



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Department of Insurance, Financial Institutions, and Professional Registration - Insurance

Insurance Dedicated Fund Expenditures	In fiscal years 2018, 2017, and 2016, costs incurred by the Department of Health and Senior Services were paid from the Insurance Dedicated Fund. State law requires appropriations from the Fund to be used solely for the payment of expenditures incurred by the Department of Insurance, Financial Institutions, and Professional Registration - Insurance.
Examination Fee and Other Fee Tax Credit	The Department makes no attempt to determine the cost-benefit of the Examination Fee and Other Fee Tax Credit on the annual Tax Credit Analysis Form provided to the General Assembly. As a result, a significant portion of examination costs are borne by the state instead of insurance companies without any evidence of the effectiveness of the incentive being paid.

In the areas audited, the overall performance of this entity was **Good**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



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RECOMMENDATION SUMMARY

Recommendations in the audit of Department of Insurance, Financial Institutions, and Professional Registration - Insurance

Insurance Dedicated Fund Expenditures	Work with the General Assembly to ensure all appropriated disbursements from the Insurance Dedicated Fund are reasonable and proper and relate to the overall function of the department.
Examination Fee and Other Fee Tax Credit	Include cost-benefit and performance measure information on the Tax Credit Analysis Form to allow the General Assembly to evaluate the Missouri Examination Fee and Other Fee Tax Credit. Without such information, the General Assembly should consider legislation to reduce or eliminate the credit.