

Maryland Insurance Administration

MISSION

To regulate Maryland's insurance industry and protect its citizens by actively and fairly enforcing the insurance laws of the State of Maryland.

VISION

A State with competitive, stable, and viable insurance markets in which insurance consumers are treated fairly.

KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

Goal 1. Review insurance policy forms and other filings for compliance with applicable laws and regulations.

Obj. 1.1 Review for compliance with insurance statutes and regulations 100 percent of Life and Health form filings within 60 days after receipt of initial filing and 75 percent of Property and Casualty form filings within 30 working days after receipt of initial filing.

Performance Measures	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Est.	2024 Est.
Total form filings received (Life & Health, Property & Casualty)	10,030	10,223	10,297	11,261	12,292	11,561	11,088
Percent of total form filings reviewed within established guidelines	95.5%	97.7%	99.0%	96.8%	98.5%	97.5%	97.1%

Goal 2. Resolve consumer complaints in accordance with Maryland insurance law and in a prompt and fair manner.

Obj. 2.1 Resolve 85 percent of Life and Health (non-medical necessity) complaints within 90 days from receipt of complaint.

Obj. 2.2 Resolve 90 percent of Property and Casualty complaints within 90 days from receipt of complaint.

Performance Measures	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Est.	2024 Est.
Life & Health medical necessity complaints resolved	1,120	859	854	791	868	925	980
Life & Health medical necessity complaints resolved in 60 days	97.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%
Life & Health non-medical necessity complaints resolved	3,295	2,570	2,720	2,058	2,484	2,600	2,600
Life & Health non-medical necessity complaints resolved within 90 days	86.2%	84.9%	80.5%	83.4%	81.9%	85.0%	85.0%
Property and Casualty complaints received	7,324	7,205	5,966	4,584	4,835	5,128	4,849
Percent of Property and Casualty complaints resolved within 90 days	81.0%	74.8%	85.5%	77.2%	81.7%	81.5%	80.1%

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Goal 3. Protect the public from unfair trade practices and other violations of the Insurance Code.

Obj. 3.1 Complete 80 percent of Life and Health (L&H) insurance company market conduct examinations, Property and Casualty (P&C) insurance company market conduct examinations, and investigations involving licensed insurance professionals conducted during the fiscal year.

Performance Measures	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Est.	2024 Est.
Percent of remediation orders/penalties issued against Life and Health insurance companies examined	67%	40%	80%	100%	86%	80%	80%
Total restitution from Life and Health market conduct examinations and L&H producer enforcement investigations (money returned to Maryland citizens)	\$28,795	\$58,125	\$161,820	\$560,894	\$3,896,019	\$250,000	\$250,000
Total penalties paid from Life and Health market conduct examinations and L&H producer enforcement investigations (money to General Fund)	\$415,951	\$1,233,660	\$1,490,801	\$297,316	\$726,015	\$750,000	\$750,000
Total restitution from Property and Casualty market conduct examinations and P&C producer enforcement investigations excluding Maryland Affordable Housing Trust (MAHT) (money returned to Maryland citizens)	\$5,135,392	\$864,707	\$458,426	\$8,044,381	\$4,805,252	\$2,000,000	\$2,000,000
Total penalties paid from Property and Casualty market conduct examinations and P&C producer enforcement investigations excluding MAHT (money to General Fund)	\$933,096	\$356,770	\$384,862	\$282,350	\$770,095	\$300,000	\$300,000
Total Maryland Affordable Housing Trust (MAHT) penalties paid (money to General Fund)	\$5,500	\$5,000	\$3,000	\$0	\$0	\$0	\$0
Total restitution to MAHT	\$132	\$612	\$0	\$0	\$0	\$0	\$0

Goal 4. Ensure that insurers have the financial ability to pay claims when due.

Obj. 4.1 Complete 90 percent of financial examinations on domestic companies scheduled pursuant to statutory time frames, with no more than a 15 percent variance from the time budgeted for that examination.

Performance Measures	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Est.	2024 Est.
Number of examinations initiated	14	15	19	12	5	14	11
Percentage of examinations completed with no more than a 15 percent variance of budgeted time	100%	100%	100%	100%	100%	100%	100%

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Goal 5. Investigate and prosecute insurance fraud.

Obj. 5.1 Close 80 percent of referrals opened for investigation within 180 days.

Performance Measures	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Act.	2023 Est.	2024 Est.
Percentage of opened referrals investigated and referred for criminal prosecution	72%	74%	35%	67%	31%	40%	40%
Percentage of opened referrals investigated and charged	86%	40%	30%	49%	31%	40%	40%
Total restitution ordered for criminal prosecution (returned to Maryland insurers)	\$492,440	\$168,673	\$43,447	\$95,992	\$132,319	\$150,000	\$150,000
Total restitution ordered for civil prosecution (returned to Maryland insurers)	\$59,525	\$56,310	\$28,836	\$33,700	\$2,949	\$75,000	\$75,000
Total penalties paid from civil and criminal fraud investigations (money to general fund)	\$116,187	\$117,590	\$72,283	\$551,000	\$93,500	\$100,000	\$100,000
Total penalties assessed (paid to General Fund)	\$1,470,734	\$1,713,020	\$1,950,946	\$1,130,666	\$1,589,610	\$1,150,000	\$1,150,000

Maryland Insurance Administration

Summary of Maryland Insurance Administration

	2022 Actual	2023 Appropriation	2024 Allowance
Number of Authorized Positions	259.00	259.00	259.00
Number of Contractual Positions	12.00	19.60	22.10
Salaries, Wages and Fringe Benefits	26,036,806	29,830,736	30,659,167
Technical and Special Fees	654,966	969,834	1,107,045
Operating Expenses	5,918,403	7,373,864	10,058,198
Special Fund Expenditure	32,610,175	38,174,434	41,824,410
Total Expenditure	<u>32,610,175</u>	<u>38,174,434</u>	<u>41,824,410</u>

Maryland Insurance Administration

D80Z01.01 Administration and Operations

Program Description

The Maryland Insurance Administration (MIA) develops policies, procedures and regulations as well as implements laws that affect Maryland's insurance industry. The Agency performs rate and form reviews, financial audits, licensing examinations, market conduct examinations, and fraud investigations. It also resolves consumer complaints, as well as issues producer (agent/broker) and company licenses.

Appropriation Statement

	2022 Actual	2023 Appropriation	2024 Allowance
Number of Authorized Positions	259.00	259.00	259.00
Number of Contractual Positions	12.00	19.60	22.10
01 Salaries, Wages and Fringe Benefits	26,036,806	29,830,736	30,659,167
02 Technical and Special Fees	654,966	969,834	1,107,045
03 Communications	203,519	264,951	250,368
04 Travel	67,182	264,463	382,578
07 Motor Vehicle Operation and Maintenance	153,499	189,429	258,327
08 Contractual Services	2,792,433	3,762,527	4,426,400
09 Supplies and Materials	164,684	263,994	270,602
10 Equipment - Replacement	102,367	41,618	191,618
11 Equipment - Additional	149,225	1,650	435,650
12 Grants, Subsidies, and Contributions	622,487	590,714	590,714
13 Fixed Charges	1,583,794	1,834,518	2,036,703
Total Operating Expenses	5,839,190	7,213,864	8,842,960
Total Expenditure	32,530,962	38,014,434	40,609,172
Special Fund Expenditure	32,530,962	38,014,434	40,609,172
Total Expenditure	32,530,962	38,014,434	40,609,172
Special Fund Expenditure			
D80305 Insurance Regulation Fund	32,530,962	38,014,434	40,609,172

Maryland Insurance Administration

D80Z01.02 Major Information Technology Development Projects

Program Description

This program provides funding for Major Information Technology Development Projects in the Maryland Insurance Administration. Funding will be used to replace the current Enterprise Complaint Tracking System, which was designed for MIA in 2002.

Appropriation Statement

	2022 Actual	2023 Appropriation	2024 Allowance
08 Contractual Services	79,213	160,000	1,215,238
Total Operating Expenses	79,213	160,000	1,215,238
Total Expenditure	79,213	160,000	1,215,238
Special Fund Expenditure	79,213	160,000	1,215,238
Total Expenditure	79,213	160,000	1,215,238
Special Fund Expenditure			
D80305 Insurance Regulation Fund	79,213	160,000	1,215,238

3 Year Position Summary

Classification Title	FY 2022 Positions	FY 2022 Expenditures	FY 2023 Positions	FY 2023 Appropriation	FY 2024 Positions	FY 2024 Allowance
D80 - Maryland Insurance Administration						
D80Z0101 - Administration and Operations						
Accountant II	1.00	65,489	1.00	65,119	1.00	68,697
Admin Aide	3.00	119,325	4.00	175,970	4.00	184,693
Admin Officer I	0.00	42,020	1.00	49,496	1.00	51,724
Admin Officer II OAG	0.00	59,617	1.00	62,900	1.00	66,353
Admin Prog Mgr II	2.00	69,238	2.00	155,346	2.00	163,199
Admin Spec II	2.00	63,103	2.00	81,434	2.00	85,100
Admin Spec III	1.00	3,272	0.00	0	0.00	0
Administrator I	1.00	77,570	1.00	82,727	1.00	86,450
Administrator III	1.00	88,403	1.00	93,355	1.00	98,523
Asst Attorney General VI	7.00	693,803	7.00	778,556	7.00	817,232
Asst Attorney General VII	4.00	378,968	4.00	480,892	4.00	504,866
Computer Info Services Spec II	2.00	153,779	3.00	187,809	3.00	196,888
Computer Info Services Spec Manager	0.00	35,500	0.00	0	0.00	0
Computer Info Services Spec Supv	1.00	82,108	1.00	87,449	1.00	92,290
Computer Network Spec II	1.00	32,926	1.00	69,482	1.00	73,300
Computer Network Spec Lead	1.00	16,388	1.00	60,819	1.00	63,556
Data Entry Operator II	1.00	34,353	1.00	36,459	1.00	38,439
Database Specialist II	1.00	83,822	1.00	88,066	1.00	92,910
Designated Admin Mgr III	1.00	105,250	1.00	111,097	1.00	117,246
Designated Admin Mgr IV	1.00	45,267	1.00	96,206	1.00	101,484
Designated Admin Mgr Senior I	0.00	37,357	0.00	0	0.00	0
Designated Admin Mgr Senior III	0.00	101,684	1.00	109,312	1.00	114,232
Designated Admin Mgr Senior IV	1.00	0	0.00	0	0.00	0
Div Dir Ofc Atty General	1.00	148,754	1.00	157,086	1.00	165,780
Exec Assoc I	1.00	50,959	1.00	64,102	1.00	67,621
Exec Assoc III	2.00	114,036	2.00	163,732	2.00	171,101
Exec IX	0.00	96,691	1.00	135,203	1.00	141,287
Fiscal Accounts Technician II	4.00	144,391	3.00	143,216	3.00	150,146
Fiscal Accounts Technician Supv	1.00	60,751	1.00	64,102	1.00	67,621
Fiscal Services Admin IV	1.00	55,501	1.00	110,883	1.00	115,873
HR Officer II	1.00	67,863	1.00	71,606	1.00	75,541
IT Asst Director II	1.00	107,309	1.00	114,441	1.00	119,591
IT Systems Technical Spec	3.00	274,607	3.00	287,239	3.00	301,090
Legal Secretary	1.00	43,071	1.00	45,406	1.00	47,879
Management Assoc	0.00	53,806	1.00	61,809	1.00	64,591
Management Associate	3.00	101,323	3.00	152,725	3.00	161,231
MIA Administrator I	17.00	1,082,574	18.00	1,350,318	18.00	1,339,273
MIA Administrator II	16.00	889,961	14.00	1,100,268	14.00	1,099,124
MIA Administrator III	10.00	778,067	10.00	957,278	10.00	946,509
MIA Administrator IV	15.00	835,041	14.00	1,279,245	14.00	1,277,699
MIA Administrator V	11.00	896,293	10.00	1,029,025	10.00	1,023,263
MIA Analyst I	21.00	836,578	21.00	1,294,962	21.00	1,284,958
MIA Analyst II	50.50	2,558,127	48.50	3,248,010	48.50	3,221,545
MIA Associate I	1.00	39,896	1.00	45,092	1.00	44,702
MIA Associate III	1.00	39,070	1.00	44,157	1.00	43,777
MIA Associate IV	2.00	88,610	2.00	100,159	2.00	99,273
MIA Associate V	6.00	230,116	5.00	260,887	5.00	258,529
MIA Associate VI	5.00	171,396	5.00	256,287	5.00	261,127

3 Year Position Summary

Classification Title	FY 2022 Positions	FY 2022 Expenditures	FY 2023 Positions	FY 2023 Appropriation	FY 2024 Positions	FY 2024 Allowance
MIA Chief Actuary	1.00	157,473	1.00	135,203	1.00	141,287
MIA Deputy Ins Comm	1.00	157,145	1.00	167,889	1.00	175,444
MIA Executive I	4.00	466,434	5.00	534,717	5.00	534,280
MIA Executive II	5.00	458,192	5.00	593,447	5.00	587,693
MIA Executive III	1.00	30,868	1.00	139,294	1.00	137,925
MIA Executive IV	8.50	1,151,976	8.50	1,217,553	8.50	1,205,346
MIA Executive V	5.00	696,834	5.00	816,368	5.00	807,951
MIA Insurance Commissioner	1.00	177,220	1.00	185,036	1.00	193,363
MIA Officer I	7.00	294,714	6.00	348,016	6.00	343,030
MIA Officer II	10.00	635,915	12.00	710,980	12.00	704,156
Office Secy I	1.00	35,224	1.00	37,383	1.00	39,412
Office Secy II	3.00	59,226	3.00	119,205	3.00	124,933
Office Secy III	2.00	90,168	2.00	96,123	2.00	100,961
Personnel Associate II	0.00	10,184	0.00	0	0.00	0
Principal Counsel	1.00	120,516	1.00	140,084	1.00	146,388
Procurement Officer I	1.00	56,358	1.00	58,709	1.00	62,494
Procurement Officer III	1.00	62,551	1.00	92,936	1.00	98,035
Total D80Z0101	259.00	16,815,031	259.00	20,802,675	259.00	20,969,011