

Texas Department of Insurance

Agency Strategic Plan

and supplemental schedules

Fiscal years 2025-2029





Agency strategic plan

Fiscal years 2025 to 2029

by the

Texas Department of Insurance

Submitted June 1, 2024

A handwritten signature in black ink, appearing to read "C. Brown", with a long horizontal flourish extending to the right.

Cassie Brown

Commissioner of Insurance

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Strategic Plan

Agency overview

With \$290 billion in premiums in 2023, Texas is the nation's second largest insurance market and the sixth largest in the world.

The Texas Department of Insurance (TDI) regulates the state's insurance industry, oversees the administration of the Texas workers' compensation system through the Division of Workers' Compensation (DWC), performs the duties of the State Fire Marshal's Office (SFMO), and provides administrative support to the Office of Injured Employee Counsel (OIEC) – a separate agency.

The Texas Insurance Code requires TDI to:

- Regulate the business of insurance in Texas.
- Protect and ensure the fair treatment of consumers.
- Ensure fair competition in the insurance industry to foster a competitive market.
- Administer the Texas workers' compensation system as provided by the Texas Labor Code.
- Ensure that the Insurance Code and other insurance and insurance company laws are implemented.

The Commissioner of Insurance is the agency's chief executive and administrative officer. The commissioner administers and enforces state insurance laws and applicable laws that grant jurisdiction to TDI or the commissioner.

The Commissioner of Workers' Compensation oversees the administration and operation of the Texas workers' compensation system and serves as the division's chief executive and administrative officer. DWC monitors compliance and takes enforcement actions to make sure the Texas Workers' Compensation Act, Texas Labor Code, and other workers' compensation regulations are implemented and enforced.

The Governor, with advice and consent of the Texas Senate, appoints the Commissioner of Insurance and the Commissioner of Workers' Compensation for two-year terms.

Insurance operations mission

Protect insurance consumers by regulating the industry fairly and diligently, promoting a stable and competitive market, and providing information that makes a difference.

Workers' compensation mission

Regulate Texas workers' compensation efficiently, educate system participants, and achieve a balanced system in which everyone is treated fairly with dignity and respect.

Regulatory approach

TDI exemplifies friendly, courteous, ethical, and professional behavior by:

- Providing the best value in services to the people of Texas.
- Applying the law and agency policy fairly and consistently throughout the state.
- Communicating openly and giving timely and accurate information to the public and our employees.
- Evaluating and adjusting the course of the agency in response to changes in conditions.

Locations

TDI's headquarters are in Austin. The agency has staff throughout Texas to carry out insurance regulation responsibilities.

The agency chooses office locations to meet the needs of the agency, consumers, and the industry.

- Financial examiner staff work in areas with major corporate headquarters.
- Windstorm inspection staff work along the coast to inspect and certify that construction meets windstorm building codes.
- Title examiners work throughout the state.
- State fire marshal investigators and inspectors work throughout the state.
- Workers' compensation offices are located statewide to provide injured employees dispute resolution services within legally defined regional areas.

Goals and action plans

Agency goals and action plans are organized to reflect the goals of the Commissioner of Insurance, the goals of the Commissioner of Workers' Compensation, and the operational goals for the entire organization.

Insurance operations

Goal 1: Provide easy-to-understand consumer information and excellent customer service.

Specific action items	Target date
Educate consumers about insurance and help with claim issues by: <ul style="list-style-type: none">• Providing fast and accurate information through the Help Line.• Expanding customer education and outreach communication.• Creating consumer tip webpages, videos, and podcasts in English and Spanish for complex or trending consumer issues.• Promoting consumer topics and the Help Line on English and Spanish social media channels.	Ongoing
Revise agency forms, documents, and webpages for plain language, accessibility, and usability.	Ongoing
Promote use of plain language by: <ul style="list-style-type: none">• Updating communications sent to consumers and regulated entities.• Checking that insurer notices to consumers use plain language best practices.• Providing plain language consulting, training, and resources for the agency and industry.	Ongoing

Support of statewide objectives

- 1. Accountable to tax and fee payers of Texas.**
Providing plain language educational materials helps consumers make better financial decisions and better understand and use TDI's services and resources. Help Line staff answer consumer questions about their policies and help process complaints.
- 2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**
Helping consumers and regulated entities understand agency processes and insurance products results in a more efficient use of agency resources. Providing clear rules and instructions means fewer calls to clarify a process or correct applications with missing information.

- 3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**
Helping consumers through the Help Line and creating plain language educational materials improves our ability to achieve our core functions. Consumers are better informed when TDI and the companies we regulate provide accessible and easy-to-understand information.
- 4. Attentive to providing excellent customer service.**
Focusing information on consumers drives our plain language initiative. It's about viewing business, process, and decisions through the eyes of Texas insurance consumers.
- 5. Transparent such that agency actions can be understood by any Texan.**
Expanding customer outreach and communication helps Texans understand insurance products and helps the industry follow requirements.

Other considerations relevant to goals and action plans

Plain language and easy-to-understand education benefits consumers and insurance companies.

- Consumers better understand their rights and how to get help.
- Insurance agents and adjusters can rely on simple, straightforward information to apply for and manage a license.
- Companies will find it easier to follow common-sense, straightforward regulatory processes.

Goal 2: Improve TDI's regulatory efficiency and effectiveness.

Specific action items	Target date
Streamline internal processes for drafting and reviewing rules, so rules can be developed and rolled out quickly.	Ongoing
Take part in National Association of Insurance Commissioners (NAIC) and International Association of Insurance Supervisors initiatives (IAIS) so TDI can influence the development of model laws and international regulatory standards to make sure they are consistent with Texas' regulatory philosophy.	Ongoing
Roll out a more risk-based process to evaluate insurer solvency.	Ongoing
Roll out a more risk-based process to evaluate SFMO state building inspections.	Ongoing
Work with other state, federal, and international regulators with authority over insurers to best use resources and maximize TDI staff efficiency.	Ongoing
Communicate with industry, legislators, and consumers. This includes hosting webinars that provide program updates and time for questions and answers.	Ongoing

Support of statewide objectives

- 1. Accountable to tax and fee payers of Texas.**
Maximizing compliance resources protects consumers and helps licensed individuals and companies.
- 2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**
Using risk-based examination and surveillance approaches for solvency regulation makes sure resources are focused on the areas of highest risk. Working with other state, federal, and international regulators also helps leverage resources to make the best use of funding.
- 3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**
Using efficient and effective regulatory systems and processes helps the agency fulfill its core function of regulating the insurance industry fairly and diligently.
- 4. Attentive to providing excellent customer service.**
Improving the agency's regulatory processes provides regulatory certainty for insurers.
- 5. Transparent such that agency actions can be understood by any Texan.**
Streamlining and documenting regulatory processes provides continued transparency for stakeholders.

Other considerations relevant to goals and action plans

By fostering a stable and competitive insurance market, TDI also protects consumers. A strong Texas insurance market provides more options and competitive rates.

Texas contributes to the direction of state, national, and international insurance regulatory standards through the NAIC and IAIS.

- The NAIC represents the insurance commissioners from the 50 states, the District of Columbia, and five U.S. territories. NAIC's goals include enhancing the uniformity and consistency of the state-based system of insurance regulation. The NAIC also serves a role in mitigating the risk of federal preemption of states' ability to regulate insurance.
- The IAIS represents insurance regulators from 200 jurisdictions, which are 97% of the world's insurance premiums. The goals of IAIS are to promote effective and globally consistent insurance regulation and enhance global financial stability.

Workers' compensation operations

Goal 1: Modernize DWC's technology resources to improve efficiency and ensure the needs of all participants are adequately met, including a replacement of DWC's legacy claims management system, COMPASS.

Specific action items	Target date
Plan and begin a project for a new indemnity dispute resolution system with online dispute filing, scheduling, and document exchange. The new system will be a major information resource project monitored by the Quality Assurance Team (QAT).	FY 2025
Request funding during the 89th Legislative Session for more DWC staff. Staff will document the vision and business requirements for the new indemnity resolution system.	FY 2026
Request QAT approval of new indemnity dispute resolution system project deliverables through the Texas Project Delivery framework documentation.	FY 2026
Request legislative funding for a new indemnity dispute resolution system project during the 90th Legislative Session. Develop potential solicitation and document detailed system requirements.	FY 2027
If funding is appropriated for a new indemnity dispute resolution system: <ul style="list-style-type: none"> • Complete project plan, acquisition plan, and develop project management tools. • Solicit and contract with a vendor to build and maintain a system with QAT approval. • Execute, monitor, and direct project, including vendor performance. 	Ongoing
Complete rewrite of all non-dispute resolution COMPASS processes with in-house staff and contract resources. Includes a new online medical fee dispute resolution system for health care providers and insurance carriers.	FY 2027
Modernize SAS statistical reporting software by upgrading to cloud-based software-as-a-service solution from the current TDI-managed server environment.	Ongoing
Create a long-term replacement strategy for future legacy applications. Other DWC systems, such as TXCOMP, will reach legacy status in the next 10 to 15 years.	Ongoing

Support of statewide objectives

1. **Accountable to tax and fee payers of Texas.**

Updating legacy systems streamlines processes, enhances data accuracy, and provides better services to stakeholders. Additionally, we plan projects to make sure any resources appropriated to DWC are used efficiently and directed in a fiscally sound manner.

The current dispute resolution system, COMPASS, is a legacy system bought for \$1 in 1991 and is based on old technology that no longer meets current business needs, can't be updated, and is increasingly difficult to support.

This project lets DWC maintain pace with the evolving business landscape while ensuring our actions and operations remain transparent, accessible, and easily understood by all Texans. Better quality reporting data enhances DWC's transparency and accountability to taxpayers.

2. **Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

Using modern software and systems, DWC can more effectively assess performance factors in all program areas while cutting the wasteful shortcomings of the COMPASS system. A new dispute resolution system allows for a more balanced and efficient statewide docketing process, as well as improved automation that frees up staff resources for other needs.

3. **Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

Transitioning to modern internal systems allows DWC to more effectively manage operations and meet the evolving needs of stakeholders.

4. **Attentive to providing excellent customer service.**

Modernizing offers an accessible and easy-to-use interface for stakeholders. Using more modern technology for dispute resolution, compliance, and claims and customer services provides better data analysis capabilities and improves services.

5. **Transparent such that agency actions can be understood by any Texan.**

Replacing older technology makes systems more accessible and easier to use. Giving users information on reporting, decisions, rules, and other changes, as well as how they may be affected, helps them understand complex topics.

Other considerations relevant to goals and action plans

Completion of this goal is contingent on legislative approval and funding.

Goal 2: Transition to the 6th edition of American Medical Association Guides, 2024 version.

The American Medical Association’s (AMA) Guides to Impairment are used by doctors to assign injured employee impairment ratings in workers’ compensation claims. Impairment ratings are a factor used to set the amount and duration of income benefits owed to an injured employee.

DWC uses the 4th edition of the AMA Guides to Impairment, which was published in 1993. Transitioning to the 6th edition of the AMA Guides (2024) will provide specific methodology, enhance ease-of use, precision, and inter-rater reliability for these critical exams.

Specific action items	Target date
Complete a study by DWC’s Office of the Medical Advisor and Workers’ Compensation Research and Evaluation Group to determine the impact of transitioning from the 4th edition to the 6th edition of AMA Guides, 2024.	FY 2025
Begin rule project to amend 28 Texas Administrative Code (TAC) 130.1 to update the AMA Guides version, and TAC 127.100 and 180.23 to update training and testing requirements for designated doctors and doctors that certify maximum medical improvement and impairment ratings (certifying doctors).	FY 2026
Develop new training content for designated doctors based on transition to 6th edition of the AMA Guides, 2024.	FY2026
Develop new test questions for designated doctors and certifying doctors to review existing certification questions and analyze question performance based on transition to 6th edition of the AMA Guides, 2024.	FY2026
Train designated doctors, certifying doctors, system participants, and program area staff on updated AMA Guides version.	FY 2027 and ongoing

Support of statewide objectives

- 1. Accountable to tax and fee payers of Texas.**

Maintaining a healthy and effective workers’ compensation system contributes to the economic stability of our state by creating an environment where businesses can thrive and grow. Using the 6th edition AMA Guides will ensure injured employees receive consistent impairment ratings, which creates a more stable and accurate claims process for all parties. Reducing workers’ compensation disputes will keep system costs down and provide low premium costs to Texas employers that choose to cover their employees.
- 2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

Training workers’ compensation doctors on the 4th edition AMA Guides to conduct an impairment rating evaluation uses substantial DWC staff, time, and resources. Using more modern AMA Guides aligns workers’ compensation doctors with current professional standards regularly taught and used by the medical community.

- 3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**
Providing necessary, appropriate, and reasonable medical treatment can only be accomplished if reliable and qualified doctors participate in the workers' compensation system. Reducing administrative burdens related to training and testing against outdated AMA Guides benefits doctors by making it easier to enter the system. Also, using current, widely recognized standards will lead to more consistent impairment ratings, which reduces disputes, streamlines the claims process, and helps injured employees quickly get back to work.
- 4. Attentive to providing excellent customer service.**
Clear and consistent medical evaluations will reduce disputes about medical care, which will let injured employees move through the process without unnecessary delays.
- 5. Transparent such that agency actions can be understood by any Texan.**
Transitioning to a more current edition of the AMA Guides offers clear and standardized criteria when assigning an impairment rating to an injured employee's compensable injury. This clarity makes it easier for any Texan injured on the job to understand how impairment ratings are determined in their claim.

Other considerations relevant to goals and action plans

None identified.

Goal 3: Ensure a healthy Texas workers' compensation system for all participants.

Specific action items	Target date
Improve outreach to system participants by: <ul style="list-style-type: none">• Releasing most rules informally to gather input before publishing a formal rule proposal.• Circulating periodic newsletters and email updates to stakeholders.• Providing opportunities for stakeholder input to ensure all system participants' needs are met.	Ongoing
Leverage improved reporting under the new electronic data interchange claim system to enhance DWC's monitoring of system issues.	Ongoing
Promote safe workplaces by educating businesses on best practices in their industry.	Ongoing
Improve communication and system education by: <ul style="list-style-type: none">• Creating or updating videos, webinars, and online training resources.• Providing professional development for stakeholders with opportunities to earn continuing education credits through webinars, online conferences, and training.	Ongoing

Support of statewide objectives

- 1. Accountable to tax and fee payers of Texas.**

Improving outreach makes sure stakeholders can easily find accessible and helpful information about the workers' compensation system. By monitoring claims, creating education and training materials, and promoting safe workplaces, we are showing our commitment to continuously improve our operations.
- 2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

Making data-driven, informed decisions ensures resources are allocated effectively to help identify redundant or inefficient agency processes. By educating businesses on workplace safety best practices, we help reduce workplace injuries, resulting in fewer claims and lower costs in the workers' compensation system.
- 3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

Addressing issues proactively and continuously seeking input from stakeholders makes sure agency policies and procedures align with the mission to effectively serve Texas. In providing education, training, and continuously increasing resources, DWC promotes a culture of continuous improvement.

4. Attentive to providing excellent customer service.

Improving outreach efforts make sure that stakeholders' voices are heard, and concerns are addressed. This proactive approach shows DWC's commitment to provide excellent customer service. DWC helps prevent workplace injuries by educating businesses on workplace safety best practices and helps lower claim costs.

5. Transparent such that agency actions can be understood by any Texan.

Conducting outreach, releasing rules informally, and publishing newsletters show DWC's commitment to transparency. By involving stakeholders in the decision-making process and keeping them informed, DWC makes sure its actions are open to feedback.

Other considerations relevant to goals and action plans

None Identified.

Agency operations

Goal 1: Modernize agency technology.

Specific action items	Target date
Evaluate the need for more staff to accelerate the agency's technology modernization efforts. These efforts include replacing legacy systems, implementing cloud solutions for some TDI-maintained software, and moving agency servers to the public cloud.	FY 2026
Finish moving DWC legacy systems to more current internal systems.	FY 2026
Continue streamlining SFMO licensing applications and procedures with modernized agent and adjuster licensing processes.	FY 2027
Continue finding best practices and technology by comparing private and public sector companies with similar functions to help improve customer service, information security, and internal processes.	Ongoing
Continue using software to analyze property and casualty and life and health insurer policies for compliance with state law. Explore expanded use of technology to review other types of filings.	Ongoing
Modernize Property and Casualty Actuarial Office's data transfer, storage, and accessibility by exploring and evaluating data transfer methods between statistical agents, insurers, and TDI; and evaluating data storage options to improve staff access to data.	Ongoing

Support of statewide objectives

- 1. Accountable to tax and fee payers of Texas.**
Modernizing technology makes agency processes more efficient and effective.
- 2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**
Increasing use of online services reduces staff time manually entering and processing paper documents.
- 3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**
Engaging with vendors, the NAIC, and other state agencies, using existing technology resources to create a culture of continuous improvement and ensure the agency continues to meet key performance measures.
- 4. Attentive to providing excellent customer service.**
Using technology more effectively improves consumer service by providing easier ways for people to do business with TDI.

5. Transparent such that agency actions can be understood by any Texan.

Using technology increases transparency. For example, TDI is moving more data to the Texas Open Data Portal. This makes it easier to search large data sets.

Other considerations relevant to goals and action plans

TDI continues looking at technology solutions that can improve analysis of data and information reported to the agency. The potential benefits include improved regulatory consistency and the ability to quickly identify compliance issues.

Goal 2: Promote a quality, long-term agency workforce.

Specific action items	Target date
Ensure a thorough review of the agency's Survey of Employee Engagement results to help develop programs and policies that meet employees' needs.	FY 2025
Reevaluate federal funding provided for DWC's Occupational Safety and Health Administration safety consultation program to better recruit and keep knowledgeable staff and align consultation program expertise with salaries in adjacent industries.	FY 2026
Review and revamp the agency's approach to succession planning to make sure workforce needs are met, knowledge transfers occur on multiple levels, and position the agency to manage a high percentage of retirements in the next 10 years.	FY 2026
Enhance the effectiveness and efficiency of the workers' compensation dispute resolution system by implementing strategic salary raises and job reclassifications to recruit and keep qualified administrative law judges.	Ongoing
Use existing program area best practices in agencywide initiatives to streamline DWC's hiring and onboarding process giving new employees an understanding of the agency's role regulating the Texas workers' compensation system. <ul style="list-style-type: none">• Consider using career ladders, mentoring programs, and an internship program to ensure long-term institutional knowledge and a healthy workforce.• Invest in training and professional development to ensure retention of a driven and educated workforce.	Ongoing

Support of statewide objectives

- 1. Accountable to tax and fee payers of Texas.**

Improving employee retention reduces agency resources spent recruiting and training new employees. By keeping current staff with long-term program knowledge, we also reduce program delays as new employees get up to speed.
- 2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

Creating programs and policies that meet employees' needs help reinforce important individual contributions. Seeking employee input, acknowledging and rewarding innovative cost-saving ideas, and transparent communication encourages buy-in and support for organizational change.
- 3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

Investing in ongoing training and development programs lets the agency equip employees with the latest tools and techniques to work smarter and more efficiently. Tracking productivity-related performance measures also lets the agency evaluate how effective these

initiatives are on overall workforce performance.

4. Attentive to providing excellent customer service.

Investing in training and development makes sure employees have the skills needed to deliver excellent customer service. Training programs focus on communication skills, problem-solving techniques, and insurance product knowledge, which helps staff better understand and meet customer needs.

5. Transparent such that agency actions can be understood by any Texan.

Providing accessible information about our efforts to recruit and keep top-tier talent, as well as our dedication to employee well-being makes sure Texans feel informed and involved.

Other considerations relevant to goals and action plans

None identified.

Redundancies and impediments

DWC identified two redundancies and impediments. Any additional redundancies and impediments identified by the agency will be included in our 2024 Biennial Report.

Multiple first responder definitions.

Redundancy	Impediment
Service, statute, rule, or regulation (provide specific citation if applicable)	Multiple definitions of a first responder: <ul style="list-style-type: none">• Texas Labor Code 408.1615, 504.019, and 504.055.• Texas Government Code 421.095 and Chapter 607.• Texas Education Code 88.126.
Describe why the service, statute, rule, or regulation is resulting in inefficient or ineffective agency operations	Multiple first responder definitions are tied to many specific benefits and requirements. The differing applications and how they intersect with the Workers' Compensation Act, Government Code, and Local Government Code confuse first responder communities navigating the claims process and local governmental entities administering benefits. This increases disputes and leads to stakeholder frustration.
Provide agency recommendation for modification or elimination	Conform changes to create one definition of who qualifies as a first responder under the Workers' Compensation Act.
Describe the estimated cost savings or other benefit associated with recommended change	It will reduce disputes and delays related to first responder income or medical benefits.

Allow electronic income benefit payment options.

Redundancy

Service, statute, rule, or regulation (provide specific citation if applicable)

Describe why the service, statute, rule, or regulation is resulting in inefficient or ineffective agency operations

Provide agency recommendation for modification or elimination

Describe the estimated cost savings or other benefit associated with recommended change

Impediment

Texas Labor Code [409.0231\(a\)](#).

Electronic payment options are widely used by individuals and businesses.

Offering digital payment options to injured employees modernizes the Texas workers' compensation system and gives injured employees additional payment options that are familiar and regularly used.

Digital payments would speed up payments to injured workers and may reduce payment disruption due to national and natural disasters (particularly with mail carriers).

This would also provide a good option for payments to injured employees who don't have access to a bank account. A change in law would let the workers' compensation system continue to adapt and provide for additional innovative payment options.

Amend Texas Labor Code 409.0231(a) to allow for electronic payment options for income benefit payments to injured employees.

Reduce delays and modernize benefit payments under the Workers' Compensation Act.



Schedule A
Budget Structure

Agency goals

- Goal 1. Protect and ensure the fair treatment of consumers
- Goal 2. Promote a competitive and stable insurance market
- Goal 3. Reduce loss of life and property due to fire
- Goal 4. Effectively regulate the Texas workers' compensation system
- Goal 5. Indirect administration
- Goal 6. Regulatory response
- Goal 7. Health insurance risk pool
- Goal 8. Salary adjustments

Objectives and strategies

1.1 Provide high quality information and services to stakeholders

1.1.1 Educate consumers, resolve complaints, and license agents.

Insurance goals 1, 2

Operations goals 1, 2

Outcome measures

1.1 OC 1 Percent of calls answered by the TDI consumer Help Line call center

1.1 OC 2 Average number of dollars returned to consumers, per complaint

1.1 OC 3 Percent of continuing education filings completed within 10 days

1.1 OC 4 Percent of agent and adjuster applications completed within seven days

1.1 OC 5 Percent of licensees who renew online

Output measures

1.1.1 OP 1 Number of complaints resolved

Efficiency measures

1.1.1 EF 1 Average response time (in days) to complaints

Explanatory measures

1.1.1 EX 1 Number of inquiries received

1.1.2 Maintain TexasSure Motor Vehicle Financial Responsibility Program.

Operations goal 1

Outcome measures

1.1 OC 6 Percent of autos with personal or commercial liability insurance

1.1.3 Support Texas.gov.

2.1 Regulate insurance industry solvency

2.1.1 Analyze financial condition of insurers and take solvency action.

Insurance goal 2

Operations goals 1, 2

Outcome measures

2.1 OC 1 Percent of identified companies reviewed

2.1 OC 2 Percent of company, third-party administrators, and premium finance license applications completed within 60 days

Explanatory measures

2.1.1 EX 1 Number of insurance company insolvencies

2.1.1 EX 2 Number of entities receiving TDI solvency-related intervention

2.2 Efficiently regulate insurance rates, forms, programs, and networks

2.2.1 Efficiently regulate property and casualty rates, forms, and programs.

Insurance goal 2

Operations goals 1, 2

Outcome measures

2.2 OC 1 Percent of statutory rate and form filings completed within 90 days

2.2 OC 2 Percent of personal auto/residential property form filings completed in 60 days

Output measures

2.2.1 OP 1 Number of property and casualty filings completed

2.2.1 OP 2 Number of windstorm inspections completed of certain Gulf Coast property for windstorm code compliance

2.2.2 Efficiently regulate life and health rates, forms, and networks.

Insurance goal 2

Operations goals 1, 2

Output measures

2.2.2 OP 1 Number of life and health filings completed

2.3 Ensure compliance with state insurance laws

2.3.1 Review compliance and bring enforcement actions as needed.

Insurance goal 2

Operations goals 1, 2

Outcome measures

2.3 OC 1 Percent of enforcement cases concluded with action within 365 days

2.3.2 Investigate insurance fraud and refer violations for prosecution.

Insurance goals 1,2

Operations goals 1, 2

Output measures

2.3.2 OP 1 Number of insurance fraud suspects investigated and resolved

Efficiency measures

2.3.2 EF 1 Percentage of investigations of fraud suspects resolved within two years

Explanatory measures

2.3.2 EX 1 Number of insurance-related fraud reports received

2.4 Administer initiatives to promote affordable insurance access

2.4.1 Administer three-share program that helps employers provide affordable health care coverage.

Insurance goal 1

Operations goals 1, 2

3.1 Protect the public from loss of life and property due to fire

3.1.1 Investigate suspected arson, conduct fire safety inspections, and licensing.

Insurance goal 2

Operations goals 1, 2

Outcome measures

3.1 OC 1 Percent of fire safety registrations, licenses, permits issued within 20 days

Output measures

3.1.1 OP 1 Number of investigations initiated by State Fire Marshal's Office

3.1.1 OP 2 Number of SFMO registrations, licenses, and permits issued

3.1.1 OP 3 Number of licensing investigations or inspections conducted

3.1.1 OP 4 Number of buildings inspected or reinspected for fire safety hazards

4.1 Ensure delivery of workers' compensation benefits

4.1.1 Oversee activities of system participants and ensure compliance.

DWC goals 1, 2, 3

Operations goals 1, 2

Outcome measures

4.1 OC 1 Percent of workers' compensation enforcement cases concluded within 365 days

Output measures

4.1.1 OP 1 Number of workers' compensation enforcement cases concluded with action

4.1.1 OP 2 Number of quality of care reviews completed

4.1.1 OP 3 Number of complaints closed involving workers' compensation system participants

4.1.1 OP 4 Number of performance reviews completed

Efficiency measures

4.1.1 EF 1 Average number of days per quality of care reviews of providers, carriers, utilization review agents, and independent review organizations completed

4.1.1 EF 2 Average number of days to close a complaint involving workers' compensation system participants

4.1.1 EF 3 Average number of days to complete a performance review

Explanatory measures

4.1.1 EX 1 Percent market share of self-insurance to total workers' compensation insurance market

4.1.1 EX 2 Percent of medical bills processed timely (within 45 days)

4.1.2 Resolve indemnity, medical fee, and medical necessity disputes.

DWC goals 1, 3

Operations goals 1, 2

Outcome measures

4.1 OC 2 Percent of medical fee disputes resolved by medical fee dispute resolution or upheld upon appeal

Output measures

4.1.2 OP 1 Number of benefit review conferences held

4.1.2 OP 2 Number of contested case hearings held

4.1.2 OP 3 Number of appellate decisions issued

Efficiency measures

4.1.2 EF 1 Average number of days to resolve a medical fee dispute

4.1.2 EF 2 Average number of days to resolve indemnity disputes through resolution proceedings

Explanatory measures

4.1.2 EX 1 Number of medical fee disputes received

4.1.3 Administer subsequent injury fund.

DWC goal 3

Operations goals 1, 2

Efficiency measures

4.1.3 EF 1 Average number of days from receipt of Subsequent Injury Fund request for reimbursement to payment of request

Explanatory measures

4.1.3 EX 1 Number of injured workers receiving lifetime income benefit payments through the Subsequent Injury Fund

4.1.4 Investigate workers' compensation fraud and refer violations for prosecution.

DWC goal 3

Operations goals 1, 2

Outcome measures

4.1 OC 3 Percent of workers' compensation insurance fraud reports resolved

Output measures

4.1.4 OP 1 Number of workers' compensation fraud cases resolved

4.1.4 OP 2 Number of successful prosecutions for workers' compensation fraud cases referred

Efficiency measures

4.1.4 EF 1 Percent of workers' compensation fraud cases resolved within 365 days

Explanatory measures

4.1.4 EX 1 Number of reports of workers' compensation insurance fraud received

4.2 Ensure workers' compensation system participants are educated and informed

4.2.1 Provide educational and workplace safety consultation to system participants.

DWC goal 3

Operations goals 1, 2

Output measures

4.2.1 OP 1 Number of workplace safety consultations and inspections provided to employers

4.2.1 OP 2 Number of return-to-work, health care provider, and workplace safety educational products and services provided to system participants

4.2.1 OP 3 Number of workers' compensation income benefit recipients referred to the Texas Workforce Commission

Explanatory measures

4.2.1 EX 1 – Incidence of injuries and illness per 100 FTEs in the private sector

4.2.2 Provide customer assistance and manage system participants' information.

DWC goal 3

Operations goals 1, 2

Outcome measures

4.2 OC 1 Percent of temporary income benefits recipients released to work within 90 days of injury

5.1 Indirect administration

5.1.1 Central administration.

Operations goals 1, 2

5.1.2 Information resources.

Operations goal 1

5.1.3 Other support services.

Operations goals 1, 2

6.1 Regulatory response rider

6.1.1 Contingency regulatory response.

7.1 Health insurance risk pool

7.1.1 Contingency health insurance risk pool.

8.1 Salary adjustments

8.1.1 Attract and retain skilled employees.



Schedule B
Performance Measure
Definitions

1.1 OC 1 Percent of calls answered by the TDI consumer Help Line call center

Definition

The call capture rate for calls answered by the consumer Help Line is the percent of calls answered by consumer Help Line staff.

Purpose

The percentage of calls answered by consumer Help Line staff is a call center industry standard measurement of customer service. TDI educates consumers through phone calls.

Data source

Incoming and answered telephone calls are tracked by the agency's telephone system. Incoming calls are routed to an automated call distribution (ACD) queue that is available to be answered by a staff member. An answered call is one that was routed to an ACD queue then answered by a consumer Help Line staff member.

Methodology

The total number of telephone calls answered by the consumer Help Line staff, divided by the total number of incoming telephone calls during the reporting period.

Data limitations

If the network server that captures call data goes down and a daily calls answered/incoming calls report is not available or incomplete, then that day's total calls answered/incoming will be calculated by averaging the previous and succeeding days' number of calls answered/incoming reports.

Limitations may include employee turnover, market or economic conditions, weather or other natural events, statutory changes, addition or elimination of programs or license types, the number of people calling the consumer Help Line.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

1.1 OC 2 Average number of dollars returned to consumers, per complaint

Definition

The total dollar amount of claim payments and premium refunds returned to the consumer through complaint resolution by the TDI Consumer Protection program, divided by the number of complaints resolved.

Purpose

To measure the average dollar amount returned to consumers through complaint resolution. TDI is directed by statute to facilitate the resolution of consumer complaints and assist consumers in recovering valid claims.

Data source

The claim payments and amounts of premium refund obtained through submitting a complaint to TDI are tracked in an agency database. Claim payments amounts are the additional amount above what was originally offered to the consumer before contacting TDI. Premium refunds are amounts of premiums previously paid that are refunded because of contacting TDI. Complaints are tracked in an agency database. The complaint is resolved when staff have closed the complaint in the database. To close a complaint, staff must exhaust all actions deemed appropriate to resolve the complaint and have sent the complainant communication explaining the final disposition of the complaint. Anonymous complaints will have a memo to file instead of a letter to a complainant.

Methodology

The total dollar amount of claim payments and premium refunds returned to the consumer through complaint resolution by the TDI Consumer Protection program, divided by the number of complaints resolved.

Data limitations

Limitations may include employee turnover, market or economic conditions, weather or other natural events, statutory changes, addition or elimination of programs or license types, the dollar amount of claim payments and the number of complaints resolved.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

1.1 OC 3 Percent of continuing education filings completed within 10 days

Definition

The percent of continuing education (CE) provider and course filings completed within 10 calendar days of receipt. A CE provider or course filing is submitted for the issuance of a new registration or certification or renewal of an existing registration or certification.

Purpose

To ensure the timely processing of CE filings. This supports the mission of the Customer Operations division to provide best in class service to the TDI customers it services, including CE providers and licensees required to complete CE courses as part of their licensing compliance. Timely processing of CE course applications ensures the most relevant and up-to-date courses are available for licensees. It also supports the overall mission of TDI to protect insurance consumers.

Data source

The starting date is the date a complete and correct filing is received by TDI. The "completed" date for filings is the process date assigned in the CE tracking system, the date the action pertaining to the record request is completed, or the date on the notification letter of approval or denial.

Methodology

The sum of the number of CE filings completed within 10 calendar days of receipt, divided by the total number of CE filings completed during the reporting period.

Data limitations

Limitations may include employee turnover, market or economic conditions, weather or other natural events, statutory changes, addition or elimination of programs or license types, the number of people desiring to become licensed or renew licenses, the number of CE providers desiring to offer courses, or the number of courses CE providers desire to offer.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

1.1 OC 4 Percent of agent and adjuster applications completed within seven days

Definition

The percent of agent and adjuster license applications completed within seven days of receipt. An agent and adjuster application license is submitted for the issuance of a new license.

Purpose

To ensure the timely processing of agent and adjuster applications. This supports the mission of the Customer Operations division to provide best in class service to the TDI customers it services, including agent and adjuster licensing candidates seeking licensure to do business in the state. Timely processing of license applications ensures qualified applicants can continue on with their business. It also supports the overall mission of TDI to protect insurance consumers.

Data source

The information needed to calculate this measure is maintained in a regulatory system. The starting date is the date an application filing, including all information needed for TDI to determine whether an applicant meets Texas Insurance Code and associated rule requirements, is received by TDI. The ending date is the date that TDI sends information to the applicant regarding whether an application has been approved or denied.

Methodology

The sum of the number of agent and adjuster license application filings completed within seven days of receipt, divided by the total number of agent and adjuster license application filings completed during the reporting period.

Data limitations

Limitations may include employee turnover, market or economic conditions, weather or other natural events, statutory changes, addition or elimination of programs or license types, or the number of people desiring to become licensed.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

1.1 OC 5 Percent of licensees who renew online

Definition

The total number of agent licenses renewed online as a percentage of the total number of agent licenses renewed through all renewal sources.

Purpose

To track the percentage of agent licenses renewed online. This supports the mission of the Customer Operations division to provide best in class service to the TDI customers it services, including agent and adjuster licensees seeking to renew their licensure and continue to do business in the state. Online renewals are the most efficient and effective method for renewing licenses and ensuring continuous licensure. It also supports the overall mission of TDI to protect insurance consumers.

Data source

An agent license is renewed when the license's renewal invoice is paid in the agent license database. Agent licenses include agents, adjusters, service representatives, counselors, reinsurance brokers and managers, and risk managers. The agent license invoices renewed online are invoices for which the licensee or the licensee's representative submits payment electronically through a third-party system, including, but not limited to, TexasOnline, Sircon, and the National Insurance Producer Registry. The total number of agent license invoices renewed is invoices that are renewed online plus all renewals.

Methodology

The sum of the number of agent licenses renewed online, divided by the total number of agent licenses renewed during the reporting period.

Data limitations

An agent may hold more than one license at the agency; therefore, for this measure, individual licenses are counted instead of the licensee to better reflect accurate activity at the agency.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

1.1.1 OP 1 Number of complaints resolved

Definition

The number of written communications primarily expressing a grievance which have been resolved.

Purpose

To measure the number of complaints resolved. This supports the mission of the Customer Operations division to provide best in class service to the TDI customers it services, including consumers submitting an insurance complaint with the agency. The number of complaints resolved reflects the number of consumers assisted with their insurance issues. It also supports the overall mission of TDI to protect insurance consumers.

Data source

Complaints are tracked in an agency database and may be submitted through the portal, by phone, or by letter. The source of the data is quarterly and annual reports. The complaint is resolved when staff have closed the complaint in the database. To close a complaint, staff must exhaust all actions deemed appropriate to resolve the complaint and have sent the complainant a correspondence explaining the final disposition of the complaint. Anonymous complaints will have a memo to file instead of a letter to a complainant.

Methodology

The sum of complaint records for the reporting period that are closed.

Data limitations

Limitations may include employee turnover, market or economic conditions, weather or other natural events, statutory changes, addition or elimination of programs, or the number of people desiring to submit complaints.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

1.1.1 EF 1 Average response time (in days) to complaints

Definition

The average number of days to resolve complaints received by the department through the portal, by phone, or by letter.

Purpose

To measure the efficiency of TDI's complaints resolution process. This supports the mission of the Customer Operations division to provide best in class service to the TDI customers it services, including resolving complaints. It also supports the overall mission of TDI to protect insurance consumers.

Data source

Complaints are tracked in an agency database and may be submitted through the portal, by phone, or by letter. The date TDI receives the complainant's letter will be the starting date. Reports received after the close of the business day will be considered received on the next business day. A complaint is resolved when staff have closed the complaint in the agency database. To close a complaint, staff must exhaust all actions deemed appropriate to resolve the complaint and have sent the complainant correspondence explaining the final disposition of the complaint. Anonymous complaints will have a memo to file. The source of the data is a report from an agency database.

Methodology

The sum of the total number of days to resolve complaints, divided by the number of complaints resolved during the reporting period.

Data limitations

Anonymous complaints will have a memo to file instead of a letter to the complainant. If a complaint is reopened, the elapsed time between a closure date and a reopen date is not included in the calculation. Limitations may also include employee turnover, market or economic conditions, and weather or other natural events.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

1.1.1 EX 1 Number of inquiries received

Definition

The number of inquiries received through the contact center management system of the department. An inquiry is a request for insurance information received from an external customer during business hours. Customers include individual consumers, business consumers, regulated entities, state agencies, and legislators.

Purpose

To measure the number of inquiries received through the contact center management system. This supports the mission of the Customer Operations division to provide best in class service to the TDI customers it services, including consumers submitting an inquiry with the agency. It also supports the overall mission of TDI to protect insurance consumers.

Data source

Inquiries to the contact center staff. Inquiries are tracked by reports generated by the contact center's management system.

Methodology

The sum is the total number of inquiries received through the contact center management system.

Data limitations

If the network server that captures contacts data goes down and a daily call answered report is not available or incomplete, then that day's total contacts answered will be estimated by averaging the previous and succeeding day's number of contacts answered reports. Inquiries are dynamic data: a question from a consumer may be counted as an inquiry in one quarter, then become a complaint in a subsequent quarter.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

1.1 OC 6 Percent of autos with personal or commercial liability insurance

Definition

Number of insured registered passenger vehicles as a percent of total registered passenger vehicles.

Purpose

To measure the percentage of total registered passenger vehicles which are covered by personal or commercial automobile liability insurance.

Data source

The source of data for total registered passenger vehicles covered by personal or commercial automobile liability insurance is TexasSure Motor Vehicle Financial Responsibility Verification Program, the Texas financial responsibility verification program. The source of data for registered passenger vehicles is the Texas Department of Motor Vehicles, as reported to the vendor for TexasSure vehicle insurance verification.

Methodology

The total number of registered passenger vehicles covered by personal or commercial automobile liability insurance, divided by the total number of registered passenger vehicles at the end of the reporting period.

Data limitations

Data for passenger vehicles covered by commercial automobile liability insurance is an optional reporting element of TexasSure Motor Vehicle Financial Responsibility Verification Program.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.1 OC 1 Percent of identified companies reviewed

Definition

The percent of annual financial statement reviews completed on identified companies. Identified companies are composed of Texas domestic companies or foreign companies writing a certain level of Texas premium that may have potential solvency concerns.

Purpose

To ensure TDI reviews all identified companies for financial regulatory problems.

Data source

The number of identified companies is established by June 1 of each fiscal year, based on TDI's priority system. The number of identified companies is evidenced by a report called "Texas and Foreign+ Priority Companies". Foreign+ is defined as foreign life insurance companies writing more than an amount determined annually in Texas premium in the preceding calendar year and foreign property/casualty companies writing more than an amount determined annually in Texas premium in the preceding calendar year. The number of financial reviews is evidenced by a report entitled "Annual Reviews Completed on Priority Companies". This report is generated as of fiscal year-end from the financial tracking system. TDI completes its review of these annual statements between March 1 and August 31 each fiscal year.

Methodology

The sum of the number of financial reviews completed on annual statements filed by identified companies, divided by the total number of identified companies for the reporting period.

Data limitations

Domestic insurance companies are Texas-based entities chartered in Texas holding a certificate of authority, as tracked in an agency database. Foreign companies are non-Texas-based entities chartered in other states or by a foreign government holding a certificate of authority, as tracked in an agency database. The number of domestic or foreign companies entering into, or withdrawing from, the market in any given fiscal year may vary.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.1 OC 2 Percent of company, third-party administrators, and premium finance license applications completed within 60 days

Definition

This measure tracks the timely completion of processing company, third party administrator, and premium finance applications once the application contains all the information needed by statute and rule.

Purpose

To ensure the timely processing of license applications for authorized insurers (includes captive and domestic surplus lines insurers), HMOs, third-party administrators, and premium finance companies, as well as their branches, and the following post-licensure transactions: redomestications, mergers, and withdrawals.

Data source

The data source is maintained using the agency database. Applications are for licensure, redomestications, mergers, and withdrawal plans. Entities counted in this measure are authorized insurers (including captive and domestic surplus lines insurers), HMOs, third-party administrators, and premium finance companies, as well as their branches. The processing time begins on the date that all documentation and required fees have been received. The processing time is completed for company applications on 1) the date of the letter to the applicant, which includes the certificate of authority and/or commissioner's order, or the date on the memo to file if no certificate of authority or commissioner's order is issued, or 2) the date a no action letter is issued. The processing time is completed for third-party administrator applications on the date of the commissioner's order or letter. The processing time is completed for premium finance applications on the effective date as indicated on the license.

Methodology

The sum of the number of license and related transaction applications completed within 60 days for authorized insurers (including captive and domestic surplus lines insurers), HMOs, third party administrators, and premium finance companies, as well as their branches, divided by the total number of license and related transaction applications completed for these entities.

Data limitations

None.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.1.1 EX 1 Number of insurance company insolvencies

Definition

The number of insurance companies and other risk-bearing entities that are insolvent and placed in receivership for liquidation.

Purpose

To measure the number of insolvencies that may impact the guaranty associations, policyholders, claimants, general creditors, and the public. Various factors that significantly impact this measure include inadequate underwriting and reserving, improper financial reporting, mismanagement, new product development, and marketing.

Data source

Each insurance company and risk-bearing entity placed in receivership is used as a basis by TDI when obtaining a court order to initiate a liquidation proceeding.

Methodology

The number of insurance companies, HMOs, exchanges, and multiple employer welfare arrangements that are insolvent and placed in receivership for liquidation during the reporting period.

Data limitations

Receiverships for the purpose of rehabilitation and non-risk-bearing entities are not included in this measure.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

2.1.1 EX 2 Number of entities receiving TDI solvency-related intervention

Definition

The number of licensed or unauthorized insurance companies or agencies whose operations are placed under the TDI solvency-related intervention for financial rehabilitation.

Purpose

To measure the number of entities receiving TDI solvency-related intervention, which represents the TDI philosophy of early intervention to attempt rehabilitation of companies as mandated by the Texas Insurance Code.

Data source

This measure uses the number of referrals as the source for calculating this measure. A referral is defined as the issuance of an official Commissioner's Order or letter for TDI solvency-related intervention, including ancillary supervision or conservatorship, and includes the count of TDI solvency-related interventions in effect at the beginning of the fiscal year, plus companies or agencies referred during the fiscal year.

Methodology

The sum of the total number of new companies or agencies placed under TDI solvency-related intervention, including supervision, conservatorship, Texas Insurance Code [Chapter 404](#) orders, administrative oversight letters, or court-directed rehabilitation during the reporting period. Does not include an entity being moved from one to another type of action within the scope of the measure.

Data limitations

The number of troubled companies referred for regulatory intervention is influenced by many economic and environmental influences. Orders issued under the authority of Texas Insurance Code, Chapter 404 against licensed or unauthorized entities that have no current policies in Texas, and do not write in Texas, are excluded from this measure.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

2.2 OC 1 Percent of statutory rate and form filings completed within 90 days

Definition

This measure monitors the percent of rate and form filings that are completed (the date of the agency's final action is taken) by TDI within 90 days of receipt of the filing.

Purpose

To ensure the timely processing of filings. This impacts speed to market for carriers and protection for our consumers as part of ensuring a competitive and stable insurance market.

Data source

Filings are tracked in an electronic database. A filing is a submission of rates or rating factors, forms, or other documents required by TDI for use by insurance carriers, viatical and life settlement entities, and HMOs to define the terms of coverage, develop rates, or transact the business of insurance. A filing is completed on the date final agency action is taken on the filing. Final action is defined as approval, disapproval, rejection, withdrawal, acceptance, deemed approved, closed, filed for information only, or verification that a filing is exempt from review. A form filed to replace a previously approved form is counted as a separate filing. To count the number of days to complete a filing, begin on the date of the day after TDI receives the filing and end on the date of final TDI action.

Methodology

Within the reporting period, the total number of all filings completed by TDI within 90 days of receipt of the filing, divided by the total number of filings completed.

Data limitations

The mergers of carriers consolidates the number of carriers in the market, which could mean fewer forms in use and fewer filings. Limitations may also include employee turnover, market or economic conditions, statutory changes, and noncompliant filings.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.2 OC 2 Percent personal auto/residential property form filings completed in 60 days

Definition

The percent of personal auto and residential property form filings that have been completed (approval or disapproval, rejection, withdrawal, deemed approved, or filed for information only) by TDI within 60 days of receipt.

Purpose

To ensure the timely processing of personal auto and residential property form filings. The turnaround time for processing form filings impacts how fast a new or revised insurance product is available to consumers. It is also used to measure staff productivity and performance.

Data source

Filings are tracked in an electronic database and form filings are defined as both policy forms and endorsements. A form filing is completed on the date final action is taken on the filing. Final action includes approval, disapproval, deemed approved, filed for information, rejection, or withdrawal. A form filed to replace a previously approved form is counted as a separate filing. To count the number of days to complete a filing, begin on the date of the day after TDI receives the filing and end on the date of final TDI action. The number of days to complete a filing includes the number of days between the date TDI requests additional information and the date TDI receives a response from the company.

Methodology

Within the reporting period, the total number of personal automobile and residential property form filings completed by TDI within 60 days of receipt of the filing, divided by the total number of personal automobile and residential property form filings completed.

Data limitations

Limitations may include employee turnover, the number and quality of form filings submitted, market or economic conditions, weather or natural events, statutory changes, increasing complexity of products, and timeliness and cooperation of third parties.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.2.1 OP 1 Number of property and casualty filings completed

Definition

The number of property and casualty filings completed by TDI. A filing is a submission of rates, policy forms, or other documents relating to coverage and rates.

Purpose

To measure the number of property and casualty filings TDI completed for the reporting period. The data is used as workload measures for staffing, workload distribution, staff productivity, and identifying market trends.

Data source

Filings are tracked in an electronic database. A form filing may include policy forms, endorsements or certificates of insurance. A rate filing may include rates, rating plans, rules, and rating manuals. A filing is completed on the date final action is taken on the filing. Final action is defined as approval, disapproval, rejection, withdrawal, acceptance, deemed approved, closed, or filed for information only.

Methodology

The total number of property and casualty filings completed for the reporting period.

Data limitations

Limitations may include employee turnover, the number and quality of filings submitted, market or economic conditions, weather or natural events, statutory changes, noncompliant filings, and increasing complexity of products and rating plans.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

2.2.1 OP 2 Number of windstorm inspections completed of certain Gulf Coast property for windstorm code compliance

Definition

The number of inspections TDI completes of property for windstorm code compliance in certain Gulf Coast communities, cities, and counties. A windstorm inspection is an inspection of a structure for compliance with Texas Insurance Code, [Chapter 2210](#) to determine if the components comply with applicable windstorm building codes adopted by administrative rule. If the inspector travels to the site, TDI considers the inspection completed regardless if the inspection is documented as either approved, disapproved, incomplete, or canceled.

Purpose

To measure the number of windstorm inspections completed. The data is used when considering needed resources and resource allocation for the Inspections office, including the geographic location of our inspectors.

Data source

An inspector completes a windstorm inspection by documenting it on a WPI-7 inspection form and entering it into the windstorm database. Inspectors inspect components of commercial or residential structures, including alterations, repairs, re-roofs, retrofits, or any other applicable component. Inspections comply with Texas Insurance Code, Chapter 2210 in the Texas counties that are eligible for wind and hail coverage through the Texas Windstorm Insurance Association. The Commissioner of Insurance designates these areas. Inspectors enter inspections into the windstorm database and the number of inspections is calculated monthly.

Methodology

The sum of the number of windstorm inspections completed during the reporting period.

Data limitations

Limitations include TDI employee turnover, market or economic conditions, and weather or other natural events.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

2.2.2 OP 1 Number of life and health filings completed

Definition

The number of life and health filings completed by TDI. A filing is a submission of rates, forms, or other documents relating to coverage and rates for use by insurance carriers, viatical and life settlement entities, and HMOs.

Purpose

To measure the number of life and health filings TDI completed for the reporting period. This impacts speed to market for carriers and protection for our consumers as part of ensuring a competitive and stable insurance market.

Data source

Filings are tracked in an electronic database. A filing is a submission of rates or rating factors, forms, or other documents required by TDI for use by insurance carriers and/or viatical and life settlement entities to define the terms of coverage or to transact the business of insurance. This includes HMOs and approved nonprofit health corporations form filings. A filing is completed on the date final agency action is taken on the filing. Final action is defined as approval, disapproval, rejection, withdrawal, and verification that a form is exempt from review or filed for information only. A form filed to replace a previously approved form is counted as a separate filing.

Methodology

The total number of life and health filings TDI completed during the reporting period.

Data limitations

The mergers of carriers consolidates the number of carriers in the market, which could mean fewer forms in use and fewer filings. Limitations may also include employee turnover, market or economic conditions, statutory changes, or timeliness and cooperation of third parties.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

2.3 OC 1 Percent of enforcement cases concluded with action within 365 days

Definition

The percent of enforcement cases concluded with action within 365 days. Actions are orders resulting from hearings at the State Office of Administrative Hearings (SOAH), orders issued without a hearing, license surrenders, and warning letters. This excludes continuing education violations.

Purpose

To measure timeliness of resolution of cases that merit action.

Data source

The source of the data is an agency database. The enforcement case is concluded on the date the case is closed in the database.

Methodology

The number of enforcement cases, excluding continuing education, concluded with action within or equal to 365 days from the case pending date, divided by the total number of enforcement cases concluded with action.

Data limitations

Some more complex cases or those that proceed to a contested case hearing at SOAH often take longer than 365 days to resolve. These cases are necessary but can impact this measure.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.3.2 OP 1 Number of insurance fraud suspects investigated and resolved

Definition

Fraudulent insurance acts are defined as crimes committed or attempted while engaged in the business of insurance, as part of or in support of an insurance transaction, or part of an attempt to defraud an insurer. A suspect is defined as a person engaged in a possible crime. Each investigation is distinguished by a unique number assignment. An investigation is resolved when a suspect has been referred to a criminal prosecutor, authorized governmental agency, other regulatory entity for further legal action, or some factor precludes the possibility of further investigation.

Purpose

To measure the number of suspects investigated for engaging in fraudulent insurance acts. Investigations target suspects not complying with laws designed to safeguard a competitive and stable insurance market.

Data source

The source of the data is the number of insurance fraud investigations initiated by the Fraud Unit and the suspects associated with those cases. The data is maintained in the Fraud Unit's case management system.

Methodology

The number of investigations (also known as cases) each with a unique number, that are resolved during the reporting period. Each of these resolved cases has one or a number of suspects positively identified as having committed a fraudulent insurance act.

Data limitations

In many instances, the investigation of a suspect will not be resolved in the same fiscal year in which it was initiated. Variance in the number of resolutions may result in calculation of a percentage that reflects the agency's performance over multiple fiscal years.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

2.3.2 EF 1 Percentage of investigations of suspects resolved within two years

Definition

Insurance-related fraud is defined in state and federal penal statutes. A suspect is a person, defined under Texas Insurance Code [701.001\(4\)](#), as having engaged in a possible violation of a penal law. Each case opened for investigation is distinguished by a unique number assignment. An investigation is resolved when a suspect has been referred to a criminal prosecutor, authorized governmental agency, or other regulatory entity for further legal action, or some factor precludes the possibility of further investigation.

Purpose

To measure how efficiently investigations are resolved.

Data source

Information is available in the Fraud Unit's records management system.

Methodology

The sum of the number of investigations of suspects resolved within two years, divided by the total number of investigations of suspects resolved in the reporting period.

Data limitations

In many instances, the investigation of a suspect will not be resolved in the same fiscal year in which it was initiated. Variance in the number of resolutions may result in calculation of a percentage that reflects the agency's performance over multiple fiscal years.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

2.3.2 EX 1 Number of insurance-related fraud reports received

Definition

A fraud report is a written record submitted to TDI in compliance with Texas Insurance Code [701.051](#).

Purpose

To measure the number of instances of suspected insurance-related fraud in Texas.

Data source

The source of the data is maintained in the Fraud Unit's case management system. All reports of insurer fraud from any source will be entered into the Fraud Unit's case management system and the total will be calculated by querying the system.

Methodology

The sum of the number of insurance-related fraud reports received by the Fraud Unit during the reporting period.

Data limitations

The volume of reporting will fluctuate yearly often based upon insurance marketplace influences caused by economic conditions such as population growth and natural disasters that tend to provide increased opportunities to commit fraudulent insurance acts.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

3.1 OC 1 Percent of fire safety registrations, licenses, permits issued within 20 days

Definition

Percent of registrations, licenses, and permits issued within 20 days, after receipt of a completed application, to fire alarm, fire extinguisher, fire sprinkler, and fireworks companies, individuals, and other regulated entities.

Purpose

To track efficiencies in the issuance of fire safety registrations, licenses, and permits aligns with the SFMO mission to help reduce the loss of life and property through prevention and protection. Part of that prevention is our responsibility to process requests for licenses and permits in a timely and efficient manner and provide high quality service to the public and our customers.

Data source

Both initial and renewal certificates of registration, licenses, and permits are issued to companies, individuals, and other entities, upon request, after the applicant provides all the requirements of Texas Insurance Code, Chapters [6001](#), [6002](#), and [6003](#) and Occupations Code, Title 13, Subtitle D, [Chapter 2154](#). The receipt date of a completed application is determined by the date of the TDI Division Cash Receipt Report for correspondence including fees or by the SFMO "received" date stamp on correspondence without fees. The date of issuance of the registration, license, or permit is the date printed on the registration, license, or permit. The received and issuance dates are entered into a database located on the agency's computer network.

Methodology

The sum of the number of registrations, licenses, and permits issued within 20 days or less, divided by the total number of registrations, licenses, and permits issued within the reporting period.

Data limitations

Employee turnover and seasonal increases in requests for permits and economic conditions may impact this performance measure.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

3.1.1 OP 1 Number of investigations initiated by State Fire Marshal's Office

Definition

This number represents the total number of licensing, canine, fire investigations, and agency assists initiated.

Purpose

To reflect State Fire Marshal's Office (SFMO) efforts in conducting all investigations.

Data source

There are two data sources for SMFO's investigations:

- Fire Arson Investigation Services case management system.
- Sircon. A fire investigation includes all cases investigated whether the cause is incendiary, accidental, or undetermined.

A licensing investigation includes all cases, whether founded or unfounded. A case is initiated when a request for an investigation has been received and a case number assigned.

Methodology

The sum of the number of investigations initiated during the reporting period. The total number of initiated investigations will be obtained by conducting a query of the database.

Data limitations

An increase in the number of requests for fire investigations from local jurisdictions without a fire investigator may affect this measure. Other factors include an increase in the number of complaints against fire protection companies that the SFMO licenses, increased costs in vehicle fuel and preventive maintenance may impact the SFMO's ability to perform these investigations.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

3.1.1 OP 2 Number of SFMO registrations, licenses, and permits issued

Definition

Number of registrations, licenses, and permits issued to fire alarm, fire extinguisher, fire sprinkler, and fireworks companies, individuals, and other regulated entities.

Purpose

To track the number of licenses and permits issued aligns with the SFMO mission to help reduce the loss of life and property through prevention and protection. Tracking the number of licenses and permits issued to fire industries is important to help identify trends that may impact the industry and allow SFMO to gauge the need for community education and prevention efforts.

Data source

Both initial and renewal certificates of registration, licenses, and permits are issued to companies, individuals, and other entities in accordance with Texas Insurance Code, Chapters [6001](#), [6002](#), and [6003](#) and Occupations Code, Title 13, Subtitle D, [Chapter 2154](#). The date of issuance or renewal is the date printed on the registration, license, or permit. The issuance/renewal date is recorded in a database located on the agency's computer network.

Methodology

The sum of the number of each type of registration, license, and permit, issued or renewed during the reporting period.

Data limitations

Seasonal increases in requests for permits and economic conditions may impact this performance measure.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

3.1.1 OP 3 Number of licensing investigations or inspections conducted

Definition

This is the number of licensing investigations or inspections conducted to determine possible violations by fire extinguishers, fire alarm, fire sprinkler, and fireworks companies and individuals regulated and licensed under Texas Insurance Code, Chapters [6001](#), [6002](#), and [6003](#) and Occupations Code, Title 13, Subtitle D, [Chapter 2154](#).

Purpose

To track the number of licensing investigations or inspections conducted determines possible violations by fire extinguisher, fire alarm, fire sprinkler, and firework firms and individuals regulated by SFMO. This aligns with the SFMO mission to help reduce the loss of life and property through prevention and protection.

Data source

The date on the completed report is entered into an agency database. Investigations are individually quantified by each investigated firm or individual and inspections are quantified by each physical location. Each investigation and inspection is assigned a specific case number. After the investigation/inspection is conducted, the investigator files a report.

Methodology

The sum of the number of licensing investigation and inspection case numbers in the database for the reporting period.

Data limitations

An increase in state population may affect the number of investigations and inspections performed. Also, increased costs in vehicle fuel and preventative maintenance may impact SFMO's ability to perform investigations and inspections.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

3.1.1 OP 4 Number of buildings inspected or reinspected for fire safety hazards

Definition

The number of buildings inspected in which a physical inspection/reinspection of the structure is completed and recommendations for correction of hazardous conditions have been made.

Purpose

To track the number of buildings inspected/reinspected on an annual basis, for the protection of building occupants.

Data source

The data is collected from reports submitted by the inspector and recorded in the agency database. A building is defined as an identifiable structure with fire or space separation containing its own exit facilities and includes inspections/reinspections of retail service stations. An inspection/reinspection is completed when the physical survey is conducted and documented on the inspection report. The date of inspection/reinspection is recorded in the inspection report.

Methodology

The sum of the number of buildings inspected/reinspected during the reporting period.

Data limitations

An increase in the number of buildings being built, renovated, or leased by state agencies may affect this measure. Another factor that may affect these numbers is the number of requests for a fee-based inspection in areas where there is no local fire code official or adopted fire code. Also, the increased costs in vehicle fuel and preventive maintenance may impact SFMO's ability to perform these fire inspections.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1 OC 1 Percent of workers' compensation enforcement cases concluded within 365 days

Definition

The percent of enforcement cases concluded with action within 365 days. Actions are orders resulting from hearings at the State Office of Administrative Hearings (SOAH), orders issued without a hearing, and warning letters.

Purpose

To measure timeliness of resolution of cases that merit action.

Data source

The source of the data is an agency database.

Methodology

The number of enforcement cases concluded with action within or equal to 365 days from the case pending date, divided by the total number of enforcement cases concluded with action. The enforcement case is considered concluded on the date the case is closed in the database.

Data limitations

Staffing shortages, retention of trained and competent attorneys, attracting qualified candidates to public service, docketing issues at SOAH, and the cooperation of adverse parties in the litigation system. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

4.1.1 OP 1 Number of workers' compensation enforcement cases concluded with action

Definition

The number of enforcement actions that are concluded against persons and entities that have violated workers' compensation statutes or rules. Actions are orders resulting from hearings at the State Office of Administrative Hearings (SOAH), orders issued without a hearing, and warning letters.

Purpose

This measure monitors the number of enforcement actions concluded by the agency against certain entities in order to demonstrate the agency's efforts toward reducing illegal practices.

Data source

The source of the data is an agency database. The enforcement case is concluded on the date the case is closed in the database.

Methodology

The sum of the number of cases concluded with action during the reporting period.

Data limitations

Staffing shortages, retention of trained and competent attorneys, attracting qualified candidates to public service, docketing issues at SOAH, and the cooperation of adverse parties in the litigation system. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1.1 OP 2 Number of quality of care reviews completed

Definition

The number of quality of care reviews completed on health care providers, insurance carriers, utilization review agents, and independent review organizations during the reporting period.

Purpose

DWC is charged with monitoring the quality of health care in the workers' compensation system. Members of the Medical Quality Review Panel (Labor Code [413.0512](#)) conduct these reviews using criteria under Labor Code [413.05115](#). Timely reports are important to communicate findings to doctors under review as compliance is an important aspect of our system. Plus, this helps promote the following two DWC statutory goals: Each injured employee shall have access to prompt, high-quality medical care within the framework established by this subtitle; and each injured employee shall receive services to facilitate the employee's return to employment as soon as it is considered safe and appropriate by the employee's health care provider.

Data source

Information is maintained in agency automated applications.

Methodology

The sum of the number of quality of care review final reports issued during the reporting period.

Data limitations

Software issues, retention of skilled labor, or attraction of skilled workers to the field. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1.1 OP 3 Number of complaints closed involving workers' compensation system participants

Definition

The number of all complaints completed within the reporting period. This figure represents the total number of complaints that were received and closed by the Audits and Investigations section of DWC and is calculated on a monthly basis.

Purpose

DWC is charged with monitoring system participants for compliance with statutes and rules.

Data source

Information is entered and maintained in agency automated systems. Complaints are reviewed and closed after receiving the determination of "low priority" or after an investigation has been completed. The closed date is the date the complaint is entered into the agency automated system. A complaint is a specific allegation of a violation of the statute or rules received from internal or external sources. Included in this measure are administrative fraud allegations.

Methodology

The sum of the number of complaints closed during the reporting period.

Data limitations

Public familiarity with the DWC complaint process and knowledge of DWC as the regulatory authority, staffing shortages, retention of trained and competent insurance analysts, the timeliness and cooperation of complainants and respondents, software issues, and inaccurate data reported by third parties. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1.1 OP 4 Number of performance reviews completed

Definition

The number of performance reviews completed involving workers' compensation participants.

Purpose

DWC is charged with monitoring insurance carriers, employers, health care providers, and other system participants for compliance with the Texas Labor Code and DWC rules.

Data source

Information is entered and maintained in an agency database. A performance review is completed when DWC issues a final report.

Methodology

The sum of the number of performance reviews completed during the reporting period.

Data limitations

Staffing shortages, inaccurate data reported by a third party, software issues, retention of skilled labor, and attraction of skilled workers to the field. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1.1 EF 1 Average number of days per quality of care reviews of providers, carriers, utilization review agents, and independent review organizations completed

Definition

The average number of days to complete quality of care reviews of health care providers, insurance carriers, utilization review agents, and independent review organizations.

Purpose

This indicates the efficiency of the quality of care review process by measuring the length of time for a quality of care review to be completed.

Data source

Information is maintained in agency automated applications.

Methodology

The sum of the total number of days between the initiation of the quality of care reviews and the issuance dates of the final reports, divided by the number of final reports issued to the subject of the review during the reporting period.

Data limitations

Software issues, retention of skilled labor, or attraction of skilled workers to the field, statutory changes, and the addition or elimination of programs.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.1 EF 2 Average number of days to close a complaint involving workers' compensation system

Definition

This performance measure calculates the average number of days the Audits and Investigations section takes to initiate, investigate, and make a finding of "confirmed" or "unconfirmed" for a complaint alleging an administrative violation in the workers' compensation system against a system participant. Complaints come from both internal sources (someone at DWC makes a report) and external sources (i.e. the aggrieved party or someone with knowledge of the factual basis forming the violation).

Purpose

To monitor the efficiency of the workers' compensation complaint process by measuring the average length of time to close workers' compensation complaints.

Data source

Information is entered and maintained in agency automated systems. Complaints are reviewed and closed after determination to be a "low priority" or after an investigation has been completed. The closed date is the date the complaint is entered into the agency automated system.

Methodology

The sum of the number of days from the date the complaint is received by the division to the closure date, divided by the total number of complaints closed during the reporting period.

Data limitations

Staffing shortages, inaccurate data reported by a third party, software issues, retention of skilled labor, attraction of skilled workers to the field, statutory changes, and the addition or elimination of programs.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.1 EF 3 Average number of days to complete a performance review

Definition

The average number of days to complete a performance review.

Purpose

DWC is charged with monitoring insurance carriers, employers, health care providers, and other system participants for compliance with the Texas Labor Code and DWC rules. This measure indicates the efficiency of DWC's completion of performance reviews.

Data source

Information is entered and maintained in an agency database. A performance review begins on the date of the letter of engagement and is completed on the date DWC issues the final performance review report.

Methodology

The sum of the total number of days to complete performance reviews, divided by the number of performance reviews completed during the reporting period.

Data limitations

Staffing shortages, inaccurate data reported by a third party, software issues, retention of skilled labor, attraction of skilled workers to the field, cooperation of the entity under review, statutory changes, and the addition or elimination of programs.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.1 EX 1 Percent market share of self-insurance to total workers' compensation insurance market

Definition

This measure indicates certified self-insured employers' market share of the total workers' compensation insurance market.

Purpose

This measure serves as a reflection of changes in the workers' compensation insurance market. The portion of the market share represented by certified self-insured is related to the cost and availability of workers' compensation insurance in the commercial market. Self-insurance provides an alternative to purchasing commercial insurance for qualifying companies, and the program acts to moderate insurance rates in a competitive insurance market.

Data source

Data on estimated manual premiums for certified self-insurers is maintained in spreadsheets. Data reflecting the total workers' compensation insurance market is maintained and reported in the Legislative Report on Market Conditions.

Methodology

The numerator is the total amount of statutorily estimated manual premium for active certified self-insurers for the reporting period. The denominator is the direct written premiums for the voluntary workers' compensation market as published annually by TDI for the most recent period available, plus the total amount of statutorily estimated manual premium for active certified self-insurers for the reporting period.

Data limitations

The measure excludes public self-insured entities from the amount used to represent the total workers' compensation insurance market. Data for those entities is not collected and maintained regarding the estimated premiums attributable to them.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.1 EX 2 Percent of medical bills processed timely

Definition

This measure indicates the percentage of medical bills timely processed by insurance carriers. Medical bills are to be processed within 45 days from receipt of a complete medical bill.

Purpose

The purpose of this measure is to indicate the timely processing of medical bills by the insurance carrier.

Data source

DWC receives medical billing information used in the calculation electronically from carriers. Data is maintained in agency automated systems.

Methodology

The sum of the number of medical bills processed timely, divided by the number of medical bills processed by the insurance carriers for the reporting period.

Data limitations

Twelve months of data are used in the calculation. The data is lagged one month from the reporting period.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

4.1 OC 2 Percent of medical fee disputes resolved by medical fee dispute resolution or upheld upon appeal

Definition

The percent of medical fee disputes resolved by DWC medical fee dispute resolution (DWC-MFDR).

Purpose

To measure the effectiveness of DWC-MFDR's medical fee dispute resolution process. DWC-MFDR is charged with resolving medical fee disputes through informal and formal dispute resolution processes. System participants have the right to appeal DWC-MFDR decisions through the benefit review conference process and then to the State Office of Administrative Hearings (SOAH).

Data source

Data is maintained in agency automated systems. A medical fee dispute is resolved when DWC-MFDR decision is issued or when a medical fee dispute is resolved informally and dismissed or withdrawn.

Methodology

The sum of the number of medical fee disputes resolved, minus the sum of the number of SOAH reversals, divided by the total number of medical fee disputes resolved during the reporting period.

Data limitations

Communication break downs between SOAH and DWC Hearing and DWC-MFDR may cause inaccurate data to be reported. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

4.1.2 OP 1 Number of benefit review conferences held

Definition

Provides a count of the benefit review conferences (BRC) convened to facilitate informal dispute resolution between system participants. These conferences typically involve multiple stakeholders, including attorneys, employers, injured employees, insurance carriers, and medical providers. During the conference, a mediator explains the parties' rights and dispute resolution procedures. Further, the mediator facilitates a discussion of the facts and information and then identifies and mediates the disputed issues.

Purpose

To measure the number of BRCs held, which is an indicator of the number of mediation proceedings resulting from workers' compensation claim disputes.

Data source

Data is reported in the agency automated applications.

Methodology

The measure is calculated by counting the number of BRCs held during the reporting period.

Data limitations

Quantity: This metric measures only the number of conferences convened. Since each dispute can have up to two BRCs, the measure does not differentiate between disputes that take one conference and two.

Calculation method

Cumulative.

New measure

No.

Target attainment

Lower than target.

4.1.2 OP 2 Number of contested case hearings held

Definition

Provides a count of formal administrative hearings conducted to resolve disputes between parties that could not be settled by mutual agreement or mediation. These hearings are presided over by an administrative law judge and typically involve legal representation for parties. The disputes pertain to entitlement to benefits for an employee's injury or death.

Purpose

The measure indicates the number of contested case hearings (CCHs) held, which is an indicator of the number of formal proceedings conducted.

Data source

Data is reported in agency automated applications.

Methodology

The measure is calculated by counting the number of CCHs held during the reporting period.

Data limitations

Indication of conflict: This measure only indicates the frequency of disputes escalating to formal hearings, not the reasons for the escalation or the complexity of the cases involved. It may reflect a contentious environment, statutory changes, or a breakdown in the relationship between the parties rather than an objective measure of organizational efficiency.

Resource allocation: Conducting CCHs entails significant investment in terms of staff time, financial resources, and organizational effort. Staff turnover can impact this assessment. Further, frequent changes in personnel of system participant organizations may lead to variations in the effectiveness and continuity of these hearings, potentially requiring additional resources to bring new participants up to speed.

Calculation method

Cumulative.

New measure

No.

Target attainment

Lower than target.

4.1.2 OP 3 Number of appellate decisions issued

Definition

The number of decisions issued by the DWC Appeals Panel.

Purpose

To measure the number of decisions issued by the Appeals Panel regarding contested case hearings.

Data source

Data is reported in agency automated applications.

Methodology

The sum of the number of decisions issued by the DWC Appeals Panel during the reporting period.

Data limitations

Lack of concrete information driving appeal: This measure only indicates the number of disputes that are appealed to the Appeals Panel, not the reasons for the appeal or the underlying nature of the cases involved. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Lower than target.

4.1.2 EF 1 Average number of days to resolve a medical fee dispute

Definition

The average days from receipt of the medical fee dispute to the date the dispute is resolved by the DWC Medical Fee Dispute Resolution (DWC-MFDR) section.

Purpose

To measure the efficiency of DWC's medical fee dispute resolution process.

Data source

Data is maintained in agency automated systems. A medical fee dispute is resolved when a DWC-MFDR decision is issued or when a medical fee dispute is dismissed or withdrawn. A medical fee dispute is abated when the disputed issue is awaiting final adjudication in judicial review. Abated disputes are suspended from processing (days to resolve) from the day a dispute with an issue in judicial review is identified until DWC is aware a determination of the court has been made.

Methodology

The sum of the number of days from receipt of the medical fee dispute to the date the dispute is resolved, divided by the sum of the total number of medical fee disputes resolved during the reporting period.

Data limitations

Cases remanded from State Office of Administrative Hearings or district court can inflate the number of days to resolve fee disputes.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.2 EF 2 Average number of days to resolve indemnity disputes via resolution proceedings

Definition

The average time taken from the initiation to the resolution of disputes within the administrative workers' compensation process, including mediation, hearing, and appeal. This metric is used to gauge the efficiency of the workers' compensation system's dispute resolution mechanisms and provides insight into procedural promptness and responsiveness.

Purpose

To measure the efficiency of DWC's multilevel dispute resolution process. Indemnity disputes are either resolved at a benefit review conference (BRC), contested case hearing (CCH), or other appeals process.

Data source

Data is maintained in agency automated applications. A dispute is resolved on the later of the following dates: the date a BRC agreement is coded and entered into agency automated systems; the date a CCH decision is mailed; or the date an Appeals Panel decision is issued.

Methodology

The sum of the number of days from the date a BRC is set to the date each dispute is resolved, divided by the total number of disputes resolved during the reporting period.

Data limitations

Software issues, inaccurate data, retention of skilled labor, statutory changes, and the addition or elimination of programs.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.2 EX 1 Number of medical fee disputes received

Definition

The number of requests for medical fee dispute resolution received by DWC during the reporting period.

Purpose

To measure trends in the volume of requests for medical dispute resolution received.

Data source

The data is maintained in the agency automated systems. Medical fee disputes are considered received on the day of the medical dispute resolution date stamp.

Methodology

The sum of the total number of requests for medical fee dispute resolution received during the reporting period.

Data limitations

Hardware system failure could prevent receipt of fee disputes. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.3 EF 1 Average number of days from receipt of Subsequent Injury Fund request for reimbursement to payment

Definition

The average number of days between receipt of a request for reimbursement and payment of the request.

Purpose

The measure indicates the average time between receipt of a complete request to the Subsequent Injury Fund (SIF) and payment.

Data source

SIF data is collected and maintained in the agency's accounting system and in agency databases. The receipt date is the date a completed request is received and date stamped. The paid date is the date shown on the agency accounting reports. Complete requests are those that SIF staff has determined include information necessary for processing and are entitled to reimbursement.

Methodology

The sum of the total number of days from the date of receipt for each request to the paid date for each request, divided by the total number of complete reimbursement requests paid during the reporting period.

Data limitations

Staffing shortages and retention of trained and competent claims examiners, timeliness of payment information from insurance carriers, adequate funding, timeliness of additional appropriations, and availability of accounting reports. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1.3 EX 1 Number of injured workers receiving lifetime income benefits through the Subsequent Injury Fund

Definition

The number of injured employees who meet the eligibility requirements set by statute for lifetime income benefits (LIBs) and are receiving payment of those benefits through the Subsequent Injury Fund (SIF).

Purpose

To identify the long-term obligations of the SIF because these benefits must be paid for the life of the injured employee. SIF is statutorily obligated to pay LIBs to injured employees who sustain a subsequent compensable injury that, with the effects of a previous injury, results in lifetime income benefits eligibility.

Data source

SIF data is collected and maintained in the agency's accounting system.

Methodology

The sum of the number of injured employees receiving LIB payments from the SIF during the reporting period.

Data limitations

SIF data is collected and maintained in the agency's accounting system which could be subject to hardware failure. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.1 OC 3 Percent of workers' compensation insurance fraud reports resolved

Definition

Workers' compensation insurance fraud occurs when a person, in support of a claim or application for an insurance policy, presents:

- A statement that contains false or misleading material information.
- A statement that the person knows contains false or misleading material information.
- The person must also intend to defraud or deceive a system participant.

Purpose

To measure progress toward resolving workers' compensation fraud cases.

Data source

The source of the data is the Fraud section's case management system.

Methodology

The number of fraud cases resolved during the reporting period, divided by the total number of open workers' compensation insurance fraud cases at the end of the reporting period. A fraud case is resolved when:

- The matter is referred to a criminal prosecutor for legal action.
- The matter is referred to a law enforcement agency.
- The matter is referred for an agency enforcement action.
- The matter is referred for action by another regulatory body.
- The allegations have been disproven.
- Closed for administrative reasons, such as lack of evidence.

Data limitations

Staffing shortages, retention of trained and competent investigators, retention of trained and competent data analysts, the timeliness and cooperation of parties involved or targeted by the investigation, software issues, and inaccurate data reported by third parties. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

4.1.4 OP 1 Number of workers' compensation fraud cases resolved

Definition

Workers' compensation insurance fraud occurs when a person, in support of a claim or application for an insurance policy, presents:

- A statement that contains false or misleading material information.
- A statement that the person knows contains false or misleading material information.
- The person must also intend to defraud or deceive a system participant.

Purpose

Tracking the number of workers' compensation insurance fraud cases resolved allows DWC Fraud to measure its ability to thoroughly investigate instances of fraud as well as the effectiveness of investigative measures. Additionally, tracking the number of cases resolved (i.e. referred for prosecution) allows DWC Fraud to distinguish between mere assertions of fraud in the system and more meaningful allegations of fraudulent activity supported by evidence, the latter of which gives the investigation team meaningful insight into the health of the workers' compensation system.

Data source

The source of the data is maintained in the Fraud section's case management system.

Methodology

The number of workers' compensation insurance fraud cases resolved in the reporting period. A case is resolved when:

- The matter is referred to a criminal prosecutor for legal action.
- The matter is referred to a law enforcement agency.
- The matter is referred for an agency enforcement action.
- The matter is referred for action by another regulatory body.
- The allegations have been disproven.
- Closed for administrative reasons, such as lack of evidence.

Data limitations

Staffing shortages, retention of trained and competent investigators, retention of trained and competent data analysts, the timeliness and cooperation of parties involved or targeted by the investigation, software issues, and inaccurate data reported by third parties. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1.4 OP 2 Number of prosecutions for workers' compensation fraud cases

Definition

DWC investigates reports of workers' compensation insurance fraud. When warranted, DWC refers a fraud case to a county district attorney or the United States District Court for prosecution of a penal law violation. A fraud case is prosecuted when an action or proceeding instituted in a proper court results in a plea of guilty or no contest, deferred adjudication, or pre-trial diversion.

Purpose

Tracking the number of workers' compensation insurance fraud cases actually prosecuted as opposed to merely investigated gives DWC Fraud an indication as to the overall efficacy of its investigations. Presumably, if a case is prosecuted by a state or federal prosecuting authority, it would necessarily mean that at the very least the investigator has demonstrated probable cause for the existence of a crime. Realistically, a prosecutor's willingness to prosecute a case is more of an indication that the quantum of evidence adduced by the investigation is most likely greater than mere probable cause. The prosecutorial endorsement of taking a case to grand jury and proceeding to court along with the defense's willingness to resolve the case favorably for the State is an indication of the quality of DWC Fraud's investigations.

Data source

The source of the data is maintained in the Fraud section's case management system.

Methodology

The number of workers' compensation insurance fraud cases prosecuted during the reporting period.

Data limitations

Staffing shortages, retention of trained and competent investigators, retention of trained and competent data analysts, retention of trained and talented prosecutors, retention of trained and competent DA investigators, the timeliness and cooperation of parties involved or targeted by the investigation, software issues, and litigation issues. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.1.4 EF 1 Percent of workers' compensation fraud cases resolved within 365 days

Definition

Workers' compensation insurance fraud occurs when a person, in support of a claim or application for an insurance policy, presents:

- A statement that contains false or misleading material information.
- A statement that the person knows contains false or misleading material information.
- The person must also intend to defraud or deceive a system participant.

Purpose

To measure how efficiently DWC resolves workers' compensation insurance fraud cases.

Data source

The source of the data is maintained in the Fraud section's case management system.

Methodology

The number of workers' compensation insurance fraud cases resolved in the reporting period within 365 days or less from the date case is opened, divided by the total number of workers' compensation insurance fraud cases resolved in the reporting period. A case is resolved when:

- The matter is referred to a criminal prosecutor for legal action.
- The matter is referred to a law enforcement agency.
- The matter is referred for an agency enforcement action.
- The matter is referred for action by another regulatory body.
- The allegations have been disproven.
- Closed for administrative reasons, such as lack of evidence.

Data limitations

Staffing shortages, retention of trained and competent investigators, retention of trained and competent data analysts, the timeliness and cooperation of parties involved or targeted by the investigation, software issues, and inaccurate data reported by third parties. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.

4.1.4 EX 1 Number of reports of workers' compensation insurance fraud received

Definition

The number of reports received by DWC relating to suspected insurance fraud within the workers' compensation system.

Purpose

To measure the number of suspected workers' compensation insurance fraud activities reported in Texas. Texas Labor Code [414.005](#) requires DWC to maintain an investigative unit to conduct investigations relating to criminal offenses under the Texas Labor Code. This performance measure means that DWC is keeping track of any allegation of workers' compensation insurance fraud in Texas that is made to DWC. It is important to DWC to maintain knowledge of these allegations to ensure that overall agency deterrent efforts are either working or need adjustment. Additionally, this information can help DWC Fraud identify potential trends in fraud across the system and conceivably take remedial measures to educate system participants that could be directly victimized by such fraud.

Data source

The source of the data is maintained in DWC's Fraud section's case management system. Reports of workers' compensation insurance fraud from any source are entered into the specified case management system.

Methodology

The number of suspected workers' compensation insurance fraud reports received by DWC's Fraud section during the reporting period.

Data limitations

Receipt of allegations that are not actionable or do not form the basis of criminal act, staffing shortages, software issues, and inaccurate data reported by third parties. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.2.1 OP 1 Number of consultations and inspections provided to employers

Definition

The number of workplace safety consultations and inspections provided to employers by DWC including on-site and off-site OSHCON consultation activities, Rejected Risk inspections, on-site and off-site insurance company policy holder visits, off-site safety violations hotline assistance, on-site and off-site Lone Star Safety Program consultations, off-site safety training consultations, and self-insurance safety inspections.

Purpose

To measure the volume of consultations and inspections that DWC provides to employers to promote safe and healthy workplaces.

Data source

Data is maintained on automated applications.

Methodology

The sum of the number of workplace consultations and inspections initiated during the reporting period.

Data limitations

Staffing shortages due to funding limitations from failure by OSHA federal grant to keep in line with inflation and cost of living adjustments over time. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.2.1 OP 2 Number of return-to-work, health care provider, and workplace safety educational products and services

Definition

The number of return-to-work, health care provider, and workplace safety educational products and services provided by DWC.

Purpose

This measure quantifies DWC's efforts to return injured employees to the workforce, assist health care providers with participation in the workers' compensation system, and assisting employers in creating and maintaining safe workplaces.

Data source

These products and services include newsletters, brochures and other publications distributed; return-to-work, health care provider, and workplace safety educational presentations made; persons assisted through telephone, email, mail, and in person contacts; persons attending return-to-work, health care provider and workplace safety seminars; and persons viewing audiovisual training materials (verified by the employer).

Methodology

The sum of the number of return-to-work, health care provider, and workplace safety educational products and services provided during the reporting period.

Data limitations

Software issues, inaccurate data, and retention of skilled labor. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.2.1 OP 3 Number of workers' compensation income benefit recipients referred to the Texas Workforce Commission

Definition

The number of persons referred to the Texas Workforce Commission (TWC) by DWC. DWC refers an injured employee to TWC if DWC determines that an employee could be materially assisted by vocational rehabilitation or training in returning to employment.

Purpose

The purpose of this measure is to identify the number of injured employees referred to TWC for training/education to assist them in returning to the workforce.

Data source

This data is maintained in agency automated databases.

Methodology

The sum of all referrals to TWC from DWC during the reporting period.

Data limitations

Software issues, inaccurate data, and retention of skilled labor. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Cumulative.

New measure

No.

Target attainment

Higher than target.

4.2.1 EX 1 Incidence of injuries and illness per 100 FTEs in the private sector

Definition

This measure reflects the private sector injury and illness incidence rate for the State of Texas as developed by the U. S. Bureau of Labor Statistics (BLS).

Purpose

To gauge the frequency of nonfatal work-related injuries and illnesses in Texas in comparison to other states and the nation.

Data source

The BLS Annual Survey of Occupational Injuries and Illnesses, which contains data from a stratified sample of private sector establishments by industry and size class is used for this measure. DWC collects data for the BLS survey using Occupational Safety and Health Administration standards for recordkeeping and injury reporting and enters the data into the BLS system. BLS develops the incidence rate on a calendar year basis using data from the preceding calendar year.

Methodology

BLS calculates the statewide incidence rate and provides it to DWC.

Data limitations

The data used to calculate this measure is controlled by BLS.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Lower than target.

4.2 OC 1 Percent of temporary income benefits recipients released to work within 90 days of injury

Definition

The percent of injured employees who received temporary income benefits (TIBs) and released to work within 90 days of the date of injury based on temporary income benefits duration.

Purpose

To identify the percent of injured employees who received TIBs and released to work within 90 days of injury. Injured employees who are taken off work receive temporary income benefits (TIBs) paid by the insurance carrier. The percent of injured employees tells DWC the frequency that injured employees receiving benefits are returning back to work within 90 days of injury. Returning to work after an injury benefits employees and their employers. DWC supports and encourages the safe return to work for injured employees.

Data source

This data is maintained in automated databases.

Methodology

The sum of the total number of claims in which TIBs stopped within 90 days of the date of injury, divided by the number of claims in which TIBs were paid for the reporting period.

Data limitations

The date TIBs stopped is used as a proxy for return-to-work. Twelve months of data, based on the date of injury, are used in the calculation. The data is lagged three months from the reporting month. Statutory changes and the addition or elimination of programs are also factors.

Calculation method

Noncumulative.

New measure

No.

Target attainment

Higher than target.



Schedule C
Historically Underutilized
Business Plan

Historically underutilized business plan

Goal

TDI's purchasing policies aim to achieve meaningful and measurable inclusion of historically underutilized businesses (HUBs) in all aspects of procurement for the agency.

Objective

To include HUBs in all aspects of procurement, TDI makes a good faith effort to meet or exceed the adjusted procurement program goals. We do this through the total value of contracts, purchases, and subcontracting opportunities awarded annually by the agency in each applicable procurement category.

- Professional services contracts 5.0%
- All other services contracts 15.0%
- Commodities contracts 21.1%

Outcome measure

Percentage of total dollar value of purchasing contracts and subcontracts awarded directly or indirectly to HUBs.

Strategy

Develop and implement a plan for increasing the use of HUBs directly or indirectly through purchasing contracts and subcontracts.

Output measures

- Number of HUB contractors and subcontractors responding to bid proposals.
- Number of HUB contracts and subcontracts awarded.
- Dollar value of HUB contracts and subcontracts.
- Number of outreach initiatives.
- Number of contracts evaluated for subcontracting opportunities.
- Number of mentor-protégé partnerships sponsored by agency.

HUB program efforts and accomplishments

TDI makes sure all procurement practices promote the goal of equal access for minority, woman-owned, and disabled veteran-owned businesses in Texas. TDI spent \$2.98 million – 24% of eligible TDI purchases – with HUB vendors during fiscal year 2023.

Internal outreach initiatives

- Enhance training for purchasing staff about the importance of the HUB program, the latest HUB-related information, agency HUB statistics, and methods of improvement.
- Include HUB subcontracting plans (HSP) in all agency contracts over \$100,000 where subcontracting opportunities exist. Monitor contractor compliance with HSPs after contract award.
- Encourage HUB subcontracting in contracts that are less than \$100,000 when possible.
- Share HUB contact lists and vendor information among purchasing staff to increase awareness and opportunities.
- Include HUB team members in contract administration team meetings to share information.
- Procure items from a HUB if the bid is within 10% of the lowest bid, when appropriate.

External outreach initiatives

- Use resources of the Texas Association of African American Chambers of Commerce and the Texas Association of Mexican American Chambers of Commerce as outlined in the memorandum of cooperation and agreements.
- Educate potential contractors about how to find certified HUB vendors who may be able to take part as subcontractors in TDI contracts.
- Prepare and distribute purchasing, contracting, and subcontracting information in a way that encourages participation by all businesses.
- Provide vendors a list of HUBs using the National Institute of Governmental Purchasing class and item code to help them find subcontractors to respond to solicitations.
- Help potential respondents with the HSP process by offering to review draft HSPs before final proposal submission.
- Continue participation in the State HUB Discussion Workgroup. The workgroup meets regularly to discuss and resolve issues to improve the State of Texas HUB Program.
- Promote vendor outreach, education, and recruitment by participating in economic opportunity forums sponsored by the Texas Comptroller of Public Accounts, the Texas Legislature, and other governmental, civic, and professional organizations across Texas. During fiscal year 2023, TDI participated in three HUB forums and four advocacy group meetings.

Mentor-protégé program

- TDI's vision is to expand our mentor-protégé sponsorship role through cooperation with large corporate supplier diversity programs. TDI participates with agencies, minority chambers of commerce, and minority and woman trade and business organizations to maximize state resources and to increase the effectiveness of the mentor-protégé program.
- TDI doesn't have any current mentor-protégé relationships. The HUB team promotes TDI as a HUB resource and works to educate vendors about the benefits of becoming a certified HUB.



Schedule D

Statewide Capital Planning

TDI will submit a capital project pursuant to the
2024-25 General Appropriations Act, Article IX, Section 11.03.



Schedule E

Health and Human Services Strategic Planning

Repealed during the 88th Legislature, Regular Session.



Schedule F

Agency Workforce Plan

As part of the Strategic Plan, Texas state agencies must prepare a workforce plan according to guidelines established by the Texas State Auditor's Office. In addition, state agencies may include the results of their most recent Survey of Employee Engagement.

Overview

The Texas Department of Insurance (TDI) regulates the state's insurance industry, oversees the administration of the Texas workers' compensation system through the Division of Workers' Compensation (DWC), performs the duties of the State Fire Marshal's Office (SFMO), and provides administrative support to the Office of Injured Employee Counsel (OIEC) – a separate agency.

Insurance operations mission

Protect insurance consumers by regulating the industry fairly and diligently, promoting a stable and competitive market, and providing information that makes a difference.

Workers' compensation mission

Regulate Texas workers' compensation efficiently, educate system participants, and achieve a balanced system in which everyone is treated fairly with dignity and respect.

Workforce planning

TDI's Human Resources office leads workforce planning efforts. Workforce planning is an ongoing process that includes these elements:

- Understanding the agency's strategic direction and factors that affect workforce needs.
- Reviewing and analyzing workforce data.
- Communicating workforce plan findings and recommendations.
- Reviewing and analyzing succession planning activities.
- Implementing initiatives to address workforce challenges and tracking progress.
- Evaluating the success of initiatives and deciding what changes are needed.

This workforce plan includes analysis of workforce data, salary data, and employee engagement survey results. The agency will use the workforce analysis to find strategies to help management address workforce needs.

Workforce analysis

Current workforce profile

TDI's committed to providing excellent customer service through the agency's mission and enforcing regulations. We rely on our highly educated and skilled workforce to protect and inform consumers and the industries we regulate.

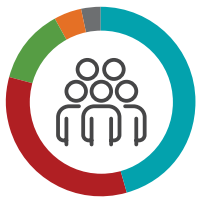
Data for this section is provided through the [Texas State Auditor's Office E-Class System](#) for regular full-time employees in all job classifications, unless otherwise stated, at the end of fiscal year 2023.

TDI has 1,241 employees at Austin headquarters, field offices, and various locations statewide. Field employees include financial and title examiners, fraud prosecution staff, fire inspectors and investigators, and windstorm inspectors. DWC field employees include benefit review officers, claims specialists, hearing officers, customer service staff, and occupational health and safety consultants.

Demographics

TDI's workforce is ethnically diverse and tracks closely with the statewide civilian workforce and with other Texas state agencies. TDI's workforce is 59% female and 41% male. 69% of TDI's managers are minorities, female, or both. The agency's commitment to workforce diversity is reflected throughout the organization.

TDI workforce by ethnicity



White	568.75	45.8%
Hispanic	416.75	33.6%
Black	157.25	12.7%
Asian	59.75	4.8%
Other	38.75	3.1%
Two or more races	28.75	2.3%
American Indian or Alaskan Native	9	0.7%
Native Hawaiian or other Pacific Islander	1	0.1%

Retirement eligible employees

A third of TDI employees are eligible to retire or will be eligible by August 2029, including:

- 33% of TDI's total workforce.
- 39% of managers.
- 41% of executives.

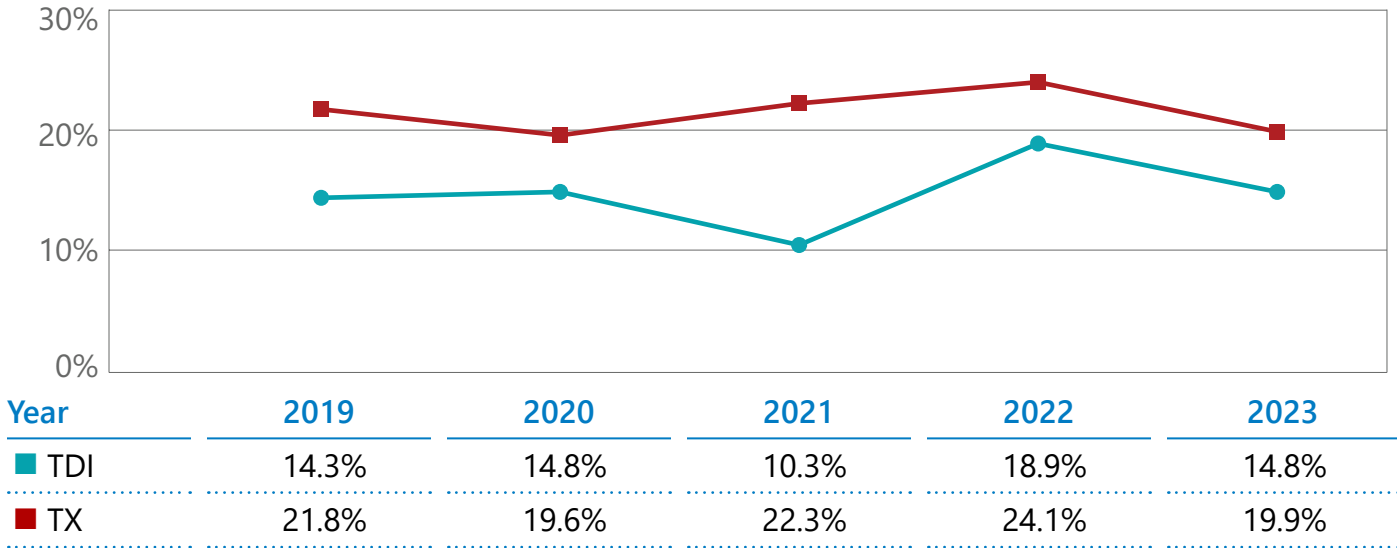
Veteran workforce

TDI staff is proud to work alongside many of our nation's military veterans. Over 100 veterans work for TDI with representation from the U.S. Air Force, Army, Coast Guard, Marine Corps, Navy, and National Guard.

Turnover rate

A major factor affecting turnover is the competitive job market. TDI's turnover rate continues to be lower than the 20% statewide average turnover rate for classified regular full-time employees at Texas state agencies. The agency's turnover rate dropped from 19% in fiscal year 2022 to 15% in fiscal year 2023.

Regular full-time employee turnover rate including interagency transfers



Critical workforce skills

Currently, 69% of the workforce have 10 years or less of TDI service. This workforce measure stresses a continued need for sharing and documenting institutional knowledge through succession planning. Human Resources has enhanced the agency's succession planning and knowledge-sharing efforts with resources, tools, and training.

Workforce allocation by division, job classification, or occupational category

TDI's workforce has specialized knowledge, skills, and abilities.

TDI workforce by classification

Job classification	Staff	Job classification	Staff
Accountant	15	Inspector	51.5
Accounting Technician	1.5	Insurance Specialist	137.25
Actuary	37	Internal Auditor	5
Administrative Assistant	22.75	Inventory and Store Specialist	1
Administrative Law Judge	35.5	Investigator	39.75
Attorney	60.25	Legal Assistant	4.25
Auditor	27.25	Librarian	1
Benefit Review Officer	28.5	License and Permit Specialist	3.75
Budget Analyst	3.75	Lieutenant, TDI	6.75
Captain, TDI	2.25	Maintenance Specialist	1.75
Claims Specialist	51.75	Management Analyst	5
Compliance Analyst	61.25	Manager	47.75
Contract Administration Manager	1	Medical Fee Dispute Officer	4.75
Contract Specialist	4.5	Network Specialist	3
Contract Technician	1	Nurse	1
Creative Media Designer	0.5	Ombudsman	1
Crime Analyst	0.5	Payroll Specialist	1.25
Customer Service Representative	43.25	Portfolio Project Manager	1
Cybersecurity Analyst	2.75	Program Specialist	143.5
Cybersecurity Officer	1	Program Supervisor	15.5
Data Analyst	14	Programmer	13
Database Administrator	3	Project Manager	13
Deputy Chief Investigator, TDI	1	Purchaser	5.25
Director	78	Quality Assurance Specialist	8.75
Document Services Technician	1.25	Research and Statistics Technician	3
Editor	1	Research Specialist	6
Engineer	4.5	Safety Officer	1
Engineering Specialist	0.5	Sergeant, TDI	15
Executive Assistant	2	Staff Services Officer	1.25
Financial Analyst	0.75	Systems Administrator	15.5
Financial Examiner	114.5	Systems Analyst	8.75
Fleet Manager	1	Systems Support Specialist	13.75
General Counsel	2.25	Technical Writer	1.75
Government Relations Specialist	2	Telecommunications Specialist	2
HR Assistant/Specialist	9	Training & Dev. Assistant /Specialist	5.25
Independent Audit Reviewer	0.5	Vehicle Driver	1
Information Specialist	8	Web Administrator	2
IT Business Analyst	4.75		

Employee salaries

TDI's average annual salary of \$70,765 is above the Texas state employee average salary of \$57,011. TDI's Human Resources and Financial Services staff continue to work with management to review resources and address salary challenges.

- TDI average annual salary excludes two commissioners, three chief actuaries, and part-time and temporary employees.
- State employee average salary includes data for regular, full-time employees at all agencies in all occupational categories.

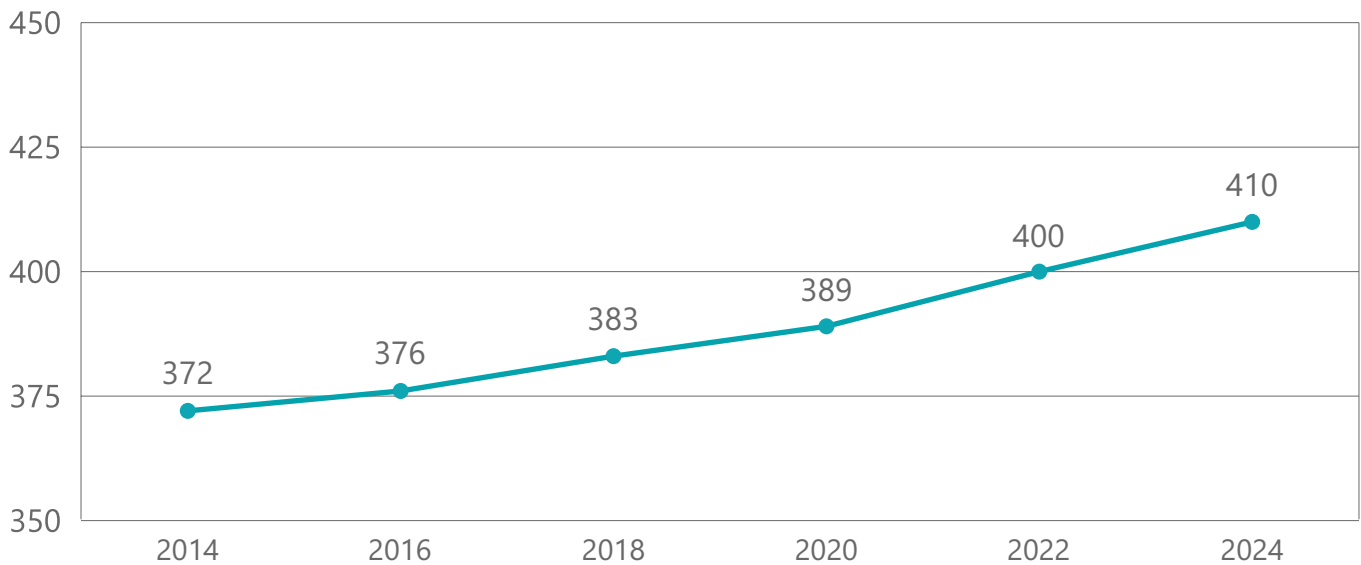
Employee engagement

Since 1996, TDI employees have participated in the agency's Survey of Employee Engagement (SEE) survey. Employee participation has increased each year. In 2024, we had a 94% participation rate.

High response rates show employees are invested in the agency and will contribute towards making improvements. TDI's Human Resources office discusses the SEE results with managers and encourages them to develop strategies to build on strengths and address areas with lower scores.

In 2012, the Institute for Organizational Excellence began including an overall score for agency survey results. TDI's score increased 38 points in the last 10 years.

SEE overall score 10-year history



TDI employee engagement results showed that 69% were highly engaged or engaged, compared to 30% for most organizations.

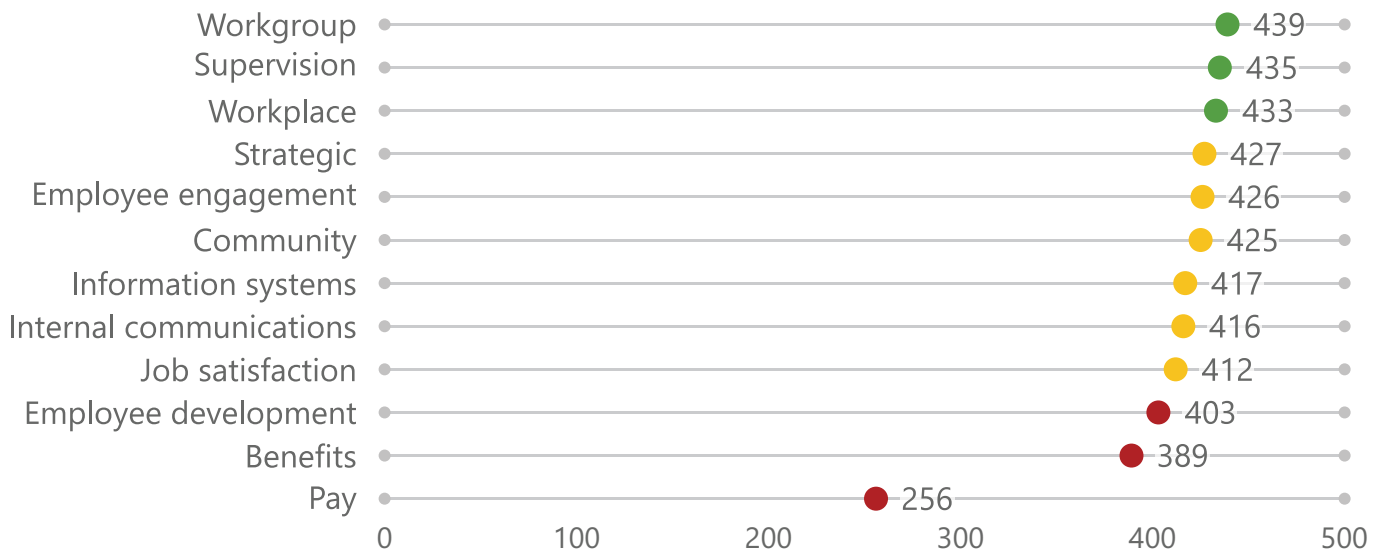
2024 SEE employee engagement levels



Rating	TDI	Most organizations
Highly engaged or engaged	69%	30%
Moderately engaged	24%	50%
Disengaged	7%	20%

This year’s survey named workgroup, supervision, and workplace as three areas of strength. High scores in these areas show that TDI employees view their workgroup as effective and unified, have a positive view of their supervisors and workplace, and have the tools and resources to do their jobs. The three lowest scoring constructs were pay, benefits, and employee development. Pay is typically the lowest scoring construct on the agency’s SEE survey results.

2024 SEE survey results



Future workforce needs

TDI continues to see an increase in regulatory responsibilities resulting from population growth and legislative actions. The agency's future workforce must also continue to grow and adapt. TDI doesn't expect a change in its mission or a significant change in the number of staff.

Future workforce skills needed

Our workforce must have skills that improve project outcomes, develop streamlined processes, use data analytics, improve technology, manage risks, and provide effective communication.

These skills include:

- Interpreting and enforcing requirements for insurance, workers' compensation, fraud, arson, and fire safety.
- Examining and analyzing insurer's financial conditions.
- Conducting medical quality, service, and provider research, analysis, and review.
- Educating businesses, employees, fire industry professionals, insurance companies, consumers, and the public.
- Resolving workers' compensation disputes.
- Performing quality assurance and auditing.
- Investigating and prosecuting insurance and workers' compensation fraud reports.
- Conducting fire investigation and safety research and analysis.
- Performing research and policy analysis.
- Continuous learning and rolling out new and improved technologies.
- Reviewing rate and form filings.
- Evaluating design, engineering, and building construction, particularly in high wind areas.
- Resolving consumer complaints.
- Processing licensing applications and renewals.
- Providing excellent customer service.

Workforce flexibility

TDI recognizes the competitive workforce landscape and needs to be agile in our approach to building and keeping highly qualified staff. The agency offers a hybrid work environment and supports access to reliable, mobile technology, and flexible work hours and locations.

Gap analysis

Staffing levels

Agency leadership recognizes the need to respond to external factors that may affect the insurance regulatory environment, the workers' compensation system, and the Fire Marshal's Office. A continuing challenge is recruiting and keeping qualified staff in a competitive labor and compensation market. Management regularly evaluates whether the agency can continue to meet the agency's missions and goals with the current staffing and salary levels.

Employee knowledge and skills

TDI identified the need to develop or enhance skills in these areas:

- Business analysis and data management.
- Critical thinking and analysis.
- Process improvement.
- Risk management.
- Communication, including plain language and technical writing.
- Information technology, including current best practices and available tools.

Tools and technology

TDI recognizes current tools and technology are needed to support a modern workforce. Several legacy systems that hindered efficiency and required using temporary or manual processes were retired. The agency is using automation to streamline processes and improve task productivity. TDI continues to focus on ensuring staff are trained and equipped to work efficiently and remotely.

Workforce strategies

TDI continues to identify strategies to recruit and retain qualified staff, develop knowledge and skills, and address resource gaps. These efforts include:

- Upgrading technology and reducing paper processes.
- Modernizing processes that include best practices.
- Continuing hybrid work options, including letting employees report to TDI offices outside of Austin.
- Reducing time to fill positions through careful monitoring and increased communication with management.
- Using email subscriber lists for job openings.
- Conducting an agency salary analysis and raising salaries and classifications where appropriate.
- Supporting staff training for professional development and designations.
- Enhancing succession planning and knowledge-sharing efforts.
- Using contract labor, when possible, for needs that can't be met with current staff.

Leadership development

With a third of the agency eligible to retire or eligible to retire within the next five years, it is key to establish a successful succession planning strategy. Human Resources provides management training to prepare the next generation of TDI leaders. About 94% of managers have completed the agency training.

From March 1, 2022, to May 31, 2024, TDI promoted 33 internal staff into management or leadership positions. These positions were filled with staff who were mentored, trained, or showed the skills and knowledge to replace staff who previously held the positions.

Salary analysis

The agency conducted a salary analysis project to find classifications paid below the state average. The information helped develop a plan to bring positions closer to the state average.

Biennium strategies

TDI plans to work on these strategies over the next biennium:

- Increase military veteran recruitment by attending military and veteran job fairs.
- Maximize technology in a hybrid work environment.
- Conduct training to fill skill gaps and monitor results.
- Enhance succession planning, including knowledge-sharing efforts.
- Continue identifying positions that may not be needed, freeing up funding for salary increases.
- Continue staff and salary analyses.
- Benchmark with the private sector and other state agencies to find tools and technology that enhance workforce development.

Conclusion

TDI uses information from the biennial workforce plan to help set workforce development priorities. However, workforce planning balances making sure you have the right people with the right skills while being mindful of budget constraints and external factors.

The Human Resources office is flexible and works with management to meet changing workforce needs. In addition, the agency will keep working to meet the challenges that come with a wide and varying range of skills needed to perform diverse functions that fall under the authority of two commissioners.



Schedule G
Workforce Development
System Strategic Plan

This section doesn't apply to TDI.



Schedule H Report on Customer Service

TDI submitted the agency's [2024 Customer Services Report](#) separately to the Governor's Office and Legislative Budget Board as [required](#).



Schedule I

Certification of Compliance with Cybersecurity Training



Certificate

Texas Department of Insurance

Pursuant to the Texas Government Code, Section [2056.002\(b\)\(12\)](#), this is to certify that the agency has complied with the cybersecurity training required pursuant to the Texas Government Code, Sections [2054.5191](#) and [2054.5192](#).

Chief Executive Officer

A handwritten signature in black ink, appearing to read "C. Brown", written over a horizontal line.

Signature

Cassie Brown

Printed Name

Commissioner of Insurance

Title

May 31, 2024

Date



Schedule J
Report on Projects and
Acquisitions Financed by
Certain Fund Sources

This section doesn't apply to TDI.



Texas Department of Insurance
Agency Strategic Plan

TDISP | 0624