

AGENCY NAME:	SC Department of Insurance		
AGENCY CODE:	R20	SECTION:	78

**Fiscal Year 2018–2019
Accountability Report**

SUBMISSION FORM

AGENCY MISSION	The mission of the South Carolina Department of Insurance (Department) is to protect the insurance consumers, the public interest and the insurance marketplace by ensuring the solvency of insurers, enforcing and implementing the insurance laws of this State, and regulating the insurance industry in an efficient, courteous, responsive, fair, and equitable manner.
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AGENCY VISION	The Department of Insurance envisions a competitive and financially stable insurance marketplace. To this end, the Department regulates the insurance marketplace by firmly and fairly implementing and enforcing the insurance laws.
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Does the agency have any major or minor recommendations (internal or external) that would allow the agency to operate more effectively and efficiently?

	Yes	No
RESTRUCTURING RECOMMENDATIONS:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 2-1-230, which requires submission of certain reports to the Legislative Services Agency for publication online and the State Library? See also S.C. Code Ann. § 60-2-30.

	Yes	No
REPORT SUBMISSION COMPLIANCE:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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Is the agency in compliance with various requirements to transfer its records, including electronic ones, to the Department of Archives and History? See the Public Records Act (S.C. Code Ann. § 30-1-10 through 30-1-180) and the South Carolina Uniform Electronic Transactions Act (S.C. Code Ann. § 26-6-10 through 26-10-210).

	Yes	No
RECORDS MANAGEMENT COMPLIANCE:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 1-23-120(J), which requires an agency to conduct a formal review of its regulations every five years?

	Yes	No
REGULATION REVIEW:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please identify your agency’s preferred contacts for this year’s accountability report.

	<u><i>Name</i></u>	<u><i>Phone</i></u>	<u><i>Email</i></u>
PRIMARY CONTACT:	John T. Watson	(803) 737-6141	twatson@doi.sc.gov
SECONDARY CONTACT:	Raymond G. Farmer	(803) 737-6805	rfarmer@doi.sc.gov

I have reviewed and approved the enclosed FY 2018–2019 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR (SIGN AND DATE):	
(TYPE/PRINT NAME):	Raymond G. Farmer

BOARD/CMSN CHAIR (SIGN AND DATE):	Not Applicable
(TYPE/PRINT NAME):	

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No

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AGENCY’S DISCUSSION AND ANALYSIS
Key Strategic Challenges

Much of the work of the Department is influenced by changes in financial markets at the national and international level. Summarized below are the key challenges facing insurance regulation in South Carolina.

Challenge: Increased Federal Involvement in Insurance Regulation

The federal government’s role in insurance regulation is increasing. Examples of the heightened federal involvement in insurance regulatory activities include the enactment of the Patient Protection and Affordable Care Act (ACA) and proposals to repeal and replace it, the Wall Street Reform and Consumer Protection Act (commonly referred to as Dodd-Frank), which created the Federal Insurance Office (FIO) within the United States Department of Treasury, and most recently, National Association of Registered Agents and Brokers (NARAB II). These Acts have, and will continue to have, a significant impact on U.S. insurance markets and their regulation.

In 2017, the United States Treasury Department (Treasury), the Office of U.S. Trade Representative (USTR) and the European Union (EU) announced they had signed a covered agreement. A covered agreement provides stand-by authority for the Treasury and the USTR to address areas where insurance laws may treat non-US insurers differently than U.S. insurers. Covered agreements could directly impact reinsurance collateral requirements because they may preempt state law. This is important for states with coastal property exposure, like South Carolina, where reinsurance plays a critical role in ensuring the ability of insurers to pay claims after a catastrophe. To avoid pre-emption, states must enact statutory changes that make their reinsurance laws consistent with provisions of covered agreements with the European Union and the United Kingdom. States must comply with the provisions in the covered agreements within five years or face potential preemption.

Additionally, Congress is considering federal data security bills that would mandate uniform national standards in the area of data security. These bills would preempt state insurance laws that protect the privacy of information handled by insurers and may threaten the authority of the states to regulate the business of insurance.

While the aforementioned legislation and issues, like the covered agreement, originate at the federal level, they impact state laws and regulations. Often the legislation necessary to implement federal initiatives such as these must occur at the state level. Accordingly, states must promulgate or amend legislation to preserve its ability to regulate or prevent preemption. Federal legislation often establishes the minimum level of protection that may be afforded. While it recognizes that states are the primary regulators of insurance, it also establishes the standards with which all insurers must comply. States are charged with enforcement, but if the state does not enforce the provisions of the law, the federal government will effectively preempt state law. The challenge for state and federal regulators is to effectively collaborate and communicate in the performance of their regulatory roles.

What follows is a summary of the impact of these internal and external factors on the various divisions of the Department.

Market and Consumer Services

Personnel changes continue to present strategic challenges and opportunities for the Market and Consumer Services Division. The less tenured employees continue to leverage this opportunity to showcase ways that they

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can contribute to the Division and have taken on training and mentoring of new staff. The Division has also looked internally to further the knowledge base of all employees within the Market and Consumer Services Division.

Many of the duties and responsibilities of the Market and Consumer Services Division are dependent upon external factors; the number of consumer calls, consumer complaints, and insurance rate, rule, and form filings that the Division staff must process is directly correlated to how many consumers contact us for assistance and how many insurance product filings are made by insurance carriers in any given period of time. As a result, it can be challenging from a strategic planning perspective to manage resources effectively while ensuring an efficient turnaround of consumer and insurer submissions.

Because of the limited control we have over the workload itself, we strive to focus on the areas that are within our control with a continual focus on areas for improvement in our processes. For example, the total turnaround time for insurer rate, rule, and form filings is impacted by the quality of the filing at submission, the number of times we must request additional information, support, or clarification from the insurer, and how quickly they provide such information. As the aforementioned items are only minimally within our control, we have sought to emphasize the state’s review time as this is entirely based upon how long it takes our staff to review a filing after submission and after a company responds to any follow-up inquiries we may have. Of course, we also understand that the total turnaround time directly impacts speed to market initiatives, so we try to balance the two in our focus.

To provide greater transparency for consumers, we continue to leverage SERFF Public Access, a no-cost, Internet-based solution for viewing public insurance company rate, rule and form filings from anywhere at any time. Consumers simply click a link on our website to begin searching for filings and are then able to download the entirety of the filing or select a subset of the filing to review in more detail.

We are also continuing our focus on enhancing our customer service. We continue to maintain extended hours in our Office of Consumer Services and are available 8:00 a.m. to 6:00 p.m. Mondays through Thursdays and 8:00 a.m. to 5:00 p.m. on Fridays. We continue to see increased utilization of our online complaint portal, which allows consumers to file consumer complaints with our Office of Consumer Services through our website.

We continue our efforts to enhance our market analysis program area, which is critical to monitoring insurer trade practices and identifying emerging trends in the market or in a specific insurance carrier/group.

As we strive to focus on ways to improve what is within our control, we continue to emphasize regular updates to our exhibits and filing/reporting resources that we provide to companies to assist them in preparing and submitting a quality filing/report at initial submission. Our goal for Market Services is to provide carriers with as much pertinent and useful information as we can up front to assist them in complying with South Carolina’s insurance laws.

One area of focus for the Office of Consumer Services continues to be updating our brochures and various printed and web-based materials for consumers. During the fiscal year, we published and updated relevant materials for individuals and small businesses regarding the ACA-compliant plans that are available in the individual and small group markets. As was noted in prior fiscal years’ reports, the agency’s Medicare Supplement Insurance Shopper’s Guide is one of the most downloaded documents from our website. As a result, staff continues to identify enhancements for this guide and regularly updates the printed and online versions for consumers.

The Office of Consumer Services also published a variety of new materials for consumers. As in prior years, the Price Comparison Tool, which provides sample premiums for both private passenger automobile insurance and

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homeowners insurance, was updated during the fiscal year to include sample premiums based upon the responding carriers' rates as of June 2019.

The Department was designated as the lead agency for administering South Carolina's approximately \$34 million allocation as a beneficiary under the Volkswagen Environmental Mitigation Trust. On December 6, 2018, the Department finalized the State's Beneficiary Mitigation Plan detailing the state's overall goal for the use of the funds and the categories of eligible mitigation actions the state anticipates to-be appropriate to achieve these goals, among other things. The Department issued a request for applications on March 18, 2019 in order to award up to \$10 million in funding under the state's allocation. Awards are expected to be made in early fiscal year 2020.

Licensing & Continuing Education

Regulatory challenges facing the Licensing & CE Division involve streamlining the producer-licensing process and achieving licensing uniformity and reciprocity with other states in the U.S. State insurance departments oversee producer activities as part of a comprehensive regulatory framework designed to protect insurance consumer interests in insurance transactions. However, each state traditionally had its own licensing requirements and a producer licensed in one state generally had to meet the separate non-resident licensing requirements in other states to sell, solicit or negotiate insurance in such other states. The Licensing & CE Division has continued to work with the NAIC and the National Insurance Producer Registry (NIPR) to modernize and streamline our processes and take steps to improve uniformity and reciprocity with regards to producer licensing. The Licensing & CE Division has updated laws, regulations, and business rules to meet technical best practices recommended by NIPR to obtain uniformity with other states and substantially lessen the complexity of the licensing process for our end users (i.e. producers).

The Licensing & CE Division has also moved to a paperless environment and will communicate with our licensees via email when necessary. Further, we are working to transition many of our back-office operations to the NAIC's State Based Systems ("SBS"). This web-based application supports insurance regulation functions and offers industry users a new interface and makes it easier for them to manage their license, print their license, look up companies and licensees, etc. These changes will help reduce our operating costs and increase efficiency here at the Department.

Financial Regulations & Solvency

The regulatory challenges confronting the Financial Regulation Division involve our ability to effectively implement new regulatory standards in response to federal legislation or financial crises impacting insurers that are members of a holding company system. The contagion effects experienced by U.S. insurers in the AIG holding company systems near collapse prompted U.S. insurance regulators to reevaluate their group supervisory framework and pay closer attention to the risks that are created by activities going on outside of those entities as well as the reputational and contagion issues that could exist. In response, the NAIC voted to adopt a significant new addition to U.S. insurance regulation: the U.S. Own Risk and Solvency Assessment (ORSA). An ORSA requires insurance companies to issue their own assessment of their current and future risk through an internal risk self-assessment process and it allows regulators to form an enhanced view of an insurer's ability to withstand financial stress. Large- and medium-size U.S. insurance groups and/or insurers were required to regularly conduct an ORSA starting in 2017. While few South Carolina domestics are having to conduct this assessment, it is an expensive and time-consuming endeavor for this Department. There is no standard way to conduct an ORSA and it will vary from company to company. The output of the assessment will be a set of documents that demonstrate the results of management's self-assessment.

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The ORSA assessment is an accreditation standard. It is a part of an overall regulatory strategy to effectively regulate group activity which also includes supervisory colleges. Supervisory colleges are joint meetings of interested regulators with company officials and include detailed discussions about financial data, corporate governance and enterprise risk management. Solvency regulation has a more global focus than it has in the past. Accordingly, there are ongoing legislative changes necessary for the state to maintain its standing within the group of regulatory jurisdictions that make up the NAIC.

South Carolina, as well as all other U.S. jurisdictions, continues to work to understand the effects of the international discussions on insurance regulation and supervisory standard-setting on the U.S. regulated industry. The Department is actively following these international discussions through the efforts of several different Working Groups created by the NAIC.

Additionally, the Department participated in discussions involving cybersecurity on a national and international basis through Director Farmer’s position as the Chair of the Cybersecurity Working Group, also created by the NAIC. The result of Director Farmer’s efforts concerning cyber security was the creation of the NAIC’s Insurance Data Security Model Law. This model was introduced, received approval and was ultimately signed into law by Governor McMaster in the 2018 Legislative session. While various aspects of the Legislation are phased in over the next two years, effective January 1, 2019, all licensees of the SC Department of Insurance, with some exceptions, must comply with the reporting requirements regarding a cybersecurity event. Several other states have enacted the model law while additional states intend to introduce legislation in the upcoming sessions. At the state level, the Department continues to work with our domestic industry to ensure that each company has in place, not only procedures to mitigate cyber breaches, but equally important, a plan that with assist policyholders should such breaches occur. It is anticipated that the entire state domestic industry will be in full compliance when the applicable required dates occur.

During the most recent legislative session, the Department introduced an accreditation bill. There are two issues involved in this bill. The first issue is disclosure of corporate governance practices (Model Act #305). The bill requires an annual confidential report to the DOI of the state where they are domiciled by June 1. Second issue, revises the *Insurance Holding Company System Regulatory Act (Model Act #440)* to provide authority to a designated state to act as a group-wide supervisor for an internationally active insurance group (IAIG). Trigger levels are: operating in 3 or more countries, 10% of premium foreign, and must have total assets greater than \$50 billion, or total premiums greater than \$10 billion. The standard includes risk retention groups (RRG) that have an RRG in a holding company that meets the definition of an IAIG. This bill was passed and signed by the Governor.

There were several areas of the SCDOI Procedures Bill that affect this Division. Two specific areas of the bill addressed the problem that companies have in meeting the March 1st deadline for filing certain required documents. The filing date was extended from March 1st until June 1st. This is consistent with other reporting date requirements. Additionally, the Procedures Bill clarified that all captive insurance companies are subject to the 2018 SC Insurance Cybersecurity Law, unless they are specifically exempted.

As with every year, much of the work of the Division has been devoted to ensuring the Department is prepared for accreditation by the NAIC. During June of 2016, an NAIC Accreditation Team spent a week at the Department of Insurance reviewing, in detail, the work that had been performed by the analysts and examiners, as well as each manager, for both the traditional and captive insurance companies domestic to South Carolina for the past five years. Subsequently, during the NAIC National Meeting in August of 2016, the Financial Regulation

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Standards and Accreditation Committee voted to approve the Accreditation Team’s recommendation that the South Carolina Department of Insurance be re-accredited for the full five-year period. This re-accreditation was necessary to allow all states to continue to have confidence in the Department’s ability to regulate insurance companies for solvency, to the benefit of all policyholders. Policyholders who are not only South Carolina residents, but residents of all other US jurisdictions which are members of the NAIC. The Accreditation Team will return sometime during the early part of 2021 for the next 5-year review . During this review, the Accreditation Team will review the years 2006 thru 2020.

The Department’s ability to recruit and retain competent and qualified staff continues to be a challenge for the agency. During the past rating period, the Financial Regulation Division has continued to reorganize to enable the Department to meet these new regulatory challenges. Additional reorganization and effective succession planning will continue to be necessary as members of the Division retire or transition to other opportunities. To address these concerns, the Division has hired interns, permitted other employees within the agency to job shadow, and mentored employees who may have an interest in financial regulation to ensure a qualified pool of financial regulators.

The Financial Regulation & Solvency Division has implemented a policy that requires all analysts and examiners to obtain the Certified Financial Examiner (CFE) certification through the Society of Financial Examiners (SOFE). Previously, only examiners were required to obtain this certification. To this end, the Division has offered and will continue to offer training through presentations by outside professionals as well as webinars produced by the NAIC. An employee of the Division has been assigned to coordinate this effort and has begun accumulating a library of study materials for use by the applicants.

Enforcement Activities

The Department enforces the insurance laws of the State of South Carolina. It is responsible for investigating, examining and resolving cases involving insurance companies, health maintenance organizations (HMOs), producers, agencies, other licensees and applicants. Violations are resolved through consent order, voluntary compliance and through the imposition of administrative disciplinary actions.

The Investigations Unit within the Office of General Counsel receives referrals from business units throughout the agency. It reviews, investigates or assists with issues related to statutory violations; unauthorized insurance; unfair methods of competition; unfair or deceptive acts or practices in the insurance business; unfair claims settlement practices; and disaster-related claims handling.

Following an investigation, the Office of General Counsel may bring disciplinary actions that result in license application denials; license revocations and suspensions; monitored agent probations; or administrative penalties. Cases involving fraud are referred to the Insurance Fraud Unit of the Attorney General’s Office for review and prosecution. Set forth below are some of the highlights of the Department’s enforcement activities this past fiscal year:

- Opened 365 investigations;
- Concluded 355 investigations;
- Imposed two license suspensions and 38 license revocations;
- Issued 103 warning letters to various licensees about their conduct; and
- Referred 7 matters to the Insurance Fraud Unit of the Attorney General’s Office for investigation and prosecution.

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The increased federal involvement in insurance has led to a bifurcated enforcement process and issues about the state’s ability to enforce federal laws that impact insurance. Department employees must become experts on federal and state requirements to effectively protect South Carolina consumers. Recent federal laws affecting insurance appear to rely on the states to enforce certain federal provisions.

Challenge: Cybersecurity and Insurance Regulation in a Digital World

The insurance sector is rapidly shifting to digital platforms or technology. Digital technologies such as social media, mobile telephone applications and data analytics are changing the way consumers interact with insurance companies and driving the industry toward more technological or digital initiatives that make their business more efficient and cost effective. It is also argued these digital technologies enable companies to better respond to customer trends and buying patterns. The Internet of Things is one of the fastest emerging gateways to customer data and behavioral information. Telematic devices in vehicles, other devices in home appliances, smart watches, and sensors in other consumer products are gathering data and may transform the way insurers do business.

Proponents of big data contend that data increases the ability of insurers to predict losses which could also aid loss mitigation. This ability arguably will result in insurance rates that better reflect the risk of loss. The challenge for regulators is balancing the benefits of technological innovations with the responsibility to protect the insurance consumer from unfair discrimination. Since much of the data involves consumer behavior, regulators will be required to do more to protect the privacy and data of insurance consumers.

Unlike other countries, there is no single comprehensive national law regulating the collection and use of personal data. The United States regulates personal data privacy on a sectoral level. Accordingly, there are state and federal laws and regulations developed by various governmental agencies that apply to personal data privacy and the security of that information. The EU Data Protection Regulation went into effect in May 2018. Since that happened, members of Congress are calling for a comprehensive GDPR-like regulation for the United States. The Trump Administration reportedly is in the process of talks with industry and consumer advocates on the development of a national privacy framework.

South Carolina has enacted the first Insurance Data Security Act (modeled on federal law) and is in the process of implementing it. The reporting requirements went into effect in January 2019 and licensees that are not exempt from the Act were required to have an information security program in place by July 1, 2019. The Department has received thirteen (13) notifications to date. The majority of these notices involve actions by third party vendors.

Congress is considering federal bills that may preempt state laws in this area. Some members of industry are supporting federal legislation. A federal framework will impact that states’ ability to protect the personal data of its consumers.

Challenge: Workforce Planning and Capacity

Our agency’s workforce risks are not unlike many other organizations when it comes to an increasing number of retirement eligible employees and the potential loss of their expertise and institutional knowledge. Starting with FY20, we have taken more proactive steps toward improving our Workforce Plan. Every employee will complete an Individual Development Plan (IDP) and the “most urgent” positions held by employees will also complete a Knowledge Transfer Plan (KTP). Both are incorporated into the annual performance review process.

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These documents will capture our most “critical” tasks and establish yearly objectives to document and cross-train others to minimize the number of tasks where institutional and expertise is limited to only a few “key” employees.

Out of the 94 Full Time Employees (FTE) assigned to the Department, currently, 26 of filled positions within the Agency are occupied by employees who are either currently retired (i.e. TERI or returned) or will be eligible within two years. Fourteen (14) of these eligible employees are in positions identified as highest position exposure (Urgent), not only because of their retirement status, but also due to the importance of the position as it relates to the organization.

All managers are required to now have an objective, starting with their FY20 Planning Stage that addresses Workforce Planning performance measures.

Moreover, Department employees are also being encouraged to take courses to obtain insurance related designations and certifications to enhance their insurance knowledge and otherwise prepare them for advancement opportunities as they become available within the organization. Employees are being cross-trained, mentored and allowed to shadow employees in positions in which they may have an interest. While no guarantees of promotions or employment are made, these efforts help the Department in the event of an unexpected absence and help prepare the employee should an opportunity become available. Because of these collective efforts, the Department has been able to recruit applicants as well as retain and promote employees with significant insurance knowledge into positions at the Department.

The foregoing discussion summarizes the internal and external factors that impact this agency. It is within this environment that the Department attempts to regulate the South Carolina insurance marketplace. Senior leadership reviews market performance and other regulatory challenges annually. From this, the Department develops its goals and objectives and legislative and other policy recommendations.

Summarized below are the Department’s significant achievements during the fiscal year ending June 30, 2019: Collected \$277,520,292 in revenue from taxes, fees, assessment and fines, etc. Reviewed and analyzed 9,601 rate, rule and form filings. Six thousand one hundred seventy-nine (6,179) were related to property and casualty insurance products and the remaining 3,422 were related to life, accident and health insurance products. The Department’s Office of Consumer Services resolved 3,371 complaints during the fiscal year. Reviewed the South Carolina Code of Laws, Title 38 to determine what, if any, laws that are unnecessary and issued 14 bulletins clarifying issues related to the implementation of South Carolina insurance laws. Implemented a more robust outreach plan which consists of an enhanced website, additional community events, and enhanced market assistance activities in the communities affected by various disasters or other natural events. Enhanced the quality and efficiency of the services provided to stakeholders by automating processes and upgrading technology to enable the Department to be more responsive and to secure the data maintained by the agency.

Risk Assessment and Mitigation Strategies:

The mission of the Department is to protect consumers by regulating the insurance industry, promoting a stable and competitive insurance market and enforcing the insurance laws of the state. The Department regulates the industry to assure consumers that insurers transacting business in this state will fulfill their policyholder obligations, i.e., provide the benefits contracted for under the policy. Solvency and market regulation are among the most important consumer protection functions performed by the Department.

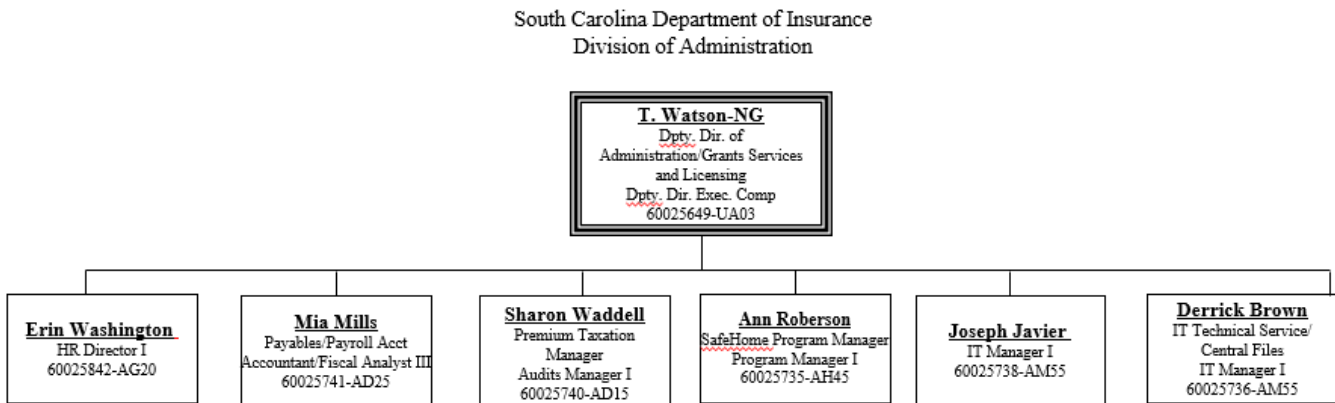
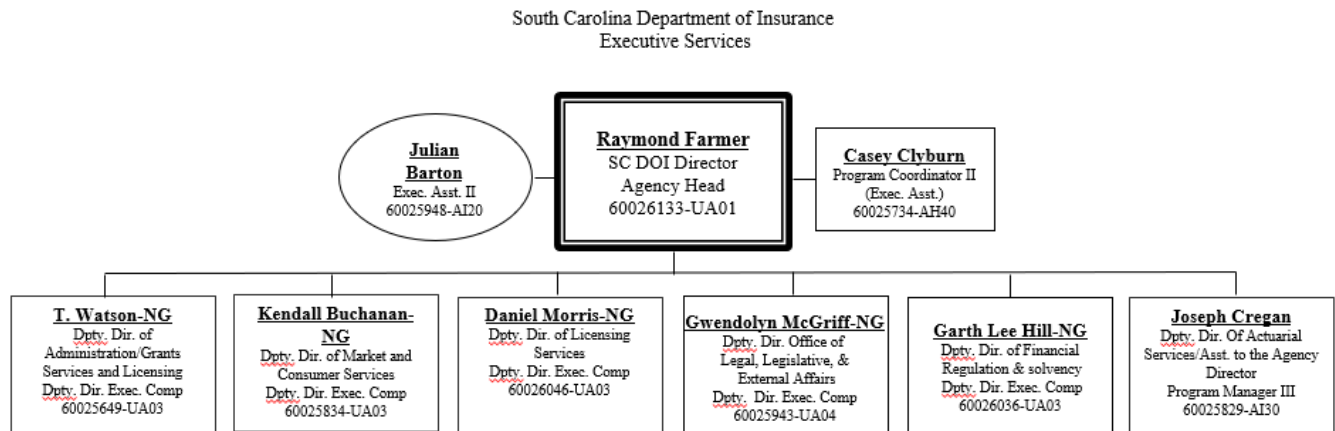
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To protect consumers from insurer insolvencies, most states have enacted laws establishing guaranty associations. Insurance guaranty associations ensure that policyholders will receive some of the benefits contracted for under the policy (up to \$300,000 for a covered claim).

Legislatures can help mitigate the risk by:

- Appropriating sufficient funds or providing a dedicated funding source to ensure the department is adequately staffed with competent personnel;
- Review and enact laws periodically to ensure that they protect the insurance-buying public from improper market practices and are compatible with new electronic delivery platforms and artificial intelligence technologies

Organizational Structure:



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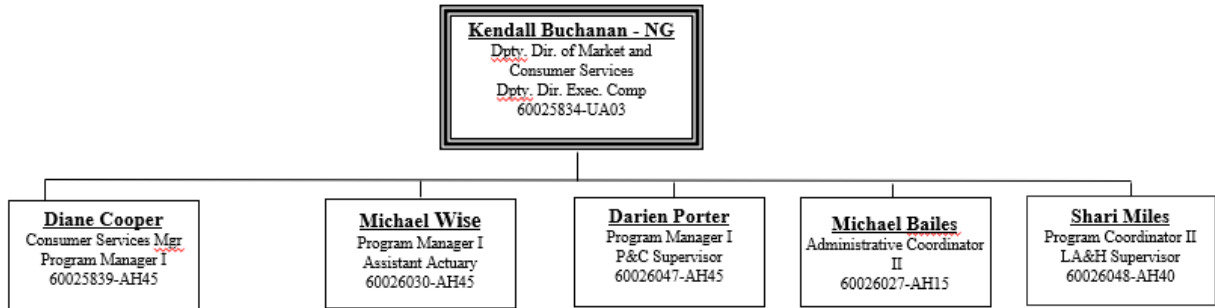
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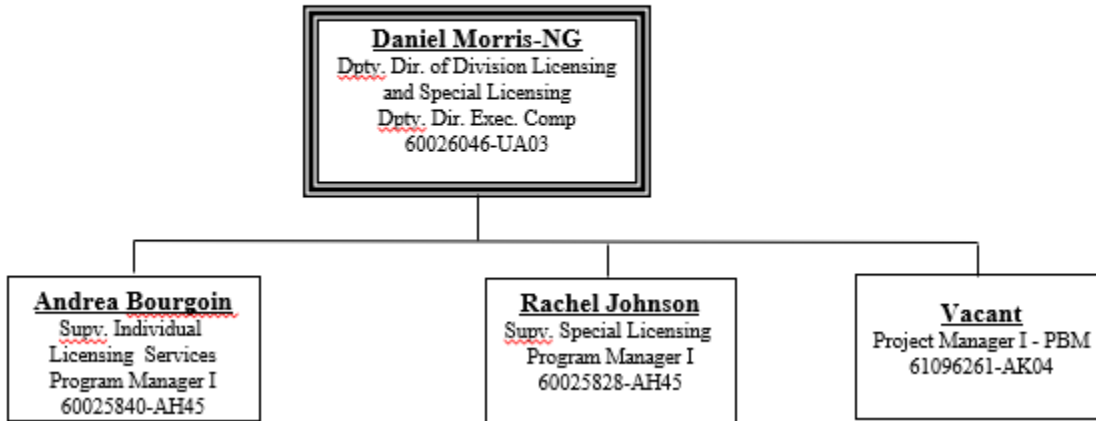
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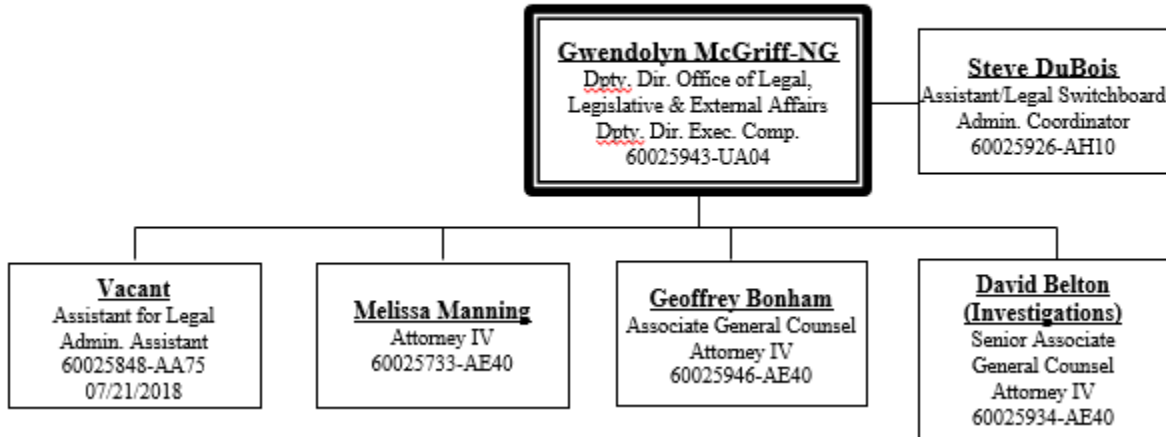
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Division of Consumer Services and Market Regulations



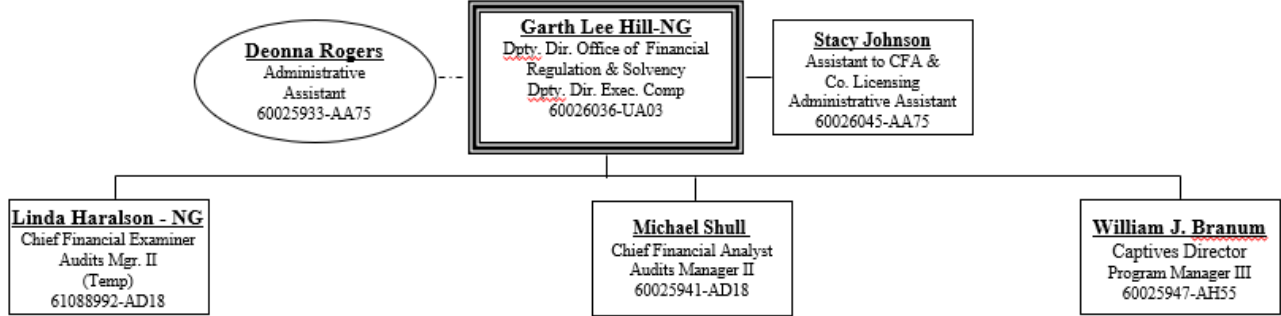
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Division of Individual Licensing and Special Licensing



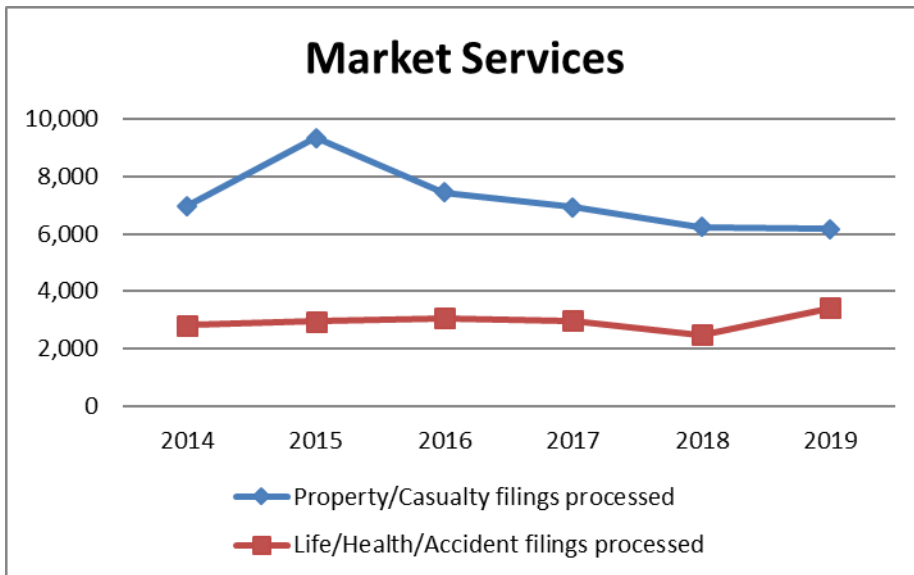
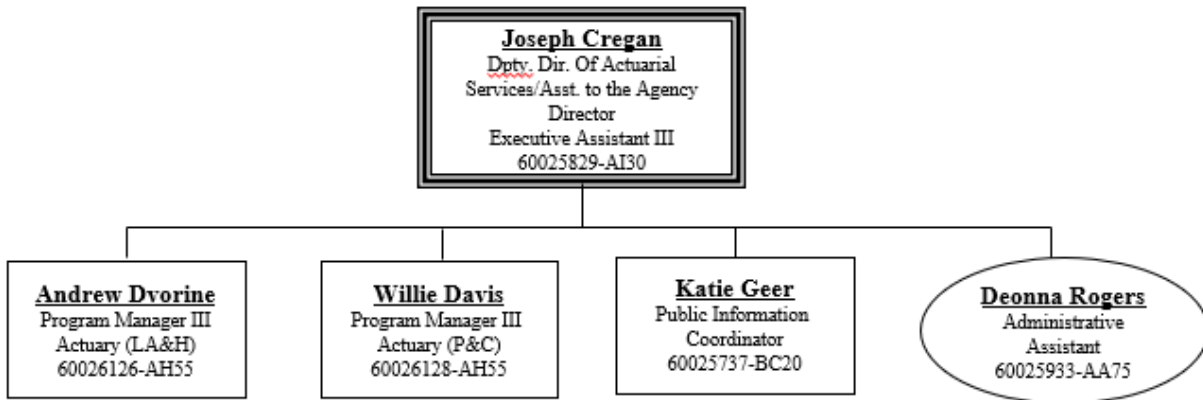
South Carolina Department of Insurance
Office of Legal, Legislative & External Affairs



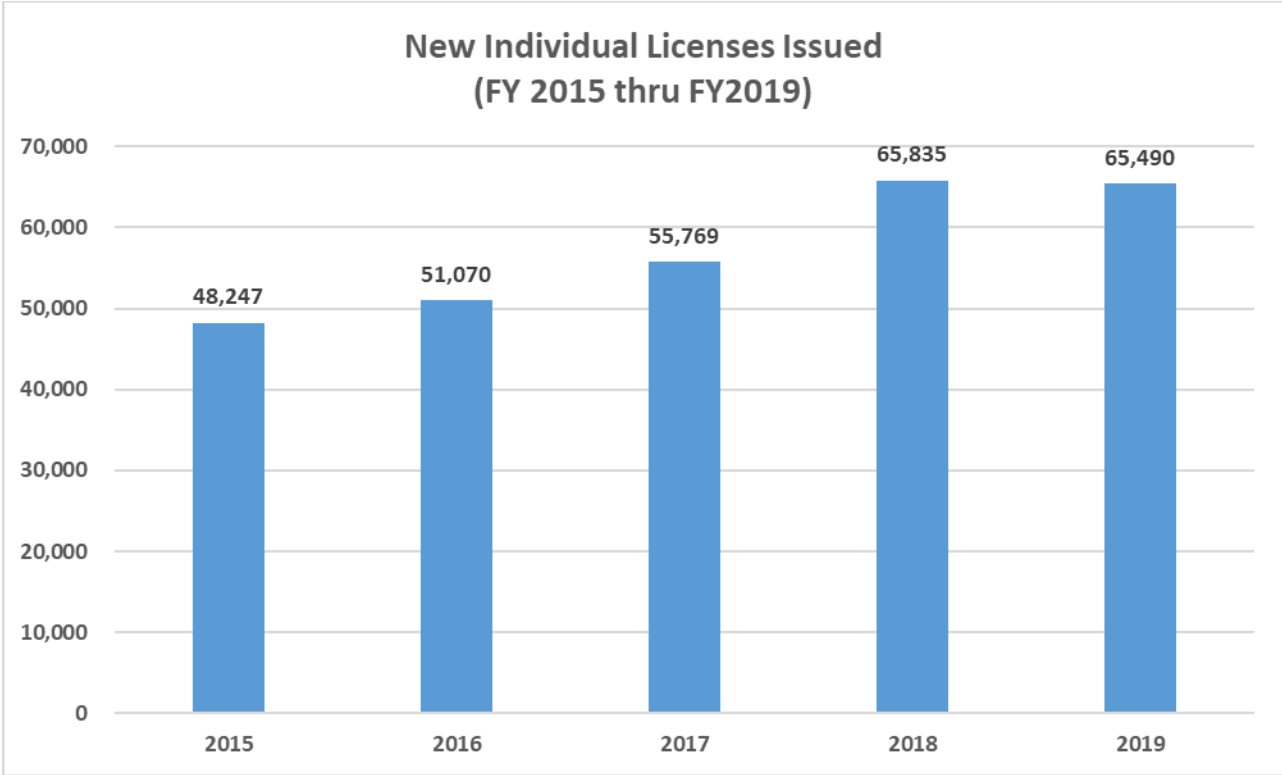
South Carolina Department of Insurance
Division of Financial Regulation & Solvency



South Carolina Department of Insurance
Actuarial Services



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Using the Accountability Report to Improve Organizational Performance

The Department uses the Accountability Report to annually evaluate and critique the progress of the agency’s strategic plan. The Report is also used to initiate discussion about potential changes or additions to the current year’s action plan. Through this process, the performance measures are accurately linked to larger, strategic goals in such a way that promotes the Department’s transparency, efficiency, and effectiveness and commitment to its stakeholders.

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Fiscal Year 2018-2019

Accountability Report

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2018-19			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
	G	1			Maintain a solvent and competitive insurance marketplace							
	S		1		Process Rates, Forms and Licenses promptly							
Government and Citizens	O			1	Percent of licenses who renew online	83%	80%	80%	Fiscal Year	Licensing System	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Number of life, accident and health (LA&H) insurance rate and form filings processed	2,474	Market Driven	3,422	Fiscal Year	SERFF	Report of number of LA&H filings with a disposition date between start and end of FY (excluding rejected filings)	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			3	LA&H Filing Turnaround Time	16.47	Market Driven	12.07	Fiscal Year	SERFF	Average State Turnaround Days for filings with a disposition date between start and end of FY (excluding rejected filings)	Improving quality, efficiency and customer service
Government and Citizens	O			4	Number of property and casualty (P&C) insurance rate, rule and form filings processed	6,239	Market Driven	6,179	Fiscal Year	SERFF	Report of number of P&C filings with a disposition date between start and end of FY (excluding rejected filings)	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			5	P&C Filing Turnaround Time	14.9	Market Driven	8.43	Fiscal Year	SERFF	Average State Turnaround Days for filings with a disposition date between start and end of FY (excluding rejected filings)	Improving quality, efficiency and customer service
Government and Citizens	O			6	Totals number of licensed agents	170,825	Market Driven	189,286	Fiscal Year	Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			7	Number of regulated companies and other carriers	Traditional 1,638 Captives 156	Traditional 1,550 Captives 170	Traditional 1,732 Captives 171	Fiscal Year	Company Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			8	Producer Licensing Turnaround Time (hours)	8.4 Hrs	7 Hrs	7 Hrs	Fiscal Year		N/A	Improving quality, efficiency and customer service
Government and Citizens	O			9	Newly Licensed Individuals	28,049	Market Driven	65,490	Fiscal Year	Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
	S		2		Recruit new insurers to SC to write in underserved markets							
Government and Citizens	O			1	Track insurance entities licensed/approved/registered in SC	153	Market Driven	85	Fiscal Year	Company Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
	S		3		Monitor insurer solvency through financial analysis and examinations							
Government and Citizens	O			1	Conduct quarterly analysis of the financial statements of all domestic insurers, including domestic RRG Captives, authorized to transact business in SC to insure the company is not operating in a hazardous financial condition.	Traditional 140	Traditional 156	Traditional 140	Calendar Year	Traditional Supervising Analyst	N/A	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			2	Conduct statutory and limited scope examinations of domestic insurers, including domestic RRG Captives, authorized to transact business in SC to insure the company is not operating in a hazardous financial condition and is not operating in a manner inconsistent with SC laws and regulations.	100%	100%	100%	Every 3 years or 5 years depending on company type. Numbers will vary year over year.	Traditional Chief Financial Examiner	Statute	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			3	Conduct, no less than annually, analysis of the financial statements of all domestic Non-RRG Captives authorized to transact business in SC to insure the company is not operating in a hazardous financial condition.	258	263	248	Calendar Year	Captive Supervising Analyst	N/A	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			4	Conduct statutory and limited scope examinations of domestic Non-RRG Captives authorized to transact business in SC to insure the company is not operating in a hazardous financial condition and is not operating in a manner inconsistent with SC laws and regulations.	100%	100%	100%	Every 3 years or 5 years depending on company type. Numbers will vary year over year.	Captive Chief Financial Examiner	Statute	Fiduciary requirements of Title 38 & NAIC

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2018-19			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	O			5	Troubled Company Committee meets as necessary, but no less than quarterly, to discuss troubled or potentially troubled companies. The results of these meetings will be reported to the Director and Deputy Director as they occur.	1	10	6	Ongoing	Note: Committee meets quarterly or as needed but was not formed until FY'15.	Committee Records	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			6	Using available reporting, conduct a quarterly review of all foreign and alien insurers, including RRG Captives, authorized to transact business in SC. Contact the companies' domestic states with any concerns.	100%	100%	100%	Ongoing	Captive and Traditional Supervising Analysts	Quarterly Reports	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			7	Review Captive Business Plan Changes on a timely basis.	100%	Market Driven	100%	Ongoing	N/A	N/A	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			8	Number of entities receiving SC DOI solvency-related intervention	4	0	2	Ongoing	As Necessary	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			9	Captive Business Plan Changes - net days (Dept. processing time)	2.85	< 3	3.82	Fiscal Year	G. Delleney	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			10	Captive Business Plan Changes - total days (receipt to closure)	5.83	< 7	7.23	Fiscal Year	G. Delleney	N/A	Improving quality, efficiency and customer service
	S		4		Review insurance laws to reduce impediments to competition or market entry							
Government and Citizens	O			1	Review provisions of Title 38 affecting licensure of insurers	100%	100%	100%	Fiscal Year	Code	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Identify laws that may require modification or repeal	As needed	As needed	As needed	Annually	N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			3	Prepare a report for the Agency's "Planned" Legislative agenda	1	1	1	Annually	N/A	N/A	Communications
	G	2			Promote voluntary compliance by enhancing education and outreach							
	S		1		Enhance the DOI's outreach program/activities							
Government and Citizens	O			1	Publish consumer education materials quarterly	12	As needed	99	Fiscal Year	PIO Printing And Distribution Reports	N/A	Communications
Government and Citizens	O			2	Develop and issue press releases quarterly for insurance-related events/topics	15	As needed	38	Fiscal Year	Published Citings On Web	N/A	Communications
	S		2		Conduct Educational Sessions throughout the state							
Government and Citizens	O			1	Conduct Annual Public Hearing Meeting on Status of the Wind Pool	2	1	N/A - No longer required	Fiscal Year	Annual Communication Plan, Status Of Wind Pool Report	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Industry Speaking Engagements	As needed	As needed	13	Ongoing	NA	N/A	Communications
Government and Citizens	O			3	Participate in trade shows and other community events	6	As needed	5	Fiscal Year	Annual Communication Plan	N/A	Communications
Government and Citizens	O			4	Issue bulletins and meet with industry groups	100%	100%	11 bulletins	Fiscal Year	N/A	Report the number of industry meetings conducted and topics Report the number of bulletins issued	Improving quality, efficiency and customer service
	S		3		Implement Communications Plan							
Government and Citizens	O			1	Implement Communication guidelines	100%	100%	100%	Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			2	Organize & conduct Department-wide staff meetings to update staff on agency activities	100%	As needed	100%	Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			3	Send email to DOI staff on employee accomplishments, vacancies, etc.	100%	100%	100%	Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			4	Communicate insurance related messages via PSAs and social media	As needed	100%	438 (+)	Fiscal Year	Annual Communication Plan	N/A	Improving quality, efficiency and customer service
	S		4		Educate DOI Employees							
Government and Citizens	O			1	Conduct training workshops per year on insurance-related topics	100%	As needed	100%	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			2	CISR/AFE/APIR/PIR/CPCU/Aer/ACAS/CFE Trainings	13	As needed	100%	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			3	Security/Confidentiality Training	100%	100%	100%	Fiscal Year	N/A	N/A	Ensure adequate privacy and security protection for personal information

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2018-19			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Education, Training, and Human Development	O			4	Privacy Training and Education (includes internal newsletters, meetings, tips/alerts and seminars)	100%	100%	10	Fiscal Year	N/A	N/A	Ensure adequate privacy and security protection for personal information
Education, Training, and Human Development	O			5	Host Webinars	100%	As needed	100%	Fiscal Year	N/A	N/A	Communications
Education, Training, and Human Development	O			6	Participate in NAIC Meetings/Trainings	100%	As required	100%	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
	S		5		Implement Disaster Response Plan							
Government and Citizens	O			1	Provide oversight, communication, and coordination of a broad and diverse group of partners	100%	100%	100%	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Maintaining Safety, Integrity and Security	O			2	Employ an integrated all-hazards risk based approach for mitigation, response, continuity of operations, recovery, and preparedness planning for the department	100%	100%	100%	Fiscal Year	N/A	N/A	Safety and sustainability measures
Maintaining Safety, Integrity and Security	O			3	Build local and state partnerships and coalitions	100%	100%	100%	Fiscal Year	N/A	N/A	Safety and sustainability measures
Maintaining Safety, Integrity and Security	O			4	Enhance disaster preparedness capabilities through preparing, training, and exercising	4	4	4	Fiscal Year	N/A	N/A	Safety and sustainability measures
	G	3			Protect the public through effective regulatory enforcement of insurance laws							
	S		1		Ensure licensees are complying with the requirements of SC law							
Education, Training, and Human Development	O			1	Maintain NAIC Accreditation every Five (5) Years	100%	100%	100%	Every 5 years	Deputy Director	Re-Accredited for 5 year period	Improving quality, efficiency and customer service
	S		2		Promote compliance through education							
Government and Citizens	O			1	Speak on enforcement related topics at industry and governmental events	100%	100%	100%	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Participate in trade conferences for regulated entities	As Needed	N/A	As Needed		N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			3	Host educational sessions for stakeholders	As Needed	N/A	As Needed		N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			4	Number of consumers assisted by SCDOI Consumer Help Line Switchboard	7,684	Market Driven	10,357	Fiscal Year	Office of Consumer Services Staff Reports	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			5	Number of consumer calls, inquiries addressed by Insurance Regulatory Analysts in the SCDOI's Office of Consumer Services	8,766	Market Driven	8,808	Fiscal Year	Office of Consumer Services Staff Reports	Sum of new calls and new visitors handled by staff (excluding switchboard) during FY	Volume tracking to ensure appropriate staffing/response time
	S		3		Evaluate opportunities for speedier resolution of some complaints							
Government and Citizens	O			1	Review and modify investigative procedures as necessary	100%	100%	100%	Fiscal Year	N/A	Report the procedures reviewed, the number modified or eliminated	Improving quality, efficiency and customer service
Government and Citizens	O			2	Explore cooperative initiatives with other program areas	100%	100%	2	Fiscal Year	N/A	Report on the number of investigations emanating from each program area	Communications
Government and Citizens	O			3	Provide document checklists to other program areas to facilitate document requests	100%	100%	3	Fiscal Year	N/A	Report the number of checklists developed	Improving quality, efficiency and customer service
Government and Citizens	O			4	Use graduated penalties where appropriate	100%	100%	100%	Fiscal Year	N/A	Report violations where graduated penalty used	Enforcement Measures
Government and Citizens	O			5	Percent of enforcement cases concluded within 365 days	Market Driven	Market Driven	97%	Fiscal Year	N/A	Number of open divided by # of closed for the year	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			6	Number of complaints resolved	3,364	As needed	3,371	Fiscal Year	Open/ Closed Complaint Report from SCDOI Market Conduct Database	Sum of number of files opened and closed during FY	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			7	Dollar amount returned to consumers through complaints resolution	\$ 5,087,542	Market Driven	\$ 4,866,639	Fiscal Year	Dashboard Recovered Amounts Reports from SCDOI Market Conduct Database	Sum of monthly recovered amounts for July 2015 through June 2016	Enforcement Measures

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2018-19			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	O			8	Complaint/Inquiry Turnaround Time (days)	10.3	Market Driven	13.32	Fiscal Year	N/A	Calculated by subtracting the date closed from the date opened; average across all complaints closed during the fiscal year.	Improving quality, efficiency and customer service
Government and Citizens	O			9	Average turnaround time (in days) to written consumer complaints	10.33	Market Driven	13.32	Fiscal Year	Open/ Closed Complaint Report from SCDOI Market Conduct Database	Average of the duration of days between complaint open date and complaint closed date for complaints opened and closed during the FY	Improving quality, efficiency and customer service
Government and Citizens	O			10	Number of enforcement cases concluded with action	Ongoing	Ongoing	143	Fiscal Year	Unit Monthly Report	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			11	Legal cases closed	100%	100%	355	Fiscal Year	N/A	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			12	Dollar amount of penalties assessed for violations of insurance and insurance-related statutes and rules	Market Driven	Market Driven	\$444,501		Unit monthly report	N/A	Enforcement Measures
Government and Citizens	O			13	Dollar amount of restitution assessed for violations of insurance and insurance-related statutes and rules	Market Driven	Market Driven	\$3M		Unit monthly report	N/A	Enforcement Measures
Government and Citizens	O			14	Number of referrals of alleged insurer fraud to state and federal prosecutors	Market Driven	Market Driven	7		N/A	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			15	Number of reports of insurer fraud received	Market Driven	Market Driven	7		N/A	N/A	Volume tracking to ensure appropriate staffing/response time
	S		4		Communicate compliance and enforcement statistics/trends to stakeholders							
Government and Citizens	O			1	Post orders on the DOI website	Market Driven	Market Driven	100%	Fiscal Year	N/A	Report the number of orders posted within 48 hours and distributed to stakeholders	Fiduciary requirements of Title 38 & NAIC
Education, Training, and Human Development	O			2	Circulate monthly report to all deputy directors	100%	100%	12	Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			3	Include information in the DOI Accountability Report	100%	100%	100%	Fiscal Year	N/A	# of investigations files opened # of investigation files closed; # of actions (fines, revocations, suspensions probation, and no action)	Improving quality, efficiency and customer service
Government and Citizens	O			4	Breakdown of complaint statistics by insurance carrier by year to public	100%	100%	100%	Fiscal Year	DOI Market Conduct Database; DOI website	Complaint data is made available upon request. Due to changes to our database, we are in the process of creating new reports by line of business to provide to the public.	Fiduciary requirements of Title 38 & NAIC
	G	4			Improve Operational Quality, Service Efficiency, and Departmental Productivity							
	S		1		Recruit, train and retain a knowledgeable and healthy staff							
Education, Training, and Human Development	O			1	Establish internship program with USC's and College of Charleston's Math, Business and Risk Management Departments; and with Clemson's School of Accountancy and Legal Studies (for finance, real estate, risk management, and insurance)	100%	100%	100%	Fiscal Year	N/A	N/A	Staffing measures
Education, Training, and Human Development	O			2	Update Succession/Workforce plans	100%	100%	100%	Fiscal Year	N/A	N/A	Staffing measures
Education, Training, and Human Development	O			3	Update Policies and Procedures manuals for each area	Ongoing	Ongoing	100%	Fiscal Year	N/A	N/A	Communications
Education, Training, and Human Development	O			4	Coordinate or Conduct Employee training/educational workshops	7	As needed	100%	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			5	Review internal controls and processes for Business Functions of Agency	100%	100%	100%	Fiscal Year	Audit Report	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			6	Develop wellness initiatives and encourage employees to participate through communication channels and offer incentives for participation	100%	As needed	100%	Fiscal Year	N/A	N/A	Communications

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2018-19			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Education, Training, and Human Development	O			7	Communicate and promote wellness benefits & initiatives to employees regularly and ensure they are aware of other wellness resources such as tobacco use programs, employee assistance programs and ergonomics options	100%	100%	100%	Fiscal Year	N/A	N/A	Communications
	S		2		Solicit proposals for more modern technological systems							
Government and Citizens	O			1	Modify Oracle system or select new system based on recommendations	100%	Ongoing	100%	Ongoing	N/A	N/A	Improving quality, efficiency and customer service
	S		3		Offer more e-filing and notification opportunities							
Government and Citizens	O			1	Provide for electronic notifications of licensees	85%	Ongoing	98%	Ongoing	N/A	N/A	Improving quality, efficiency and customer service
	S		4		Eliminate obsolete filing requirements							
Government and Citizens	O			1	Review processes and procedures for necessary modification	100%	100%	100%	Fiscal Year	N/A	Report survey questions and summary of stakeholder responses	Improving quality, efficiency and customer service
Government and Citizens	O			2	Notify stakeholders of changes via bulletins and compliance workshops	100%	100%	4	Fiscal Year	N/A	Report number of bulletins issued and topics	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			3	Review and withdraw any old bulletins	100%	100%	Reviewed bulletins for 1999-2007	Fiscal Year	N/A	Report the number of directives issued Number of bulletins recommended for modification and withdrawal with the reasons for doing so	Fiduciary requirements of Title 38 & NAIC
	S		5		Make website more interactive							
Government and Citizens	O			1	Update and enhance the website	Ongoing	Ongoing	Ongoing	Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Update technology to make data searchable	Ongoing	Ongoing	Ongoing	Fiscal Year	Monthly SC Safe Home Advisory Committee Mtgs.	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			3	Enhance database for SC Safe Home	100%	100%	100%	By Sept. 2014	Safe Homes Access Database	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			4	Increase the number of consumers using site	0.44	50%	49%	Fiscal Year	Piwik Analytics	Percentage of visitors who enter and exit on the same page without visiting other links or pages on site.	Improving quality, efficiency and customer service
Government and Citizens	O			5	Improve navigation and search ability	3:35	As needed	2:53	Fiscal Year	Piwik Analytics	Amount of time viewers spent on site.	Improving quality, efficiency and customer service
Government and Citizens	O			6	Increase variety of access methods for site information	As needed	As needed	1,247	Fiscal Year	Facebook	Total number of page Likes	Improving quality, efficiency and customer service
	S		6		Review and Maintain heightened level security DOI systems & facilities							
Education, Training, and Human Development	O			1	Conduct training sessions for all employees	100%	As needed	100%	Fiscal Year	Security file	N/A	Communications
Maintaining Safety, Integrity and Security	O			2	Integrate network security into daily operations	85%	100%	100%	by 7/1/16	Security file	N/A	Ensure adequate privacy and security protection for personal information
Education, Training, and Human Development	O			3	Make "Securing the Human" course mandatory for all on a yearly basis	N/A	100%	100%	Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information
Education, Training, and Human Development	O			4	Implement daily reminders of security – posters, pop-ups, emails	Daily	Monthly	Monthly	Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information
Maintaining Safety, Integrity and Security	O			5	Implement all DTO recommendations for IT Security immediately	90%	100%	100%	Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information
Maintaining Safety, Integrity and Security	O			6	Quarantine staff computers for assessment immediately upon possible DTO data breach notification	100%	100%	100%	Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information

Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
	G	1			Maintain a solvent and competitive insurance marketplace							
	S		1		Process Rates, Forms and Licenses promptly							
Government and Citizens	O			1	Percent of licenses who renew online	80%	80%		Fiscal Year	Licensing System	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Number of life, accident and health (LA&H) insurance rate and form filings processed	3,422	Market Driven		Fiscal Year	SERFF	Report of number of LA&H filings with a disposition date between start and end of FY (excluding rejected filings)	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			3	LA&H Filing Turnaround Time	12.07	Market Driven		Fiscal Year	SERFF	Average State Turnaround Days for filings with a disposition date between start and end of FY (excluding rejected filings)	Improving quality, efficiency and customer service
Government and Citizens	O			4	Number of property and casualty (P&C) insurance rate, rule and form filings processed	6,179	Market Driven		Fiscal Year	SERFF	Report of number of P&C filings with a disposition date between start and end of FY (excluding rejected filings)	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			5	P&C Filing Turnaround Time	8.43	Market Driven		Fiscal Year	SERFF	Average State Turnaround Days for filings with a disposition date between start and end of FY (excluding rejected filings)	Improving quality, efficiency and customer service
Government and Citizens	O			6	Totals number of licensed agents	189,286	Market Driven		Fiscal Year	Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			7	Number of regulated companies and other carriers	Traditional 1,732 Captives 171	Traditional 1,550 Captives 170		Fiscal Year	Company Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			8	Producer Licensing Turnaround Time (hours)	7 Hrs	7 Hrs		Fiscal Year		N/A	Improving quality, efficiency and customer service
Government and Citizens	O			9	Newly Licensed Individuals	65,490	Market Driven		Fiscal Year	Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
	S		2		Recruit new insurers to SC to write in underserved markets							
Government and Citizens	O			1	Track insurance entities licensed/approved/registered in SC	85	Market Driven		Fiscal Year	Company Licensing System	N/A	Volume tracking to ensure appropriate staffing/response time
	S		3		Monitor insurer solvency through financial analysis and examinations							
Government and Citizens	O			1	Conduct quarterly analysis of the financial statements of all domestic insurers, including domestic RRG Captives, authorized to transact business in SC to insure the company is not operating in a hazardous financial condition.	Traditional 140	Traditional 156		Calendar Year	Traditional Supervising Analyst	N/A	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			2	Conduct statutory and limited scope examinations of domestic insurers, including domestic RRG Captives, authorized to transact business in SC to insure the company is not operating in a hazardous financial condition and is not operating in a manner inconsistent with SC laws and regulations.	100%	100%		Every 3 years or 5 years depending on company type. Numbers will vary year over year.	Traditional Chief Financial Examiner	Statute	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			3	Conduct, no less than annually, analysis of the financial statements of all domestic Non-RRG Captives authorized to transact business in SC to insure the company is not operating in a hazardous financial condition.	248	263		Calendar Year	Captive Supervising Analyst	N/A	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			4	Conduct statutory and limited scope examinations of domestic Non-RRG Captives authorized to transact business in SC to insure the company is not operating in a hazardous financial condition and is not operating in a manner inconsistent with SC laws and regulations.	100%	100%		Every 3 years or 5 years depending on company type. Numbers will vary year over year.	Captive Chief Financial Examiner	Statute	Fiduciary requirements of Title 38 & NAIC

Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	O			5	Troubled Company Committee meets as necessary, but no less than quarterly, to discuss troubled or potentially troubled companies. The results of these meetings will be reported to the Director and Deputy Director as they occur.	6	10		Ongoing	Note: Committee meets quarterly or as needed but was not formed until FY'15.	Committee Records	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			6	Using available reporting, conduct a quarterly review of all foreign and alien insurers, including RRG Captives, authorized to transact business in SC. Contact the companies' domestic states with any concerns.	100%	100%		Ongoing	Captive and Traditional Supervising Analysts	Quarterly Reports	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			7	Review Captive Business Plan Changes on a timely basis.	100%	Market Driven		Ongoing	N/A	N/A	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			8	Number of entities receiving SC DOI solvency-related intervention	2	0		Ongoing	As Necessary	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			9	Captive Business Plan Changes - net days (Dept. processing time)	3.82	< 3		Fiscal Year	G. Delleney	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			10	Captive Business Plan Changes - total days (receipt to closure)	7.23	< 7		Fiscal Year	G. Delleney	N/A	Improving quality, efficiency and customer service
	S		4		Review insurance laws to reduce impediments to competition or market entry							
Government and Citizens	O			1	Review provisions of Title 38 affecting licensure of insurers	100%	100%		Fiscal Year	Code	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Identify laws that may require modification or repeal	As needed	As needed		Annually	N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			3	Prepare a report for the Agency's "Planned" Legislative agenda	1	1		Annually	N/A	N/A	Communications
	G	2			Promote voluntary compliance by enhancing education and outreach							
	S		1		Enhance the DOI's outreach program/activities							
Government and Citizens	O			1	Publish consumer education materials quarterly	99	As needed		Fiscal Year	PIO Printing And Distribution Reports	N/A	Communications
Government and Citizens	O			2	Develop and issue press releases quarterly for insurance-related events/topics	38	As needed		Fiscal Year	Published Citings On Web	N/A	Communications
	S		2		Conduct Educational Sessions throughout the state							
Government and Citizens	O			1	Conduct Annual Public Hearing Meeting on Status of the Wind Pool	N/A - No longer required	1		Fiscal Year	Annual Communication Plan, Status Of Wind Pool Report	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Industry Speaking Engagements	13	As needed		Ongoing	NA	N/A	Communications
Government and Citizens	O			3	Participate in trade shows and other community events	5	As needed		Fiscal Year	Annual Communication Plan	N/A	Communications
Government and Citizens	O			4	Issue bulletins and meet with industry groups	11 bulletins	100%		Fiscal Year	N/A	Report the number of industry meetings conducted and topics Report the number of bulletins issued	Improving quality, efficiency and customer service
	S		3		Implement Communications Plan							
Government and Citizens	O			1	Implement Communication guidelines	100%	100%		Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			2	Organize & conduct Department-wide staff meetings to update staff on agency activities	100%	As needed		Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			3	Send email to DOI staff on employee accomplishments, vacancies, etc.	100%	100%		Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			4	Communicate insurance related messages via PSAs and social media	438 (+)	100%		Fiscal Year	Annual Communication Plan	N/A	Improving quality, efficiency and customer service
	S		4		Educate DOI Employees							
Government and Citizens	O			1	Conduct training workshops per year on insurance-related topics	100%	As needed		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			2	CISR/AFE/APIR/PIR/CPCU/Aer/ACAS/CFE Trainings	100%	As needed		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			3	Security/Confidentiality Training	100%	100%		Fiscal Year	N/A	N/A	Ensure adequate privacy and security protection for personal information

Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Education, Training, and Human Development	O			4	Privacy Training and Education (includes internal newsletters, meetings, tips/alerts and seminars)	10	100%		Fiscal Year	N/A	N/A	Ensure adequate privacy and security protection for personal information
Education, Training, and Human Development	O			5	Host Webinars	100%	As needed		Fiscal Year	N/A	N/A	Communications
Education, Training, and Human Development	O			6	Participate in NAIC Meetings/Trainings	100%	As required		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
	S		5		Implement Disaster Response Plan							
Government and Citizens	O			1	Provide oversight, communication, and coordination of a broad and diverse group of partners	100%	100%		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Maintaining Safety, Integrity and Security	O			2	Employ an integrated all-hazards risk based approach for mitigation, response, continuity of operations, recovery, and preparedness planning for the department	100%	100%		Fiscal Year	N/A	N/A	Safety and sustainability measures
Maintaining Safety, Integrity and Security	O			3	Build local and state partnerships and coalitions	100%	100%		Fiscal Year	N/A	N/A	Safety and sustainability measures
Maintaining Safety, Integrity and Security	O			4	Enhance disaster preparedness capabilities through preparing, training, and exercising	4	4		Fiscal Year	N/A	N/A	Safety and sustainability measures
	G	3			Protect the public through effective regulatory enforcement of insurance laws							
	S		1		Ensure licensees are complying with the requirements of SC law							
Education, Training, and Human Development	O			1	Maintain NAIC Accreditation every Five (5) Years	100%	100%		Every 5 years	Deputy Director	Re-Accredited for 5 year period	Improving quality, efficiency and customer service
	S		2		Promote compliance through education							
Government and Citizens	O			1	Speak on enforcement related topics at industry and governmental events	100%	100%		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Participate in trade conferences for regulated entities	As Needed	N/A			N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			3	Host educational sessions for stakeholders	As Needed	N/A			N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			4	Number of consumers assisted by SCDOI Consumer Help Line Switchboard	10,357	Market Driven		Fiscal Year	Office of Consumer Services Staff Reports	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			5	Number of consumer calls, inquiries addressed by Insurance Regulatory Analysts in the SCDOI's Office of Consumer Services	8,808	Market Driven		Fiscal Year	Office of Consumer Services Staff Reports	Sum of new calls and new visitors handled by staff (excluding switchboard) during FY	Volume tracking to ensure appropriate staffing/response time
	S		3		Evaluate opportunities for speedier resolution of some complaints							
Government and Citizens	O			1	Review and modify investigative procedures as necessary	100%	100%		Fiscal Year	N/A	Report the procedures reviewed, the number modified or eliminated	Improving quality, efficiency and customer service
Government and Citizens	O			2	Explore cooperative initiatives with other program areas	2	100%		Fiscal Year	N/A	Report on the number of investigations emanating from each program area	Communications
Government and Citizens	O			3	Provide document checklists to other program areas to facilitate document requests	3	100%		Fiscal Year	N/A	Report the number of checklists developed	Improving quality, efficiency and customer service
Government and Citizens	O			4	Use graduated penalties where appropriate	100%	100%		Fiscal Year	N/A	Report violations where graduated penalty used	Enforcement Measures
Government and Citizens	O			5	Percent of enforcement cases concluded within 365 days	97%	Market Driven		Fiscal Year	N/A	Number of open divided by # of closed for the year	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			6	Number of complaints resolved	3,371	As needed		Fiscal Year	Open/ Closed Complaint Report from SCDOI Market Conduct Database	Sum of number of files opened and closed during FY	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			7	Dollar amount returned to consumers through complaints resolution	\$ 4,866,639	Market Driven		Fiscal Year	Dashboard Recovered Amounts Reports from SCDOI Market Conduct Database	Sum of monthly recovered amounts for July 2015 through June 2016	Enforcement Measures
Government and Citizens	O			8	Complaint/Inquiry Turnaround Time (days)	13.32	Market Driven		Fiscal Year	N/A	Calculated by subtracting the date closed from the date opened; average across all complaints closed during the fiscal year.	Improving quality, efficiency and customer service

Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	O			9	Average turnaround time (in days) to written consumer complaints	13.32	Market Driven		Fiscal Year	Open/ Closed Complaint Report from SCDOI Market Conduct Database	Average of the duration of days between complaint open date and complaint closed date for complaints opened and closed during the FY	Improving quality, efficiency and customer service
Government and Citizens	O			10	Number of enforcement cases concluded with action	143	Ongoing		Fiscal Year	Unit Monthly Report	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			11	Legal cases closed	355	100%		Fiscal Year	N/A	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			12	Dollar amount of penalties assessed for violations of insurance and insurance-related statutes and rules	\$444,501	Market Driven			Unit monthly report	N/A	Enforcement Measures
Government and Citizens	O			13	Dollar amount of restitution assessed for violations of insurance and insurance-related statutes and rules	\$3M	Market Driven			Unit monthly report	N/A	Enforcement Measures
Government and Citizens	O			14	Number of referrals of alleged insurer fraud to state and federal prosecutors	7	Market Driven			N/A	N/A	Volume tracking to ensure appropriate staffing/response time
Government and Citizens	O			15	Number of reports of insurer fraud received	7	Market Driven			N/A	N/A	Volume tracking to ensure appropriate staffing/response time
	S		4		Communicate compliance and enforcement statistics/trends to stakeholders							
Government and Citizens	O			1	Post orders on the DOI website	100%	Market Driven		Fiscal Year	N/A	Report the number of orders posted within 48 hours and distributed to stakeholders	Fiduciary requirements of Title 38 & NAIC
Education, Training, and Human Development	O			2	Circulate monthly report to all deputy directors	12	100%		Fiscal Year	N/A	N/A	Communications
Government and Citizens	O			3	Include information in the DOI Accountability Report	100%	100%		Fiscal Year	N/A	# of investigations files opened # of investigation files closed; # of actions (fines, revocations, suspensions probation, and no action)	Improving quality, efficiency and customer service
Government and Citizens	O			4	Breakdown of complaint statistics by insurance carrier by year to public	100%	100%		Fiscal Year	DOI Market Conduct Database; DOI website	Complaint data is made available upon request. Due to changes to our database, we are in the process of creating new reports by line of business to provide to the public.	Fiduciary requirements of Title 38 & NAIC
	G		4		Improve Operational Quality, Service Efficiency, and Departmental Productivity							
	S		1		Recruit, train and retain a knowledgeable and healthy staff							
Education, Training, and Human Development	O			1	Establish internship program with USC's and College of Charleston's Math, Business and Risk Management Departments; and with Clemson's School of Accountancy and Legal Studies (for finance, real estate, risk management, and insurance)	100%	100%		Fiscal Year	N/A	N/A	Staffing measures
Education, Training, and Human Development	O			2	Update Succession/Workforce plans	100%	100%		Fiscal Year	N/A	N/A	Staffing measures
Education, Training, and Human Development	O			3	Update Policies and Procedures manuals for each area	100%	Ongoing		Fiscal Year	N/A	N/A	Communications
Education, Training, and Human Development	O			4	Coordinate or Conduct Employee training/educational workshops	100%	As needed		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			5	Review internal controls and processes for Business Functions of Agency	100%	100%		Fiscal Year	Audit Report	N/A	Improving quality, efficiency and customer service
Education, Training, and Human Development	O			6	Develop wellness initiatives and encourage employees to participate through communication channels and offer incentives for participation	100%	As needed		Fiscal Year	N/A	N/A	Communications
Education, Training, and Human Development	O			7	Communicate and promote wellness benefits & initiatives to employees regularly and ensure they are aware of other wellness resources such as tobacco use programs, employee assistance programs and ergonomics options	100%	100%		Fiscal Year	N/A	N/A	Communications
	S		2		Solicit proposals for more modern technological systems							
Government and Citizens	O			1	Modify Oracle system or select new system based on recommendations	100%	Ongoing		Ongoing	N/A	N/A	Improving quality, efficiency and customer service
	S		3		Offer more e-filing and notification opportunities							

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Accountability Report

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	O			1	Provide for electronic notifications of licensees	98%	Ongoing		Ongoing	N/A	N/A	Improving quality, efficiency and customer service
	S			4	Eliminate obsolete filing requirements							
Government and Citizens	O			1	Review processes and procedures for necessary modification	100%	100%		Fiscal Year	N/A	Report survey questions and summary of stakeholder responses	Improving quality, efficiency and customer service
Government and Citizens	O			2	Notify stakeholders of changes via bulletins and compliance workshops	4	100%		Fiscal Year	N/A	Report number of bulletins issued and topics	Fiduciary requirements of Title 38 & NAIC
Government and Citizens	O			3	Review and withdraw any old bulletins	Reviewed bulletins for 1999-2007	100%		Fiscal Year	N/A	Report the number of directives issued Number of bulletins recommended for modification and withdrawal with the reasons for doing so	Fiduciary requirements of Title 38 & NAIC
	S			5	Make website more interactive							
Government and Citizens	O			1	Update and enhance the website	Ongoing	Ongoing		Fiscal Year	N/A	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			2	Update technology to make data searchable	Ongoing	Ongoing		Fiscal Year	Monthly SC Safe Home Advisory Committee Mtgs.	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			3	Enhance database for SC Safe Home	100%	100%		By Sept. 2014	Safe Homes Access Database	N/A	Improving quality, efficiency and customer service
Government and Citizens	O			4	Increase the number of consumers using site	49%	50%		Fiscal Year	Piwik Analytics	Percentage of visitors who enter and exit on the same page without visiting other links or pages on site.	Improving quality, efficiency and customer service
Government and Citizens	O			5	Improve navigation and search ability	2:53	As needed		Fiscal Year	Piwik Analytics	Amount of time viewers spent on site.	Improving quality, efficiency and customer service
Government and Citizens	O			6	Increase variety of access methods for site information	1,247	As needed		Fiscal Year	Facebook	Total number of page Likes	Improving quality, efficiency and customer service
	S			6	Review and Maintain heightened level security DOI systems & facilities							
Education, Training, and Human Development	O			1	Conduct training sessions for all employees	100%	As needed		Fiscal Year	Security file	N/A	Communications
Maintaining Safety, Integrity and Security	O			2	Integrate network security into daily operations	100%	100%		by 7/1/16	Security file	N/A	Ensure adequate privacy and security protection for personal information
Education, Training, and Human Development	O			3	Make "Securing the Human" course mandatory for all on a yearly basis	100%	100%		Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information
Education, Training, and Human Development	O			4	Implement daily reminders of security – posters, pop-ups, emails	Monthly	Monthly		Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information
Maintaining Safety, Integrity and Security	O			5	Implement all DTO recommendations for IT Security immediately	100%	100%		Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information
Maintaining Safety, Integrity and Security	O			6	Quarantine staff computers for assessment immediately upon possible DTO data breach notification	100%	100%		Fiscal Year	Security file	N/A	Ensure adequate privacy and security protection for personal information

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Program Template

Program/Title	Purpose	FY 2018-19 Expenditures (Actual)				FY 2019-20 Expenditures (Projected)				Associated Measure(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I. Administration		\$ 1,570,651	\$ 828,487	\$ -	\$ 2,399,138	\$ 1,670,147	\$ 1,547,492	\$ -	\$ 3,217,639	
Administration (0100.000000.000)	Administration: Office of General Counsel, Information Resource Management(IRM), Executive Services	\$ 1,570,651	\$ 828,487		\$ 2,399,138	\$ 1,670,147	\$ 1,547,492		\$ 3,217,639	1.4.1-1.4.3; 2.1.1-2.1.2; 2.2.2-2.2.4; 2.3.1-2.3.4; 2.4.1; 2.4.3-2.4.6; 2.5.1- 2.5.4; 3.2.1-3.2.3; 3.3.1- 3.3.5; 3.3.10-3.3.15; 3.4.1- 3.4.3; 4.1.1-4.1.7; 4.2.1; 4.4.2-4.4.3; 4.5.1-4.5.2; 4.5.5-4.5.6; 4.6.1-4.6.6
II. Program and Services		\$ 1,725,989	\$ 7,637,876	\$ -	\$ 9,363,865	\$ 1,823,494	\$ 10,888,729	\$ -	\$ 12,712,223	
A. Solvency (4000.050000.000)	Solvency: Financial Examination, Market Conduct Examinations, Financial Analysis, Securities, Securities Custodian and Historical Databases	\$ 345,074	\$ 709,840		\$ 1,054,914	\$ 352,543	\$ 1,036,657		\$ 1,389,200	1.1.7; 1.2.1; 1.3.1-1.3.2; 1.3.5; 1.3.8; 1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.2-2.2.4; 2.3.1-2.3.4; 2.4.1-2.4.2; 2.4.5-2.4.6; 2.5.1-2.5.4; 3.1.1; 3.2.1-3.2.3; 3.3.1- 3.3.5; 3.3.10-3.3.15; 3.4.1- 3.4.2; 4.1.1-4.1.7; 4.3.1; 4.4.1-4.4.3; 4.5.1-4.5.6; 4.6.2; 4.6.5-4.6.6
B. Licensing (4000.100000.000)	Licensing: Individual Licensing, Companies, Insurer/HMO Licensing, Education, Special Services Division, Third Party Administration Licenses, Utilization Review and Service Contract Providers	\$ 63,213	\$ 534,145		\$ 597,358	\$ 129,323	\$ 746,563		\$ 875,886	1.1.1; 1.1.6; 1.1.8-1.1.9; 1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.2-2.2.4; 2.3.1-2.3.4; 2.4.1-2.4.2; 2.4.5-2.4.6; 2.5.1-2.5.4; 3.2.1-3.2.3; 3.3.1-3.3.5; 3.3.10-3.3.15; 3.4.1-3.4.2; 4.1.1-4.1.7; 4.3.1; 4.4.1-4.4.3; 4.5.1- 4.5.2; 4.5.5-4.5.6; 4.6.2; 4.6.5-4.6.6

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DEPARTMENT OF INSURANCE

Fiscal Year 2018-2019
Accountability Report

Agency Code:

R200

Section:

078

Program Template

Program/Title	Purpose	FY 2018-19 Expenditures (Actual)				FY 2019-20 Expenditures (Projected)				Associated Measure(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
C. Taxation (4000.150000.000)	Premium Tax Collection	\$ 100,536	\$ 108,990		\$ 209,525	\$ 68,307	\$ 322,742	\$ 391,049	1.1.7; 1.3.5; 1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.2-2.2.4; 2.3.1-2.3.4; 2.4.1-2.4.2; 2.4.5-2.4.6; 2.5.1-2.5.4; 3.2.1-3.2.3; 3.3.1-3.3.5; 3.3.10-3.3.15; 3.4.1-3.4.2; 4.1.1-4.1.7; 4.3.1; 4.4.1- 4.4.3; 4.5.1-4.5.2; 4.5.5- 4.5.6; 4.6.2; 4.6.5-4.6.6	
D. Consumer Svcs/Complt (4000.200000.000)	Consumer Assistance	\$ 338,979	\$ 282,448		\$ 621,427	\$ 348,415	\$ 401,200	\$ 749,615	1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.3-2.2.4; 2.3.1-2.3.4; 2.4.1-2.4.2; 2.4.5-2.4.6; 2.5.1-2.5.4; 3.2.1-3.2.5; 3.3.1-3.3.15; 3.4.1-3.4.2; 3.4.4; 4.1.1-4.1.7; 4.4.1- 4.4.3; 4.5.1-4.5.2; 4.5.4- 4.5.6; 4.6.2; 4.6.5-4.6.6	
E. Policy Forms & Rates (4000.250000.000)	Policy Forms and Rates: Review Financial Condition and Residual Market	\$ 878,187	\$ 396,901		\$ 1,275,088	\$ 924,906	\$ 675,660	\$ 1,600,566	1.1.2-1.1.5; 1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.2-2.2.4; 2.3.1-2.3.4; 2.4.1-2.4.2; 2.4.5-2.4.6; 2.5.1-2.5.4; 3.2.1-3.2.3; 3.3.1-3.3.5; 3.3.10-3.3.15; 3.4.1-3.4.2; 3.4.4; 4.1.1-4.1.7; 4.4.1- 4.4.3; 4.5.1-4.5.2; 4.5.5- 4.5.6; 4.6.2; 4.6.5-4.6.6	
F. Loss Mitigation (4000.300000.000)	Hurricane Loss Mitigation		\$ 2,605,433		\$ 2,605,433		\$ 3,849,252	\$ 3,849,252	1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.1-2.2.4; 2.3.1-2.3.4; 2.4.1; 2.4.5; 2.5.1-2.5.4; 3.2.1-3.2.3; 3.3.1-3.3.5; 3.3.10-3.3.15; 3.4.1-3.4.2; 4.1.1-4.1.7; 4.4.1-4.4.3; 4.5.1-4.5.3; 4.5.5-4.5.6; 4.6.2; 4.6.5-4.6.6	

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Accountability Report

Agency Code: R200 Section: 078

Program Template

Program/Title	Purpose	FY 2018-19 Expenditures (Actual)				FY 2019-20 Expenditures (Projected)				Associated Measure(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
G. Uninsured Motorists (4000.350000.000)	Allocation to Insurance Companies to Reduce Uninsured Motorist Premiums to SC Policy Holders		\$ 1,999,007		\$ 1,999,007		\$ 2,155,000		\$ 2,155,000	
H. Captives (4000.400000.000)	Captives & ARTS MKT SVC's		\$ 1,001,112		\$ 1,001,112		\$ 1,701,655		\$ 1,701,655	1.1.7; 1.2.1; 1.3.1-1.3.10; 1.4.1-1.4.2; 2.1.1-2.1.2; 2.2.2-2.2.4; 2.3.1-2.3.4; 2.4.1-2.4.2; 2.4.5-2.4.6; 2.5.1-2.5.4; 3.1.1; 3.2.1- 3.2.3; 3.3.1-3.3.5; 3.3.10- 3.3.15; 3.4.1-3.4.2; 4.1.1- 4.1.7; 4.4.1-4.4.3; 4.5.1- 4.5.2; 4.5.5-4.5.6; 4.6.2; 4.6.5-4.6.6
III. Employee Benefits		\$ 972,080	\$ 1,000,577	\$ -	\$ 1,972,657	\$ 1,035,468	\$ 1,194,533	\$ -	\$ 2,230,001	
C. Employer Contributions (9500.050000.000)	Employer Fringe Benefits	\$ 972,080	\$ 1,000,577		\$ 1,972,657	\$ 1,035,468	\$ 1,194,533		\$ 2,230,001	
					\$ -				\$ -	
Totals		\$ 4,268,720	\$ 9,466,940	\$ -	\$ 13,735,660	\$ 4,529,109	\$ 13,630,754	\$ -	\$ 18,159,863	

Agency Name: DEPARTMENT OF INSURANCE

Fiscal Year 2018-2019

Accountability Report

Agency Code: R200 Section: 078

Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	<i>If yes, what type of service or product?</i>	<i>If other service or product, please specify what service or product.</i>
1	1-1-110	State	Statute	Establishes the South Carolina Department of Insurance as a part of the Executive Department	No	Yes	Most insurance statutes do not specify who the customer is. However, the Department is established to protect the insurance consumers.	
2	1-30-10	State	Statute	Names the agencies that are part of the executive branch of government	No	No		
3	1-30-55	State	Statute	Transferred all rights and duties to the SCDOI as a part of the 1995 restructuring of state government	No	Yes	Protects insurance consumers	
4	8-3-10	State	Statute	The oath of office must be taken before the person can assume the duties of the office	No	No		
5	8-3-30	State	Statute	Provides the requirements for the bond for all public officials	No	No		
6	38-1-10	State	Statute	Establishes the South Carolina insurance law; SCDOI charged with responsibility of enforcing the insurance laws of the state	No	Yes	Protects insurance consumers	
7	38-1-20	State	Statute	Insurance Definitions for Title 38	No	No		
8	38-2-10	State	Statute	Establishes certain administrative penalties for violations of the insurance laws	No	Yes	Protects insurance consumers	
9	38-3-40	State	Statute	Establishes the Department of Insurance and the position of Director of Insurance	No	Yes	Enforce insurance laws	
10	38-3-40	State	Statute	Sets compensation parameters for the Director of Insurance	no	No		
11	38-3-60	State	Statute	Sets the general authority for the Director of Insurance; Directors and designees must follow the general policies and broad objectives established by the General Assembly for the operation of the insurance industry	No	Yes	The public is the DOI customer	
12	38-3-80	State	Statute	Provides for the Department seal	No	No		
13	38-3-100	State	Statute	Director of Insurance has no grievance rights; shall devote all time and energy to duties of his office and shall sever any and all ties with the insurance industry	No	No		
14	38-3-110	State	Statute	Sets for the duties of the Director of Insurance	No	Yes	Director enforces insurance laws for the benefit of the public	
15	38-3-120	State	Statute	Director must take an oath and secure a bond	no	Yes	Director must secure a bond; bond for protection of the public	
16	38-3-130	State	Statute	Director may hire or appoint actuaries, examiners, clerks and other employees for the proper execution of the work of the Department.	no	Yes	Protects insurance consumers	
17	38-3-140	State	Statute	Violations are deemed to have been committed at the Office of the Director in Columbia	No	Yes	Protects insurance consumers	
18	38-3-150	State	Statute	Provides general information about who may conduct investigations or hearings	No	Yes	Protects insurance consumers	
19	38-3-160	State	Statute	Director, agents or assistants shall administer all required oaths	No	No		
20	38-3-170	State	Statute	Provides the requirements for hearing notices	No	Yes	Protects insurance consumers and licensees	
21	38-3-180	State	Statute	The Director or his assistants or agents appointed to conduct examinations may summon and compel the attendance or witnesses as a part of any insurance examination or investigation and to hold witnesses failing or refusing to answer in contempt. Director and agents may administer oaths and false testimony is considered perjury.	No	Yes	Protects insurance consumers and licensees	
22	38-3-190	State	Statute	SCDOI may pay witnesses mileage	No	No		
23	38-3-200	State	Statute	Orders must be written and signed by the director or his designee to be effective	No	Yes	Protects insurance consumers and licensees	
24	38-3-210	State	Statute	Orders or decisions are subject to judicial review in accordance with the procedures of the Administrative Law Division	no	Yes	Protects insurance consumers subject licensees	
25	38-3-220	State	Statute	Documents executed by the director shall have upon them the state seal and copies of them shall have the same force and effect as the originals.	no	Yes	Protects insurance consumers director licensees	
26	38-3-230	State	Statute	Any license issued with the Department seal is evidence that the licensee has the authority to do business in this state	no	Yes	Protects insurance consumers the licensees	
27	69-1	State	Regulation	Adjustment of Claims Under Unusual Circumstances	No	Yes	The public is the DOI customer	
28	69-3	State	Regulation	Definitions	no	No		
29	69-4	State	Regulation	Life, Accident and Health Insurance - Reserve Tabulations	No	Yes	The public is the DOI customer	
30	69-5	State	Regulation	Policy Approvals	No	Yes	The public is the DOI customer	
31	69-5.1	State	Regulation	Minimum Standards for the Readability of Commonly Purchased Insurance Policies	No	Yes	The public is the DOI customer	
32	69-6	State	Regulation	Brokers Licenses	Yes	Yes	Protects insurance consumers Broker licensees	

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33	69-7	State	Regulation	Minimum Reserve Standards for Individual and Group Accident and Health Insurance Contracts	No	Yes	The public is the DOI customer	
34	69-8	State	Regulation	Reserves for Mortgage Guaranty Insurance	No	Yes	The public is the DOI customer	
35	69-9	State	Regulation	Proxies, Consents and Authorizations of Domestic Insurers	Yes	Yes	Protects insurance consumers of licensees	
36	69-10	State	Regulation	Premium Service Companies	Yes	Yes	Protects insurance consumers Broker licensees	
37	69-11.1	State	Regulation	Regulation of Credit Insurance	No	Yes	The public is the DOI customer	
38	69-12	State	Regulation	Variable Contracts	No	Yes	The public is the DOI customer	
39	69-12.1	State	Regulation	Replacement of Life Insurance and Annuities	No	Yes	The public is the DOI customer	
40	69-13-.3	State	Regulation	Uniform Class and Territory Plan - Motorcycles	No	Yes	Protects insurance consumers Plan licensees	
41	69-14	State	Regulation	Insurance Holding Company Systems	Yes	No		
42	69-15	State	Regulation	South Carolina Deposits Required of Insurers	No	Yes	the public is the DOI customer	
43	69-18	State	Regulation	Title Insurance	No	Yes	Protects insurance consumers Broker licensees	
44	69-20	State	Regulation	Campus Life Insurance	No	Yes	Protects insurance consumers Broker licensees	
45	69-22	State	Regulation	Health Maintenance Organizations	Yes	Yes	Protects insurance consumers Broker licensees	
46	69-23	State	Regulation	Adjuster, Public Adjuster, Appraiser, Broker, Bondsmen, Runner, Producer and Agency Licenses	Yes	Yes	Protects insurance consumers Broker licensees	
47	69-24	State	Regulation	Workmen's Compensation - Dividends to Policyholders	No	Yes	The public is the DOI customer	
48	69-25	State	Regulation	Prohibition Against Decreases in Income Benefits from Group Disability Policies due to Increases in Social Security Benefits	No	Yes	The public is the DOI customer	
49	69-27	State	Regulation	Guaranty Act - Applicability	No	Yes	The public is the DOI customer	
50	69-29	State	Regulation	Suitability in Annuity Transactions	No	Yes	The public is the DOI customer	
51	69-30	State	Regulation	Life Insurance Disclosure Regulation	No	Yes	The public is the DOI customer	
52	69-31	State	Regulation	Practice and Procedure for Hearings before the Chief Insurance Commissioner under the State Administrative Procedures Act, Act No. 176 of 1977	No	Yes	The public is the DOI customer	
53	69-32	State	Regulation	Unfair Discrimination on the Basis of Blindness or Partial Blindness	Yes	Yes	Protects insurance consumers Basis licensees	
54	69-33	State	Regulation	Dates for Payments of License Fees/Appointment Fees for Adjusters, Agencies, Bail Bondsmen/Runners, Brokers, Motor Vehicle Physical Damage Appraisers, Premium Service Companies, Producer Appointments, Producers, Public Adjusters, Rental Car Companies, Service Contract Providers, Third Party Administrators and Utilization Review Agents	Yes	Yes	Other service or product our agency must/may provide	Collections mostly for the General Fund
55	69-34	State	Regulation	Individual Accident and Health Insurance Minimum Standards	No	Yes	The public is the DOI customer	
56	69-34.1	State	Regulation	Accident and Health Insurance Solicitations	No	Yes	The public is the DOI customer	
57	69-34.;2	State	Regulation	Replacement of Accident and Health Insurance	No	Yes	The public is the DOI customer	
58	69-36	State	Regulation	Procedure for Permitting Same Minimum No forfeiture Standards for Men and Women Under 1980 CSO and CET Mortality Tables	No	Yes	The public is the DOI customer	
59	69-37	State	Regulation	Annuity Mortality Tables for Use in Determining Reserve Liabilities for Annuities	No	Yes	The public is the DOI customer	
60	69-38	State	Regulation	Regulation Permitting Smoker/Nonsmoker Mortality Tables for Use in Determining Minimum Reserve Liabilities and No forfeiture Benefits	No	Yes	The public is the DOI customer	
61	69-39	State	Regulation	Annuity Disclosure Regulation	No	Yes	The public is the DOI customer	
62	69-40	State	Regulation	Life Insurance Policy Illustration Rules	Yes	Yes	Protects insurance consumers Rules licensees	
63	69-40.1	State	Regulation	Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities	Yes	Yes	Protects insurance consumers Certifications licensees	
64	69-41	State	Regulation	Prepaid Dental Service	No	Yes	The public is the DOI customer	
65	69-42	State	Regulation	Multiple Employer Self-Insured Plans	No	Yes	The public is the DOI customer	
66	69-43	State	Regulation	Group Health Insurance Coordination of Benefits	No	Yes	The public is the DOI customer	
67	69-44	State	Regulation	Long Term Care Insurance	No	Yes	The public is the DOI customer	
68	69-45	State	Regulation	Data Reporting and Determination of Excess Profits	No	Yes	The public is the DOI customer	
69	69-46	State	Regulation	Medicare Supplement Insurance	No	Yes	The public is the DOI customer	
70	69-47	State	Regulation	Private Review Agents	Yes	Yes	Protects insurance consumers	

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71	69-48	State	Regulation	Life and Health Reinsurance Agreements	No	Yes	Protects insurance consumers	
72	69-50	State	Regulation	Continuing Insurance Education	No	Yes	Protects insurance consumers	
73	69-52	State	Regulation	Actuarial Opinion and Memorandum Regulation	No	Yes	Protects insurance consumers	
74	69-53	State	Regulation	Credit for Reinsurance	No	Yes	Protects insurance consumers	
75	69-54	State	Regulation	Experience Modification for Staff Leasing Services Companies in the Workers Compensation Assigned Risk Plan	no	Yes	Protects insurance consumers	
76	69-56	State	Regulation	Named Storm or Wind/Hail Deductible	No	Yes	Protects insurance consumers	
77	69-57	State	Regulation	Valuation of Life Insurance Policies	No	Yes	Protects insurance consumers	
78	69-57.1	State	Regulation	Recognition of the 2001 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities and No forfeiture Benefits	No	Yes	Protects insurance consumers	
79	69-57.2	State	Regulation	Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities	No	Yes	Protects insurance consumers	
80	69-57.3	State	Regulation	Preneed Life Insurance Minimum Standards for Determining Reserve Liabilities and No forfeiture Values	No	Yes	Protects insurance consumers	
81	69-58	State	Regulation	Privacy of Consumer Financial and Health Information	Yes	Yes	Protects insurance consumers and beneficiaries	
82	69-60	State	Regulation	Captive Insurance Companies	Yes	Yes	Protects insurance consumers	
83	69-61	State	Regulation	Service Contracts	No	Yes	Protects insurance consumers	
84	69-62 et seq	State	Regulation	Closeout and Termination of the SCAAIP	No	Yes	Protects insurance consumers	
85	69-63	State	Regulation	South Carolina Reinsurance Facility Recoupment	No	Yes	Protects insurance consumers	
86	69-64	State	Regulation	Exempt Commercial Policies	Yes	Yes	Protects insurance consumers	
87	69-65	State	Regulation	Military Sales Practices	Yes	Yes	Protects insurance consumers	
88	69-70	State	Regulation	Annual Audited Financial Reporting Regulation	Yes	Yes	Protects insurance consumers	
89	69-75	State	Regulation	Tax Credits for Fortification Measures	Yes	Yes	Protects insurance consumers	
90	69-76	State	Regulation	Safe Home Program Wind Inspectors and Contractors	Yes	Yes	Protects insurance consumers	
	McCarran-Ferguson Act	Federal	Federal Statute	The McCarran-Ferguson Act of 1945 (15 U.S.C.A. § 1011 et seq.) gives states the authority to regulate the "business of insurance" without interference from federal regulation, unless federal law specifically provides otherwise. The act provides that the "business of insurance, and every person engaged therein, shall be subject to the laws of the several States which relate to the regulation or taxation of such business." Congress passed the McCarran-Ferguson Act primarily in response to the Supreme Court case of United States v. South-Eastern Underwriters Ass'n, 322 U.S. 533, 64 S. Ct. 1162, 88 L. Ed. 1440 (1944).	No	Yes	Protects insurance consumers	
91				The McCarran-Ferguson Act provides that state law shall govern the regulation of insurance and that no act of Congress shall invalidate any state law unless the federal law specifically relates to insurance. The act thus mandates that a federal law that does not specifically regulate the business of insurance will not preempt a state law enacted for that purpose. A state law has the purpose of regulating the insurance industry if it has the "end, intention or aim of adjusting, managing, or controlling the business of insurance" (U.S. Dept. of Treasury v. Fabe, 508 U.S. 491, 113 S. Ct. 2202, 124 L. Ed. 2d 449 [1993]).				

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92	Privacy Act of 1974	Federal	Federal Statute	The Privacy Act of 1974 is a code of fair information practices which mandates how Government agencies maintain records about individuals. The Privacy Act requires that Government agencies: collect only information that is relevant, accurate, complete, and necessary to carry out an agency function; maintain no secret records on individuals. The Privacy Act only applies to Government records that contain information on individuals, are maintained by a Government agency or its contractors in an approved system of records, and are retrieved by a personal identifier, such as a person's name, Social Security Number, medical record number or other unique identifier.	No	Yes	Protects insurance consumers	
93	Health Insurance Portability and Accountability Act (1996)	Federal	Federal Statute	The Health Insurance Portability and Accountability Act (HIPAA) of 1996 (P.L. 104-191) amends the Internal Revenue Code of 1986 and is designed to improve the portability and continuity of health insurance coverage in the group and individual health insurance markets; combat waste, fraud and abuse in health insurance and health care delivery; promote the use of medical savings accounts; improve access to long-term care services and coverage and simplify the administration of health insurance. It contains standards for the electronic health information transactions; requires providers and health plans to use the standards for the specified electronic transactions; requires privacy standards to be enacted; and specifies the situations where state law may be preempted and the penalties that may be imposed for violations.	Yes	Yes	Protects insurance consumers	
94	Employee Retirement Income Security Act of 1974	Federal	Federal Statute	ERISA outlines minimum federal standards for private employer-sponsored benefits such as requiring a plan administrator to provide a summary of plan benefits to employees, file annual reports, maintain procedures for claiming benefits and provide administrative and judicial remedies for beneficiaries. HIPAA was enacted to address concerns that insured persons have about losing their coverage if they change jobs or health plans. HIPAA established federal requirements to ensure the availability and renewability of coverage for certain employees and other persons under certain circumstances.	No	Yes	Protects insurance consumers	
95	Gramm-Leach-Bliley	Federal	Federal Statute	The Gramm-Leach-Bliley Act broke down the barriers in statutes between banking and insurance. It made it possible for banks to own insurance companies and insurance companies to own banks. It recognized insurance as a financial product. It sets forth specific requirements for financial transactions. It also requires many companies to give consumers privacy notices that explain the institutions' information-sharing practices	No	Yes	Protects insurance consumers	
96	Sarbanes-Oxley	Federal	Federal Statute	The Sarbanes-Oxley Act created new standards for corporate accountability as well as new penalties for acts of wrongdoing. It changes how corporate boards and executives must interact with each other and with corporate auditors. It removes the defense of "I wasn't aware of financial issues" from CEOs and CFOs, holding them accountable for the accuracy of financial statements. The Act specifies new financial reporting responsibilities, including adherence to new internal controls and procedures designed to ensure the validity of their financial records.	No	Yes	Protects insurance consumers	
97	Terrorism Risk in Insurance Act	Federal	Federal Statute	TRIA establishes a program authorizing the federal government to cover a substantial portion of losses caused by a terrorist attack. The Terrorism Risk Insurance Act of 2002, Pub. L. No. 107-297, 116 Stat. 2322 covers up to \$100 billion in total insured losses. The Act also creates certain requirements for insurers and is likely to affect upcoming insurance renewals and premium rates.	No	Yes	Protects insurance consumers and licensees	

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98	18 USC 1033, 1034	Federal	Federal Statute	Individuals convicted of a crime involving dishonesty, breach of trust or a violation of the Act cannot work or continue to work in the insurance industry without receiving the written consent of the chief insurance regulatory official authorized to regulate the insurer. A prohibited person who continues to work or works without the written consent of the insurance commissioner risks federal criminal penalties. There is no automatic waiver or grandfather provisions.	No	Yes	Protects insurance consumers	
99	Pregnancy in Discrimination Act	Federal	Federal Statute	The Pregnancy Discrimination Act 12 requires businesses with 15 or more employees to cover expenses for pregnancy and medical conditions related to pregnancy on the same basis as coverage for other medical conditions.	Yes	Yes	Protects insurance consumers requires licensees	
100	Newborns' and Mothers' Health Protection Act of 1996	Federal	Federal Statute	This statute requires that employer-sponsored health coverage that includes hospital stays in connection with childbirth must cover a minimum length of stay for mothers and newborns following delivery. For vaginal deliveries, the coverage provided cannot restrict hospital stays to less than 48 hours; for caesarean births, the coverage provided cannot restrict hospital stays to less than 96 hours.	Yes	Yes	Protects insurance consumers	
101	Mental Health Parity Act of 1996	Federal	Federal Statute	The Mental Health Parity Act of 1996 requires that mental health benefits included in employer-sponsored health coverage cannot have annual or lifetime dollar limits on mental health benefits that are lower than any such dollar limits for medical and surgical benefits. The law does not apply to (1) coverage sponsored by a small business with 50 or fewer employees and (2) coverage sponsored by larger businesses that experience an increase in total claims costs of at least 1 percent as a result of complying with the act. The health coverage may still contain other limits, such as those on the number of days or visits covered	Yes	Yes	Protects insurance consumers	
102	Women's Health and Cancer Rights Act of 1998	Federal	Federal Statute	The Women's Health and Cancer Rights Act of 1998 requires that employer-sponsored health coverage that provides coverage for mastectomies also cover related reconstructive surgery and other mastectomy-related benefits, such as coverage for prostheses and physical complications (including lymphedemas).	Yes	Yes	Protects insurance consumers	
103	Affordable Care Act	Federal	Federal Statute	Provisions included in the ACA are intended to expand access to insurance, increase consumer protections, emphasize prevention and wellness, improve quality and system performance, expand the health workforce, and curb rising health care costs. The ACA establishes standards for health insurance policies sold and the rates charged in all states.	Yes	Yes	Protects insurance consumers	
104	1-23-10 <i>et seq</i>	State	Statute	Sets forth requirements for administrative agencies, rules, regulations and orders.	No	No		
105	8-13-10 <i>et seq</i>	State	Statute	Sets forth the ethical requirements for public officers and employees; it defines the appropriate conduct for public employees that regulate certain industries.	No	Yes	Protects insurance consumers	
106	8-17-10 <i>et seq</i>	State	Statute	Sets forth the grievance procedures that must be followed by agencies for public employees; it defines those actions that are and are not grievable actions	Yes	Yes	Public employees are protected by this statute	
107	38-5-10 <i>et seq</i>	State	Statute	Sets forth the requirements for insurers to do business in the State of South Carolina including but not limited to appointment of the director as the attorney for service of process; requirements for issuance of a license including the qualifications of management; grounds for disciplinary action against insurers for violation of the insurance laws including fines, suspensions and revocations of the certificate of authority.	No	Yes	Protects insurance consumers and licensees	

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108	38-7-10 <i>et seq</i>	State	Statute	Sets forth the fees and taxes to be paid by licensees for the transaction of insurance business in this state and how those fees are to be distributed; it sets forth the premium tax companies are required to pay by line of insurance and the requirements for annual and quarterly premium tax returns; establishes penalties for the filing of fraudulent returns, keeping records or paying taxes when due; establishes requirements for retaliatory taxes, penalties and fees as well; insurers may pay taxes under protest; SC may bring an action for collection of taxes within 10 years; all taxes and fees must be deposited in the general fund unless otherwise noted. Licensees that fail to pay taxes with intent evade are guilty of a misdemeanor. Such violations are subject to fines, penalties and interest and possibly imprisonment. The director has the authority to waive penalties, but must make a record of the reasons for waiver. Insurers may be eligible for certain tax credits under Title 12, if applicable.	no	Yes	Protects insurance consumers and licensees	
109	38-9-10 <i>et seq</i>	State	Statute	Sets forth capital and surplus requirements of stock and mutual insurers by line of insurance; director shall notify insurers of capital and surplus requirements; director has the discretion to increase capital and surplus above the statutory minimums based on business plans and line of coverage; the director may take regulatory action against insurers that have impaired capital and surplus or fail to meet the minimum requirements; director may hold deposits of insurers that transact business in other states; and set forth the requirements for securities for claims, voluntary deposits, RBC and reserves. The director may retain experts necessary to evaluate the financial condition of a company and those costs are to be borne by the insurer. Certain financial reports are given confidential treatment. The director and designees are given qualified immunity for actions related to RBC.	No	Yes	Protects insurance consumers and licensees	
110	38-10-10 <i>et seq</i>	State	Statute	Sets for the requirements for licensure of traditional protected cell companies not held by a captive insurance company; prescribes what protected cells are authorized to do and the attribution of assets and liabilities. Director may take regulatory action against a cell company that violates the provisions of the Code including fines, suspension, revocation, rehabilitation, liquidation or conservation.	No	Yes	Protects insurance consumers and licensees	
111	38-12-10 <i>et seq</i>	State	Statute	Sets forth the requirements for investments and the standards and requirements for the board of directors; establishes certain restrictions for investments by line of insurance and company type. Director has the discretion to review and approve investments.	No	Yes	Protects insurance consumers and licensees	
112	38-13-10 <i>et seq</i>	State	Statute	Gives the director or designees the authority to conduct examinations of insurers and sets for the procedure that should be followed for the audit and the reporting of findings. Director and designees are provided qualified immunity. Cost of examinations are borne by insurers. Director also has the authority to investigate complaints filed by citizens. The Director has the authority to impose penalties for violations of the insurance laws. The director or his designee has the authority to require financial reporting on a quarterly and annual basis. The Director can request various other reports including special reports. Director may impose penalties for insurers' failure to provide reports or other requested information. Director shall examine the insurance reserve fund every three years and the unemployment compensation fund every five years.	No	Yes	Protects insurance consumers and licensees	
113	38-14-10 <i>et seq</i>	State	Statute	Sets requirements for the licensure and transaction of business by Special Purpose Reinsurance Vehicle insurers. Director has the authority to take regulatory action against licensees for violations of the insurance laws.	No	Yes	Protects insurance consumers and licensees	
114	38-15-10 <i>et seq</i>	State	Statute	Sets forth the for licensure and transaction of business by surety Insurers. The Director or designee may take regulatory action against licensee for violations of the insurance laws. Director may require reciprocals to provide security deposits as required of other insurers doing business in SC in accordance with the requirements of Chapter 9	No	Yes	Protects insurance consumers and licensees	

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115	38-17-10 et seq	State	Statute	Sets forth the requirements for licensure and transaction of business by reciprocal Insurers. The Director or designee may take regulatory action against licensee for violations of the insurance laws.	No	Yes	Protects insurance consumers and licensees	
116	38-19-10 et seq	State	Statute	Sets forth the requirements for licensure and transaction of business by mutual insurers. Also establishes requirements for proxies, meetings, membership and liability of members. Establishes the standards for liquidation, conversion or merger of a mutual insurer and rights of the members. The Director or designee may take regulatory action against licensee for violations of the insurance laws and is also given the authority to approve transactions related to the mutual's conduct of business in the state including proxies, mergers, acquisitions and other reorganizations of the mutual insurer.	No	Yes	Protects insurance consumers and licensees	
117	38-21-10 et seq	State	Statute	Sets for the standards for the director or his designee to approve a merger, acquisition or other acquisition of control. Defines the authority of insurers to organize or acquire subsidiaries as well as the requirements and conditions for such acquisitions. Also sets the standards for various filings including registration statements, Form A, disclaimers of control and Forms A through E filings. The Director has the authority to approve filings, acquisitions, seize securities, and seek injunction or criminal prosecution for violation of the chapter in addition to other regulatory action or penalties.	No	Yes	Protects insurance consumers and licensees	
118	38-23-50 et seq	State	Statute	The director has the power to make and promulgate regulations necessary for the execution of the functions vested in him by Sections 38-23-20 through 38-23-90 including, but without limitation, regulations pertaining to and governing the solicitation of proxies, including financial reporting in connection therewith, with respect to the capital stock or other equity securities of any domestic stock insurer; he may, for these purposes, classify domestic insurers, securities, and other persons or matters within his jurisdiction. No provision of Sections 38-23-40 to 38-23-60 imposing any liability applies to any act done or omitted in good faith in conforming with any regulation of the department, notwithstanding that the regulation may, after the act or omission, be amended, rescinded, or determined by judicial or other authority to be invalid for any reason.	No	Yes	Protects insurance consumers and licensees	
119	38-25-10 et seq	State	Statute	This chapter defines the unauthorized Transaction of Business and remedies and penalties for such violations. It also establishes certain exemptions for certain insurers. It sets forth the actions an unauthorized insurer may pursue such as motions or other legal actions. It also provides a procedure for the enforcement of foreign decrees.	No	Yes	Law is designed to protect the public	
120	38-26-10 et seq	State	Statute	This chapter gives the director or his designee the authority to place insurers under Administrative Supervision. It sets for the requirements to take such action and provides limited liability for the director and his designees.	Yes	Yes	Protects insurance consumers and licensees	
121	38-27-10 et seq	State	Statute	This chapter gives the director the authority to place insurers into rehabilitation and/or liquidation. These are judicial proceedings. The director is authorized to appoint special deputies and to hire the experts necessary to effectively administer the rehabilitation with the court's approval.	Yes	Yes	Protects insurance consumers and licensees	
122	38-29-10 et seq	State	Statute	Sets forth the requirements for the administration and functions of the Life, Accident, Health Guaranty Association. The Association must submit plan of operation to the Department for approval.	No	Yes	Protects insurance consumers and licensees	
123	38-31-10 et seq	State	Statute	Sets forth the requirements for the creation, administration and functions of Property and Casualty Guaranty Association. Department reviews and approves amendments and modifications to the plan of operation.	No	Yes	Protects insurance consumers and licensees	
124	38-33-10 et seq	State	Statute	Sets forth the requirements for licensure and regulation of health maintenance Organizations transacting business in South Carolina. The Director has the authority to license, examine, monitors its operations and to impose or take regulatory action based upon an impaired financial condition or violation of the insurance laws of the state.	No	Yes	Protects insurance consumers and licensees	

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125	38-35-10 et seq	State	Statute	Provides for the formation and conduct of mutual benevolent aid associations and their regulation.	No	Yes	Protects insurance consumers and licensees	
126	38-38-10 et seq	State	Statute	Any incorporated society, order, or supreme lodge, without capital stock, whether incorporated or not, conducted solely for the benefit of its members and their beneficiaries and not for profit, operated on a lodge system with ritualistic form of work, having a representative form of government, and which provides benefits in accordance with this chapter, is a fraternal benefit society.	No	Yes	Protects insurance consumers and licensees	
127	38-39-10 et seq	State	Statute	Sets forth the Licensing requirements, administration and regulation of insurance Premium Service Companies. Director has the authority to take regulatory action for violations of the insurance laws.	No	Yes	Protects insurance consumers and licensees	
128	38-41-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of Multiple Employer Self-Insured Health Plans. Director has the authority to approve licensure, the plan of operation, conduct of business and to impose regulatory penalties for violations of the insurance laws.	No	Yes	Protects insurance consumers and licensees	
129	38-43-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of Insurance Producers and Agencies. Director has the authority to approve licensure, conduct of business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license.	No	Yes	Protects insurance consumers and licensees	
130	38-44-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of Insurance managing general agents. Director has the authority to approve licensure, conduct of business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license.	No	Yes	Protects insurance consumers and licensees	
131	38-45-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of Insurance brokers. Director has the authority to approve licensure, conduct of business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license. Licensing requirements, administration and regulation of Brokers and Surplus Lines. Director may enter into agreements to participate in a clearinghouse subject to General Assembly approval for the distribution of broker premium taxes.	Yes	Yes	Protects insurance consumers and licensees	
132	38-46-10 et seq	State	Statute	Sets forth Licensing requirements, administration and regulation of Reinsurance Intermediaries.	Yes	Yes	Protects insurance consumers and licensees	
133	38-47-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of insurance adjusters. Director has the authority to approve licensure, conduct of business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license.	Yes	Yes	Protects insurance consumers and licensees	
134	38-48-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of insurance adjusters. Director has the authority to approve licensure, conduct of business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license.	Yes	Yes	Protects insurance consumers and licensees	
135	38-49-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of motor vehicle physical damage appraisers. Director has the authority to approve licensure, conduct of business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license..	Yes	Yes	Protects insurance consumers and licensees	
136	38-51-10 et seq	State	Statute	Set forth the licensing requirements, administration and regulation of third party administrators. Director has the authority to approve licensure, conduct business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license.	Yes	Yes	Protects insurance consumers and licensees	
137	38-53-10 et seq	State	Statute	Sets forth the licensing requirements, administration and regulation of bail bondsmen. Director has the authority to approve licensure, conduct business and to impose penalties for violations of the insurance laws including the suspension or revocation of the license. The Department must suspend bondsmen who make attorney referrals.	Yes	Yes	Protects insurance consumers and licensees	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	<i>If yes, what type of service or product?</i>	<i>If other service or product, please specify what service or product.</i>
138	38-55-10 et seq	State	Statute	Sets forth guidelines for conducting insurance business and the authority of the director to revoke the license of insurers who engage in unfair discrimination	Yes	Yes	Protects insurance consumers and licensees	
139	38-57-10 et seq	State	Statute	Sets forth the requirements for insurer trade practices; director has the authority to issue cease and desist orders and to otherwise take regulatory action.	No	Yes	the public is the DOI customer	
140	38-59-10 et seq	State	Statute	Sets forth the requirements for insurer claims practices; defines bad faith and prompt pay guidelines and requirements.	no	Yes	Protects insurance consumers and licensees	
141	38-61-10 et seq	State	Statute	Sets forth the requirements for approval of insurance contracts or forms. All forms must be approved by the director or his designee unless exempted from prior approval. The Director may disapprove or withdraw approval of forms subject to the procedure outlined in the chapter.	No	Yes	The public is the DOI customer	
142	38-63-10 et seq	State	Statute	Sets forth the requirements for Individual Life Insurance, forms, regulation, premiums, etc.	Yes	Yes	Protects insurance consumers and licensees	
143	38-65-10 et seq	State	Statute	Sets forth the requirements for Group Life Insurance, forms, regulation, premiums, etc.	Yes	Yes	Protects insurance consumers and licensees	
144	38-67-10 et seq	State	Statute	Sets guidelines for the regulation of variable annuities	Yes	Yes	Protects insurance consumers and licensees	
145	38-69-10 et seq	State	Statute	Sets for the requirements and guidelines for regulation of individual annuities.	Yes	Yes	Protects insurance consumers and licensees	
146	38-70-10 et seq	State	Statute	Sets for the licensing requirements, administration and regulation of Utilization Reviews and Private Review Agents. Director has authority to conduct periodic reviews of operations and to take regulatory action for violations of the insurance laws.	Yes	Yes	Protects insurance consumers and licensees	
147	38-71-10 et seq	State	Statute	Provides for the regulation of types of coverages, policies for specific ailments, continuation of care, etc. for Accident and Health insurance. The Director must also approve IROs to conduct external review of health insurance claims.	Yes	Yes	Protects insurance consumers and licensees	
148	38-72-10 et seq	State	Statute	Sets forth the requirements, regulation and approval of Long Term Care products.	Yes	Yes	Protects insurance consumers and licensees	
149	38-73-10 et seq	State	Statute	Sets forth the requirements for property, casualty, inland marine, and surety rates and rate-making Organizations, regulation of, examinations of, etc. Director must conduct reviews of independent rating organizations; sets hearing procedure for certain rates; may declare certain lines of insurance competitive or not; establishes a consumer information system for rate information; etc.	Yes	Yes	Protects insurance consumers and licensees	
150	38-74-10 et seq	State	Statute	Provides for the establishment, eligibility for and administration of Health Insurance Pool which is the state's high risk pool for individual who are unable to obtain coverage in the voluntary market. The Director reviews the plan of operation and must approve assessments.	No	Yes	the public is the DOI customer	
151	38-75-10 et seq	State	Statute	Sets forth the requirements for regulation of Property, Casualty and Title Insurance policies and coverages. Provides for the establishment and operation of the Wind Pool; the director has the authority to expand the area covered by the wind pool; establishes a loss mitigation grant program within the DOI; the Director must report within 30 days any need for expansion of the wind pool territory and conduct certain property studies.	Yes	Yes	Protects insurance consumers and licensees	
152	38-77-10 et seq	State	Statute	Governs the regulation of automobile insurance, arbitration, assignment of risks, etc. The Director or his designee have the authority to ensure that insurers and agents comply with the requirements of this chapter and South Carolina law. Director also has the authority to disperse uninsured motorist funds.	No	Yes	Protects insurance consumers and licensees	
153	38-78-10 et seq	State	Statute	This chapter governs the licensing requirements, administration and regulation of Service Contracts and service contract providers.	Yes	Yes	Protects insurance consumers and licensees	
154	38-79-10 et seq	State	Statute	Sets forth the requirements governing medical malpractice judgments, settlements, etc.; establishes the residual market mechanisms for medical malpractice insurance i.e., JUA and PCF	no	Yes	the public is the DOI customer	
155	38-81-10 et seq	State	Statute	Reporting requirements and Legal Professional Liability Insurance Joint Underwriting Association. This Association is inactive.	no	Yes	Protects insurance consumers and licensees	
156	38-83-10 et seq	State	Statute	Organization, coverage and regulation of Joint Underwriting Association for Writing of Professional Liability Insurance. This JUA is inactive.	no	Yes	Protects insurance consumers and licensees	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	<i>If yes, what type of service or product?</i>	<i>If other service or product, please specify what service or product.</i>
157	38-85-10 et seq	State	Statute	Sets forth requirements for insurers participation in consolidation and mortgage insurance.	Yes	Yes	Protects insurance consumers and licensees	
158	38-87-10 et seq	State	Statute	Sets forth the requirements for licensing, administration and regulation/taxation of Risk Retention Groups and Purchasing Groups.	Yes	Yes	Protects insurance consumers and licensees	
159	38-89-10 et seq	State	Statute	Creation, administration and regulation of Day Care Joint Underwriting Association. Association is inactive.	No	Yes	Protects insurance consumers and licensees	
160	38-90-10 et seq	State	Statute	Licensing requirements, administration and regulation of Captive Insurance Companies.	Yes	Yes	Protects insurance consumers and licensees	
161	38-93-10 et seq	State	Statute	Sets forth the requirements for the regulation genetic information. Director can penalize members for violating the provision of the chapter.	No	Yes	The public is the DOI customer	
162	38-95-10 et seq	State	Statute	Establishment, regulation and administration of Interstate Insurance Product Regulation Compact.	No	Yes	The public is the DOI customer	
163	38-97-10 et seq	State	Statute	Licensing requirements, administration and regulation of Portable Electronics insurance. Director can impose penalties for violations of the law	Yes	Yes	Protects insurance consumers and licensees	
164	38-99-10 et seq.	State	Statute	Establishes standards to protect insurance data and notification requirements for cybersecurity events				

Service/Product Provided to Customers	Customer Segments	<u>Specify only for the following Segments:</u> <u>(1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.</u>	Divisions or Major Programs	Description
Respond to inquiries, complaints, and allegations of unfair trade practices, unapproved rates or forms, unfair claims practices, or violation of SC insurance laws.	General Public	Citizens	SC DOI (R200)	(Consumer Services) Citizens
When complaints or allegations are reported, an analysis is conducted to determine if unfair practices are occurring.	General Public	DOI Units, citizens, NAIC, MAWG, companies, insurers	SC DOI (R200)	(Market Regulation) DOI Units, citizens, NAIC, MAWG, companies, insurers
Conduct comprehensive examinations of primarily SC domestic insurance companies and foreign examinations as needed.	Industry	Insurance companies licensed in SC, policy holders of the insurers, and insurance companies	SC DOI (R200)	(Financial Examinations) Insurance companies licensed in SC, policy holders of the insurers, and insurance companies
Review financial statements of licensed SC insurers to monitor compliance. Licenses are tracked and usage documented. Review admission applications and make sure insurers maintain the mandated security deposit.	Industry	Insurance companies licensed in SC, policy holders of the insurers, and insurance companies	SC DOI (R200)	(Financial Analysis) SC licensed insurance companies, policy holders, and insurance companies
Issue captive licenses. Provide financial surveillance of captives. Monitor market conditions and the business climate necessary to develop the alternative risk market.	Industry	All Captive Companies	SC DOI (R200)	(Captive Regulation) All Companies
Review rates, rules, policy forms of licensed insurers for compliance with the state law.	Industry	SC Licensed insurers	SC DOI (R200)	(Rate and Form Regulation) SC Licensed insurers
Consumers contact this unit for inquiries regarding trade practices, interpretation of SC insurance law and regulations.	General Public	Citizens; insurance companies, executives, agencies, associations, and producers; adjusters; surplus line brokers; attorneys; appraisers; NAIC; state insurance departments; and legislators.	SC DOI (R200)	(Individual Licensing) Citizens; insurance companies, executives, agencies, associations, and producers; adjusters; surplus line brokers; attorneys; appraisers; NAIC; state insurance departments; and legislators.
Responsible for administering the contract pertaining to the state insurance licensing exams and make sure exams are current with SC law. Certify insurance instructors to teach continuing education.	General Public	Citizens, insurance companies, producers, adjusters, surplus lines brokers, attorneys, appraisers, insurance agencies (small business), insurance company executives, NAIC, state insurance departments, universities and schools, legislators, licensing exam groups, and insurance associations	SC DOI (R200)	(Education Services) Citizens, insurance companies, producers, adjusters, surplus lines brokers, attorneys, appraisers, insurance agencies (small business), insurance company executives, NAIC, state insurance departments, universities and schools, legislators, licensing exam groups, and insurance associations
Determine if the customer groups are qualified to transact business in the state according to the insurance laws of SC. If so, then a license is issued. In addition, respond to inquiries and/or complaints regarding these groups; assess for violation of SC insurance laws.	Industry	Third party administrators, Premium finance companies, service contract providers, utilization review organization, and bail bondsman	SC DOI (R200)	(Special Services) Third party administrators, Premium finance companies, service contract providers, utilization review organization, and bail bondsman
Protect consumer interest by providing sound legal advice, advocacy and representation to DOI staff laws on insurance, regulatory, and other legal matters.	General Public	DOI units and citizens	SC DOI (R200)	(General Counsel) DOI units and citizens
Provide budgeting, financial planning, payroll processing, revenue collection, procurement and office management.	Executive Branch/State Agencies	DOI staff, the Budget and Control Board, and the legislature	SC DOI (R200)	(Finance and Accounting) DOI staff, the Budget and Control Board, and the legislature
Employee recruitment and selection, relations management, classification and compensation, organizational development, employee training, and human resource analysis and planning.	Executive Branch/State Agencies	Potential employees and DOI staff (current and past); SC Budget and Control Board, OHR, SC Office of Human Affairs	SC DOI (R200)	(Human Resources) Potential employees and DOI staff (current and past); SC Budget and Control Board, OHR, SC Office of Human Affairs
Provide agencies with the requested data and offer technical support to DOI staff and citizens using the web site. Create internal databases and enhance existing data processes and network operations. Identify critical technological needs.	Executive Branch/State Agencies	Agents, brokers, insurance companies, DOI staff citizens, and other agencies	SC DOI (R200)	(Information Technology) Agents, brokers, insurance companies, DOI staff citizens, and other agencies
Review and audit fee and premium tax returns for licensed insurance companies, captive companies and Surplus Lines Brokers. Insurers that do not submit timely tax returns are referred to Legal.	Industry	Insurance company officials, insurance agencies, brokers (surplus lines), agency tax writers, and citizens	SC DOI (R200)	(Taxation) Insurance company officials, insurance agencies, brokers (surplus lines), agency tax writers, and citizens
Provide citizens with up to \$5000 to assist individuals in making homes hurricane-resistant. Provide education regarding the grant program, preparation and hurricane safety, and homeowner's insurance.	General Public	Residents in owner-occupied coastal homes	SC DOI (R200)	Safe Home Program (Hurricane Mitigation) Residents in owner-occupied coastal homes

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Customer Template

Service/Product Provided to Customers

Customer Segments

Specify only for the following Segments:
(1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.

Divisions or Major Programs

Description

Provides market availability for hard to find insurance coverage: SC Reinsurance Facility, SC Wind and Hail Underwriting Association, SC Health Insurance Pool, and SC Commercial Insurance Plans.

Industry

Consumers, Agents, Insurers Real Estate Market, other government agencies

SC DOI (R200)

(Residual Market Mechanism) Consumers, Agents, Insurers Real Estate Market, other government agencies

Manage records, file storage, and historical retention schedules. Assist customers in locating files per their request.

Executive Branch/State Agencies

Everyone

SC DOI (R200)

(Records Management and Auxiliary Services) Everyone

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Partner Template

Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Goal(s)
SC Dept. of Revenue	State Government	MOU associated with electronic payments (ACH)	Administration
SC Attorney General's Office	State Government	No formal arrangement, just agency to agency cooperation on various common issues from time to time regarding fraud and legal issues	Legal
SC Wind & Hail Association	Private Business Organization	No formal arrangement, just agency to agency cooperation on various common issues from time to time regarding Safe Homes and Coastal Property (e.g. rates, expansion, etc.)	Safe Homes Mitigation
SC Workers Compensation	State Government	No formal arrangement, just agency to agency cooperation on various common issues from time to time regarding rates and various committees and task forces	Rates and Forms
SC.Gov	Private Business Organization	MOU associated with electronic payments (credit cards)	Administration
SC Consumer Affairs	State Government	No formal arrangement, just agency to agency cooperation on various common issues from time to time. SC Consumer Affairs can intervene, when needed, on rate and filings.	Consumers
SC Department of Motor Vehicles	State Government	Informal agreement to exchange information related to enforcement of the South Carolina insurance laws	Administration
South Carolina Department of Social Services	State Government	Agreement to exchange information related to enforcement of South Carolina insurance laws. SCDSS provides information to the SCDOI about individuals who do not pay child support	Administration
Municipal Association of South Carolina	Private Business Organization	Municipal Association collects taxes for municipalities across SC. Agreement with the MASC to facilitate the collection of taxes	Administration

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Report and External Review Template

Item	Is this a Report, Review, or both?	Report or Review Name	Name of Entity Requesting the Report or Conducting Review	Type of Entity	Reporting Frequency	Current Fiscal Year: Submission Date or Review Timeline (MM/DD/YYYY)	Summary of Information Requested in the Report or Reviewed	Method to Access the Report or Information from the Review
1	External Review and Report	FY2018 Agree Upon Procedures Audit	State Auditors Office	State	Annually	May 7, 2019	External Audit Report	https://osa.sc.gov/reports/