excess Appropriation/(Funding)	(56,093)	(29,088)		(2,083)	(2,083)	24,922	24,922
Grand Total	1,945	28,005		28,005	28,005	28,005	28,005

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2TM - Travel & Subsistence-Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

The Travel and Subsistence appropriation provides reimbursements to individual examiners for their personal expenses incurred during the examination process. Funding is cash revenues derived from examination of compliance costs paid by the insurer, pool, advisory organization, or residual market mechanism as determined by the Insurance Department.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$100,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TM - Travel & Subsistence-Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Travel & Subsistence Expenses 5900046	57,646	100,000	100,000	100,000	100,000	100,000	100,000
Total	57,646	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources							
Fund Balance 4000005	996	4,236		4,236	4,236	4,236	4,236
Cash Fund 4000045	60,886	100,000		100,000	100,000	100,000	100,000
Total Funding	61,882	104,236		104,236	104,236	104,236	104,236
Excess Appropriation/(Funding)	(4,236)	(4,236)		(4,236)	(4,236)	(4,236)	(4,236)
Grand Total	57,646	100,000		100,000	100,000	100,000	100,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2TN - Prepaid Funeral Contracts Recovery

Funding Sources: TIP - Prepaid Funeral Contracts Program Recovery Fund

Act 1043 of 2001 established the Prepaid Funeral Contracts Recovery Program to reimburse purchasers of pre-need funeral contracts who suffer financial loss due to impairment, insolvency, business interruption, or improper inactivity of a licensed prepaid funeral organization.

Continuing level of appropriation is the FY2021 Authorized.

Funding comes from one-time fees of no less than \$5 per contract, up to a maximum set by the State Insurance Commissioner, deposited into the State Insurance Department Prepaid Trust Fund. A portion of these collections may be transferred to the Prepaid Funeral Contracts Recovery Program Fund to pay expenses and claims incurred, as determined by the State Insurance Commissioner.

The Agency is requesting to continue appropriation in the amount of \$500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TN - Prepaid Funeral Contracts Recovery

Funding Sources: TIP - Prepaid Funeral Contracts Program Recovery Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Expenses & Claims	5900046	17,750	500,000	500,000	500,000	500,000	500,000	500,000
Total		17,750	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources								
Fund Balance	4000005	875,718	920,788		482,788	482,788	47,788	47,788
Special Revenue	4000030	62,820	62,000		65,000	65,000	65,000	65,000
Total Funding		938,538	982,788		547,788	547,788	112,788	112,788
Excess Appropriation/(Funding)		(920,788)	(482,788)		(47,788)	(47,788)	387,212	387,212
Grand Total		17,750	500,000		500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: 4HH - Criminal Background Checks-Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

This appropriation provides for criminal background checks for first-time license applicants. Funding is cash revenues derived from a \$22 fee charge and is used to obtain criminal background data from the Arkansas State Police.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$125,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 4HH - Criminal Background Checks-Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
		2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	2021-2022		2022-2023	
					Agency	Executive	Agency	Executive
Operating Expenses	5020002	5,676	125,000	125,000	125,000	125,000	125,000	125,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		5,676	125,000	125,000	125,000	125,000	125,000	125,000
Funding Sources								
Fund Balance	4000005	9,899	9,340		9,340	9,340	9,340	9,340
Cash Fund	4000045	5,117	125,000		125,000	125,000	125,000	125,000
Total Funding		15,016	134,340		134,340	134,340	134,340	134,340
Excess Appropriation/(Funding)		(9,340)	(9,340)		(9,340)	(9,340)	(9,340)	(9,340)
Grand Total		5,676	125,000		125,000	125,000	125,000	125,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 56A - Public School Insurance Program

Funding Sources: TPS - Public School Insurance Trust Fund

Act 738 of 2007 combined the School Motor Vehicle Operations Program and the Public Elementary and Secondary School Insurance Operations Program into the Public School Motor Vehicle Insurance Program to more efficiently and more economically provide coverage for vehicles of participating public school districts, education service cooperatives, and open-enrollment public charter schools.

Continuing level of appropriation is the FY2021 Authorized.

Funding is derived from vehicle insurance premiums paid by participating entities.

The Agency is requesting to continue appropriation in the amount of \$20,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 56A - Public School Insurance Program

Funding Sources: TPS - Public School Insurance Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Expenses and Claims	5900046	8,438,491	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total		8,438,491	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources								
Fund Balance	4000005	4,581,820	18,704,772		8,704,772	8,704,772	0	0
Special Revenue	4000030	10,350,987	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000
Interest	4000300	209,537	0		0	0	0	0
Investments	4000315	12,000,000	0		0	0	0	0
Other	4000370	919	0		0	0	0	0
Total Funding		27,143,263	28,704,772		18,704,772	18,704,772	10,000,000	10,000,000
Excess Appropriation/(Funding)		(18,704,772)	(8,704,772)		1,295,228	1,295,228	10,000,000	10,000,000
Grand Total		8,438,491	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: N41 - MIPPA - 3

Funding Sources: FID - Insurance Department - Federal

This appropriation was established through the authority of the Miscellaneous Federal Grant Act and was originally approved by ALC in FY15. The Medicare Improvements for Patients and Providers Act (MIPPA) Program provides application assistance to people likely to be eligible for low income subsidy program (LIS), the Medicaid Part D Prescription Drug Program, and outreach aimed at preventing disease and promoting wellness.

Continuing level of appropriation is the FY2021 Authorized.

Funding is 100% federal.

The Agency is requesting appropriation in the amount of \$518,000 in each year of the biennium.

The Agency Request includes the following changes:

- Restoration of \$10,000 in Regular Salaries, \$4,000 in Personal Services Matching, \$110,000 in Operating Expenses, \$8,000 in Conference & Travel Expenses, \$153,723 in Professional Fees, and \$40,000 in Promotional Items appropriation.
- Increase of \$10,000 in Regular Salaries, \$4,000 in Personal Services Matching, \$40,000 in Operating Expenses, \$2,000 in Conference & Travel Expenses, \$96,277 in Professional Fees, \$10,000 in Promotional Items, and \$30,000 in Capital Outlay appropriation to utilize anticipating increases in federal funding to support the program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: N41 - MIPPA - 3

Funding Sources: FID - Insurance Department - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	0	10,000	0	20,000	20,000	20,000	20,000
#Positions		0	0	0	0	0	0	0
Personal Services Matching	5010003	0	4,000	0	8,000	8,000	8,000	8,000
Operating Expenses	5020002	43,929	110,000	0	150,000	150,000	150,000	150,000
Conference & Travel Expenses	5050009	410	8,000	0	10,000	10,000	10,000	10,000
Professional Fees	5060010	81,400	153,723	0	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	10,054	40,000	0	50,000	50,000	50,000	50,000
Capital Outlay	5120011	0	0	0	30,000	30,000	30,000	30,000
Total		135,793	325,723	0	518,000	518,000	518,000	518,000
Funding Sources								
Federal Revenue	4000020	135,793	325,723		518,000	518,000	518,000	518,000
Total Funding		135,793	325,723		518,000	518,000	518,000	518,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		135,793	325,723		518,000	518,000	518,000	518,000

Appropriation was established through the authority of the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: V46 - AR Healthcare Transparency Initiative Database

Funding Sources: THT - Arkansas Healthcare Transparency Initiative Fund

The Arkansas Healthcare Transparency Initiative was established, A.C.A. §23-61-904, with the purpose to create a database, including ongoing all-payer claims database projects funded through the State Insurance Department that receives and stores data from a submitting entity relating to medical, dental, and pharmaceutical and other insurance claims information, unique identifiers, and geographic and demographic information for covered individuals.

Continuing level of appropriation is the FY2021 Authorized.

Funding comes from the Arkansas Healthcare Transparency Initiative Fund consisting of penalties imposed on entities who fail to submit data as requested by the Department and any interest invested.

The Agency is requesting to continue appropriation in the amount of \$3,200,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V46 - AR Healthcare Transparency Initiative Database

Funding Sources: THT - Arkansas Healthcare Transparency Initiative Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Healthcare Transparency Initiati 5900046	1,931,399	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Total	1,931,399	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Funding Sources							
Fund Balance 4000005	812,602	272,578		272,578	272,578	272,578	272,578
Trust Fund 4000050	1,232,060	3,200,000		3,200,000	3,200,000	3,200,000	3,200,000
Intra-agency Fund Transfer 4000317	159,315	0		0	0	0	0
Total Funding	2,203,977	3,472,578		3,472,578	3,472,578	3,472,578	3,472,578
Excess Appropriation/(Funding)	(272,578)	(272,578)		(272,578)	(272,578)	(272,578)	(272,578)
Grand Total	1,931,399	3,200,000		3,200,000	3,200,000	3,200,000	3,200,000

Analysis of Budget Request

Appropriation: V98 - Funeral Services

Funding Sources: NBS - Insurance Department - Cash in Treasury

Act 788 of 2017 transferred the Arkansas Cemetery Board, State Board of Embalmers and Funeral Directors, and Burial Association Board to the State Insurance Department and merged the boards together as the State Board of Embalmers, Funeral Directors, Cemeteries, and Burial Services. The Board consists of 9 members, including the Insurance Commissioner, appointed by the Governor.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

This appropriation provides for the personal services and operating expenses of the Board. Funding comes from cash revenues derived from license and renewal fees and annual permit costs pertaining to burial associations, cemetery maintenance, embalmers and funeral directors.

The Agency is requesting to continue appropriation in the amount of \$566,639 in each year of the biennium.

The Executive Recommendation provides for the Agency Request and a title change for 1 position.

Appropriation Summary

Appropriation: V98 - Funeral Services

Funding Sources: NBS - Insurance Department - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
		2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	2021-2022		2022-2023	
					Agency	Executive	Agency	Executive
Regular Salaries	5010000	175,406	246,662	245,995	245,995	245,995	245,995	245,995
#Positions		4	6	6	6	6	6	6
Personal Services Matching	5010003	75,704	87,341	87,828	89,988	89,988	89,988	89,988
Operating Expenses	5020002	15,336	167,242	167,242	167,242	167,242	167,242	167,242
Conference & Travel Expenses	5050009	0	5,464	5,464	5,464	5,464	5,464	5,464
Professional Fees	5060010	0	2,950	2,950	2,950	2,950	2,950	2,950
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Loans	5120029	0	55,000	55,000	55,000	55,000	55,000	55,000
Total		266,446	564,659	564,479	566,639	566,639	566,639	566,639

Funding Sources								
Fund Balance	4000005	617,590	757,697		403,038	403,038	161,399	161,399
Cash Fund	4000045	355,714	210,000		325,000	325,000	325,000	325,000
Investments	4000315	50,707	0		0	0	0	0
Inter-agency Fund Transfer	4000316	132	0		0	0	0	0
Total Funding		1,024,143	967,697		728,038	728,038	486,399	486,399
Excess Appropriation/(Funding)		(757,697)	(403,038)		(161,399)	(161,399)	80,240	80,240
Grand Total		266,446	564,659		566,639	566,639	566,639	566,639

FY21 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2019-2021 Biennium.
Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: X39 - Market Stabilization Grant

Funding Sources: FID - Insurance Department - Federal

This appropriation was established through the authority of the Miscellaneous Federal Grant Act and was approved by ALC in FY19. The State Flexibility to Stabilize the Market Grant Program, also known as the Market Stabilization Grant Program, provides for the study of cost and utilization of Marketplace plans derived from the State's innovative tool, Arkansas All Payer Claims Database (APCD). An actuary is contracted to determine whether options exist that could lower premiums and further stabilize the health insurance market in AR through use of a high risk pool, a reinsurance pool, etc.

Continuing level of appropriation is the FY2021 Authorized.

Funding is 100% federal.

The Agency is requesting appropriation in the amount of \$232,500 in each year of the biennium.

The Agency Request includes the following changes:

- Restoration of \$72,500 in Regular Salaries, \$24,000 in Personal Services Matching, \$8,000 in Operating Expenses, \$3,000 in Conference & Travel Expenses, and \$15,735 in Professional Fees appropriation.
- Increases of \$84,265 in Professional Fees and \$25,000 in Promotional Items appropriation to utilize anticipating increases in federal funding to support the program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X39 - Market Stabilization Grant

Funding Sources: FID - Insurance Department - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	69,209	72,500	0	72,500	72,500	72,500	72,500
#Positions		1	1	0	0	0	0	0
Personal Services Matching	5010003	21,263	24,000	0	24,000	24,000	24,000	24,000
Operating Expenses	5020002	6,212	8,000	0	8,000	8,000	8,000	8,000
Conference & Travel Expenses	5050009	650	3,000	0	3,000	3,000	3,000	3,000
Professional Fees	5060010	72,119	15,735	0	100,000	100,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	0	0	0	25,000	25,000	25,000	25,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		169,453	123,235	0	232,500	232,500	232,500	232,500
Funding Sources								
Federal Revenue	4000020	169,453	123,235		232,500	232,500	232,500	232,500
Total Funding		169,453	123,235		232,500	232,500	232,500	232,500
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		169,453	123,235		232,500	232,500	232,500	232,500

Appropriation was established through the authority of the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: Z65 - Firefighters Cancer Relief

Funding Sources: TFC - Arkansas Firefighter Cancer Relief Network Trust Fund

Act 823 of 2019 created the Arkansas Firefighter Cancer Relief Network Trust Fund to fund relief for firefighters who are diagnosed with cancer and participating in a firefighter cancer relief network created and governed by the Arkansas Association of Fire Chiefs, the Arkansas Professional Fire Fighters Association, and the Arkansas State Firefighters Association Inc. Funding comes from donations.

Continuing level of appropriation is the FY2021 Authorized.

The Agency is requesting to continue appropriation in the amount of \$250,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z65 - Firefighters Cancer Relief

Funding Sources: TFC - Arkansas Firefighter Cancer Relief Network Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	0	250,000	250,000	250,000	250,000	250,000	250,000
Total		0	250,000	250,000	250,000	250,000	250,000	250,000

Funding Sources								
Cash Fund	4000045	0	250,000		250,000	250,000	250,000	250,000
Total Funding		0	250,000		250,000	250,000	250,000	250,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	250,000		250,000	250,000	250,000	250,000