



ODI

Ohio Department
of Insurance

Mike DeWine, Governor

Jillian Froment, Director

Ohio House Insurance Committee

Overview

- Sixth largest insurance state, by premium volume, in the United States
- 17th largest insurance market in the world.
- License and Regulate the activities of more than 1,600 insurance companies
 - nearly 270 domestic companies
 - more than \$84 billion in insurance premiums.
- License and review the conduct of more than 220,000 insurance agents and approximately 18,000 insurance agencies

Overview

- Funded solely by Ohio's insurance industry.
 - Companies, agents and other entities pay fees providing 100 percent of the Department's necessary funding.
- The Director of Insurance is appointed by the Governor
 - AKA Commissioner, Superintendent and Liquidator
- ~250 full-time permanent employees.

Licensing and Investigative

- Issue licenses to:
 - insurance agents
 - insurance business entities
 - managing general agents
 - public insurance adjusters
 - reinsurance intermediaries
 - surety bail bond agents
 - surplus line brokers
 - title agents
 - third party administrators
 - viatical settlement brokers
 - pharmacy benefit managers.

Licensing and Investigative

- determines if the licensed individuals and business entities have met the minimum requirements to renew and maintain the license;
- monitors the continuing education hours for individual insurance agents;
- processes insurance company appointments of authorized agents;

Licensing and Investigative

- Market Conduct
 - monitors insurers' compliance with Ohio insurance laws and regulations by examining insurance entities' business practices, such as underwriting, marketing, and claims handling.
 - Market Withdrawals
 - Cybersecurity incidents
 - Data Calls

Licensing and Investigative

- Fraud Investigation and Enforcement Program
 - investigates alleged misconduct or fraud committed by:
 - licensed individuals entities, consumers, third parties, and medical providers.
 - Agents who engage in such acts may lose their licenses or face other sanctions.
 - Refers cases to local, state, and federal prosecutors
 - provides evidence and testimony regarding investigations conducted.



Risk Assessment

- Regulates the financial solvency of all domestic insurance companies
- Also monitors and coordinates regulatory oversight of the financial conditions of:
 - foreign insurers, surplus lines, captive insurance companies, and alien insurers.
- Reviews financial statements of every company licensed in Ohio
- Oversees complex transactions

Risk Assessment

- Calculates and certifies to the Treasurer of State the domestic and foreign insurance premium tax owed to the state.
- Monitors insurers' statutory and solvency compliance on an ongoing basis and conducts on-site field examinations.
 - By statute, the department examines insurers as often as the Superintendent of Insurance deems appropriate, but at least once every five years.

Product Regulation

- Products reviewed include:
 - commercial lines (e.g. insurance for businesses-auto, general liability, professional liability including medical malpractice, property, crime, fidelity, and surety),
 - personal lines (e.g. insurance for individuals and families-auto and homeowners),
 - life and health, as well as accident policies.
- Also reviews title insurance, risk purchasing and risk retention group registrations, and surplus lines reports.

Product Regulation

- Policy language is reviewed for clarity and compliance with statutes and rules.
- Actuarial oversight verifies actuarial standards are applied to ensure that rates are not excessive, inadequate, or unfairly discriminatory.
- Program staff members analyze the valuation of reserve liabilities for domestic life insurance companies.

Product Regulation

- Product Regulation participates in all Risk Assessment examinations to evaluate reserving, pricing, underwriting and liquidity risks, among others.

Consumer Services

- Assists consumers through :
 - telephone, internet and written communications
 - one-on-one meetings, and
 - community outreach activities.
- Inquiries regarding a wide variety of insurance matters and investigate insurance consumer complaints.

Consumer Services

- Identify violations of Ohio's insurance laws
- Distribute educational publications
 - such as insurance guides for different types of insurance and numerous pamphlets that complement the guides and focus on topics of consumer interest;
- Counseling victims at disaster assistance sites;
- Conducting insurance fairs across the state.

End