

Strategic Plan

2024–2026



Pennsylvania
Insurance Department

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Introduction

Under the leadership of the current Pennsylvania Insurance Commissioner, Michael Humphreys, the Pennsylvania Insurance Department (PID or Department) renewed its strategic visioning in order to best position the Department to take on the current and emerging challenges of our state, nation, and global insurance communities.

PID began the process of updating the strategic plan in the Spring of 2023 with an agency-wide Employee Engagement Survey to obtain valuable feedback from our nearly 300 employees, resulting in a 56% return rate. Subsequently, in October 2023, 30 executive staff and senior leaders spent a day at Kings Gap Mansion overlooking the beautiful Cumberland Valley in south-central Pennsylvania in a strategic planning retreat.

In summary, PID's Strategic Plan contains the following:

- An Overview of PID;
- PID's mission statement and updated purpose;
- PID's vision statements for future success;
- PID's values and collective priorities;
- PID's Strengths, Weakness, Opportunities, and Threats (S.W.O.T.) Analysis; and
- PID's aspirational goals and objectives for the next three years.



About The Pennsylvania Insurance Department

The Pennsylvania legislature established PID as a cabinet-level department in 1873. Based in Harrisburg and with nearly 300 dedicated employees, the Department regulates the fifth largest insurance market in the United States and the 14th largest insurance market in the world.

Pennsylvania's insurance industry employs more than 250,000 individuals, serves the nearly 13 million Pennsylvanians, and includes approximately 220 domestic insurers totaling more than \$139 billion in annual premiums. Within PID, under the oversight of the Commissioner and the Chief of Staff, five Deputy Commissioners oversee the following program areas:

Administration

This program area plans, coordinates, and administers all fiscal, strategic, and administrative support functions for PID, which include budget, purchasing, automotive, leasing, office services, telecommunications, employee development and engagement, process improvement, and other services. The program area also serves as liaison to the Commonwealth's Office of Administration on human resource and information technology activities.

Insurance Product Regulation

This program area plans, coordinates, and administers a program to review and approve or disapprove insurance rates, rating plans, policies, and forms and reviews applications for licensure or certification of managed care plans to ensure all are in compliance with applicable laws, regulations, statements of policy and guidelines.

Corporate and Financial Regulation

This program area plans, coordinates, and administers a program to protect insurance consumers by requiring that all insurance companies operating in Pennsylvania maintain financial strength and stability, and by licensing insurance companies and other entities required to obtain the Insurance Department's approval prior to transacting business in the Commonwealth.

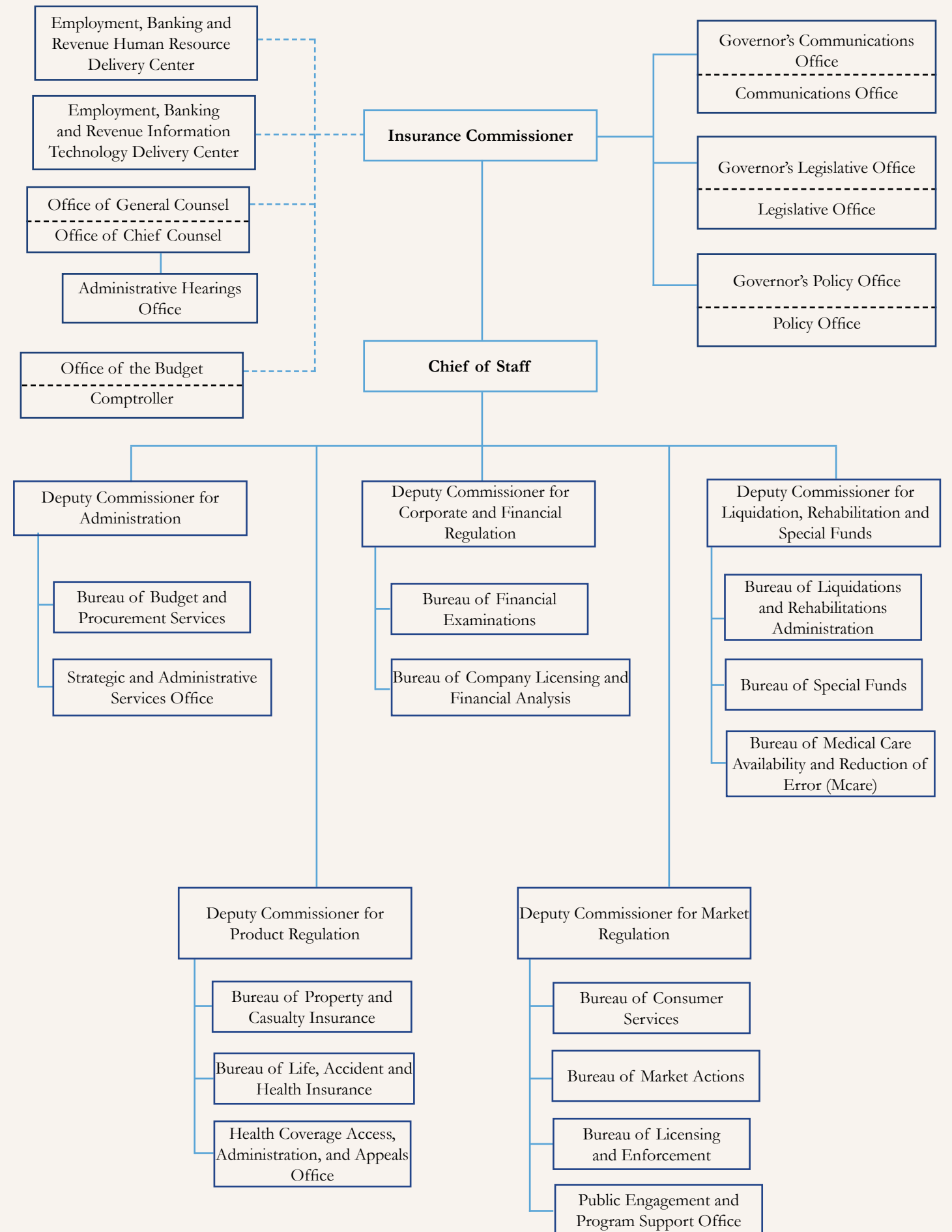
Market Regulation

This program area of the agency investigates alleged violations of the laws, issues licenses to agents, agencies, public adjusters, physical damage appraisers, title agents, surplus lines agents and health insurance navigators, which are required to be able to conduct the business of insurance in Pennsylvania. The program area also performs audits of insurance companies, or Market Conduct Examinations, to ensure companies are operating within the boundaries of Pennsylvania's statutes and regulations. The program area conducts outreach and education regarding the regulation of the insurance industry to the general public.

Liquidations, Rehabilitations and Special Funds

The program area coordinates and administers the liquidation and rehabilitation of financially troubled and insolvent insurance companies, by utilizing a process that is similar to bankruptcy, with some material differences. This program area also administers several Special Funds within the Insurance Department, including the Medical Care Availability and Reduction of Error Fund (Mcare), the Catastrophic Loss Benefit Continuation Fund (Auto CAT Fund), the Worker's Compensation Security Fund (WCSF), and the Underground Storage Tank Indemnification Fund (USTIF).

PID Organizational Chart





Mission, Vision, and Values

Mission

PID's mission is to protect Pennsylvania's insurance consumers through fair and effective regulation of the marketplace.

Vision

PID's vision is to be the premier insurance regulator that is locally focused and globally relevant.

Values

Integrity

We strive to do the right thing and act consistently to maintain trustworthiness.

Adaptability

We embrace innovation, continual learning, and flexibility as the industry changes.

Compassionate

We are empathetic, advocating on behalf of consumers and promoting diversity and inclusion.

Responsive

We are customer-focused and provide timely, competent, and effective service.

Impactful

We are results-oriented and pursue excellence and efficiency in all we do.

Strengths, Weaknesses, Opportunities, and Threats (S.W.O.T.) Analysis

Strengths

- PID's dedicated and engaged workforce effectively carries out the Department's mission through their expertise and professionalism.
- PID embodies a workforce and culture that is passionate, collaborative, friendly and diligently pursues diversity, inclusion, comradery and teamwork.
- PID enjoys a positive work-life balance that is beneficial to attract and retain the necessary workforce.

Weaknesses

- In recent years, a centralized enterprise-wide human resource model has limited PID's direct control of human resource processes and solutions.
- PID will experience a loss of institutional knowledge in the next five to 10 years due to projected retirements.
- PID finds keeping staff appropriately informed with internal communications, especially in a hybrid work environment, requires constant diligence and deliberateness.

Opportunities

- PID sees potential to expand its use of digital communications to enhance public outreach, education, and engagement.
- PID finds that it can further its recruitment efforts by partnering with stakeholders and actively seeking a diverse pool of individuals.
- PID continues to prioritize professional development for staff through various training and designation incentive programs, leadership development, succession planning, mentorships, internships, and our NexGen outreach program.
- PID aspires to develop a more comprehensive use of automated technology applications, systems, and portals.

Threats

- PID faces the ongoing challenge with the lack of public awareness of careers in the insurance regulatory and gaining ground in recruitment and retentions solutions.
- PID must increase efforts to provide constant technical advisement regarding the highly dynamic and complicated insurance industry for the general public, PID stakeholders, and partners.



Goals and Objectives

Goal One: Increased Public Outreach and Engagement

To be a trusted & recognized resource for all Pennsylvanians by increasing and improving public engagement and outreach.

Objective One: The Department will restructure to include a Public Engagement and Outreach Office and a Director of Public Engagement and Outreach by January 2024.

Objective Two: PID's Director of the new Public Engagement and Outreach will facilitate multiple meetings between PID's leadership and subject matter experts with key stakeholders and partners to identify ways to collaborate and recruit skilled and diverse talent, while promoting PID's role in regulating Pennsylvania's insurance market. Key stakeholders and partners include:

- The Pennsylvania Office of Administration, who manages the Commonwealth's centralized administrative function such as human resource recruitment;
- The Pennsylvania Department of Labor & Industry, who oversees multiple diverse advocacy and benefit programs that touch multiple industries and workforces within the State, including individuals seeking unemployment compensation, vocational disability services, or job seekers through workforce development services;
- The Pennsylvania Department of Community and Economic Development, who oversees economic assistance and prosperity across Pennsylvania; and
- The Pennsylvania Chamber of Business and Industry, who, as a private sector state-wide association, represents the interest of 9,000 member across various business, industries, and commerce sectors across the State.

This objective's target date of completion is set for December 2025.

Objective Three: The Director of Public Engagement and Outreach will increase public engagement and outreach to new venues and events by 35% and reaching all Pennsylvania's 67 counties. New venues may include schools, local community events, specialized education sessions for public and private consumer and advocate groups, and various industry publications.

PID will empower the public to learn how to make



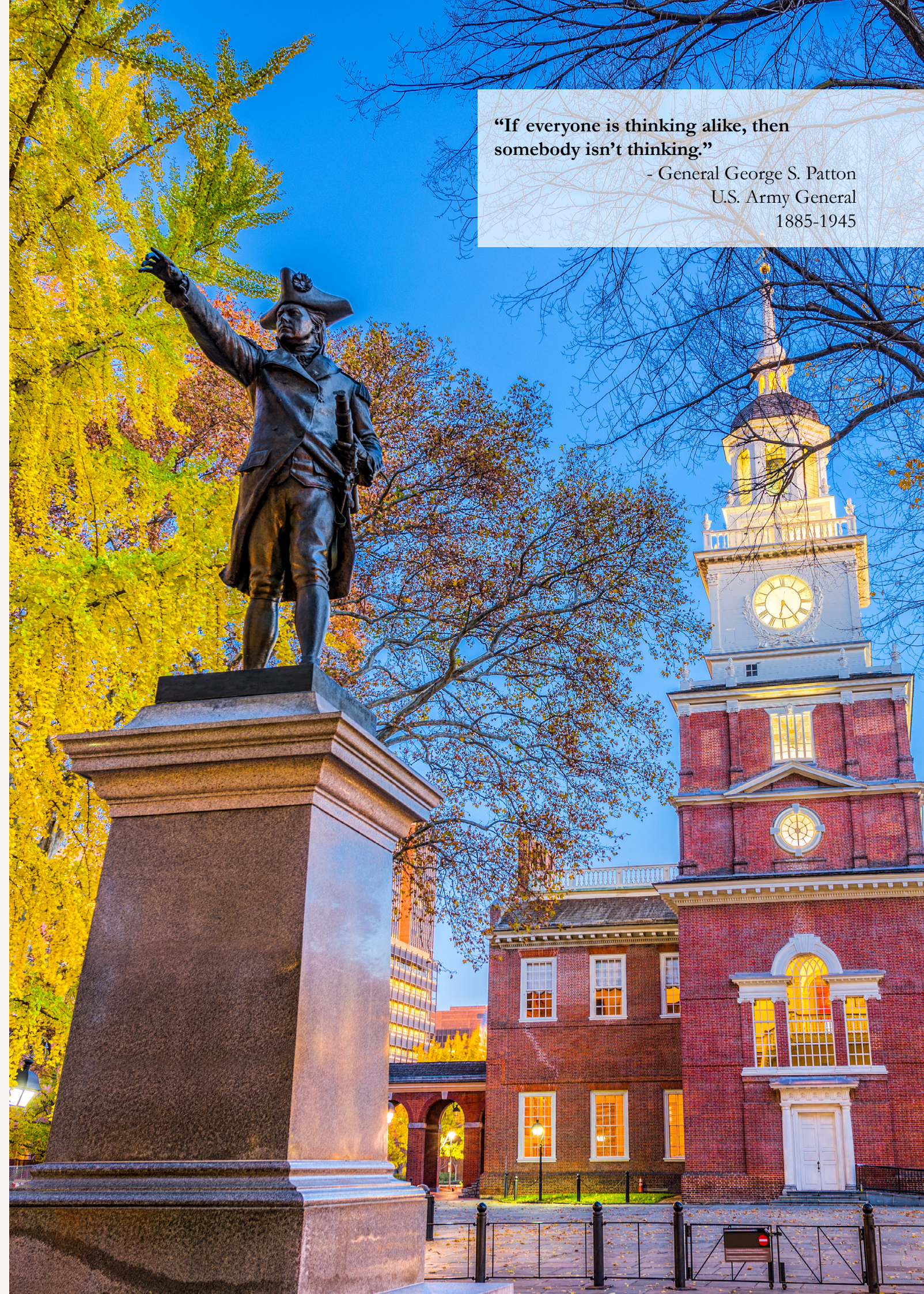
informed decisions to better protect themselves, their family, and friends by equipping them with necessary knowledge and information to prevent harm. The Public Engagement and Outreach Office will open the two-way dialogue, ensuring that the issues impacting the Commonwealth's diverse communities have a receptive team dedicated to making their voices heard within the Department. The Public Engagement and Outreach Office will aim to bridge the accessibility gap between PID and Pennsylvanians, removing obstacles and barriers for engagement, ultimately improving public awareness, education, and involvement in the insurance sphere.

This objective's target date of completion is set for December 2026.

Objective Four: PID's Communications Office will continue to strengthen PID's traditional and digital communication efforts to support PID's ongoing public engagement efforts.

"If everyone is thinking alike, then somebody isn't thinking."

- General George S. Patton
U.S. Army General
1885-1945



“Failing to plan is planning to fail.”

-Alan Lakein

American professor and
author on time management
1938 - Present

Goal Two: Increase Hiring and Retention, including Diversity Recruitment and Hiring

To decrease the overall number of vacancies within the agency by 50% and to increase the retention rate of employees by 20% by the end of calendar year 2026.



Objective One: As part of the Department’s reorganization, the new Strategic and Administrative Services Office will centralize and lead several key initiatives with PID’s managers, supervisors, the PID Diversity Committee, and the PID Employee Engagement Committee to identify and promote viable candidate pools and develop retention solutions to increase employee job satisfaction. Initial solutions to pursue include:

- The Strategic and Administrative Services Office will hold a regular cadence of meetings with executive staff (particularly Deputy Commissioners), Program/Bureau Directors, and managers/supervisors to maintain current, accurate, and coordinated engagement of the PID’s staffing actions;
- The Strategic and Administrative Services Office will develop a robust internship program for the various program areas throughout the Department, particularly developing relationships with Historically Black Colleges and Universities (HBCUs), groups and associations for people with disabilities in the labor market;
- The Strategic and Administrative Services Office will develop an on-boarding process for the PID’s new employees, including standardizing the Department’s overview, template on-boarding procedures, and refreshing the PID’s intranet and shared file/information portals;
- The Strategic and Administrative Services Office will provide coordinated interaction and engagement

with the Commonwealth’s human resource offices, including a targeted recruitment plan and outreach; and

- The Strategic and Administrative Services Office will continue to develop recruitment and retention incentive solutions.

Objective Two: The Strategic and Administrative Services Office will continue to coordinate leadership training and development opportunities for managers and supervisors to hone their skills to maximize PID’s staff potential and maintain a culture of belonging and engagement. PID’s managers and supervisors will prioritize:

- Employee performance management particularly measured by completion of documented Employee Expectations and Performance Standards and by the timely, appropriate, and accurate completion and delivery of Employee Performance Reviews/Evaluations (Probationary, Interim, and Annual).
- Ongoing participation in training and development of their staff and themselves regarding technical training (insurance/financial-related and designation-specific) and soft-skills training (communication, time management, interpersonal relations, etc.).

Objective Three: PID’s Employee Engagement Committee and PID’s Diversity Committee will foster ideas and coordinate implementation of initiatives that positively impact and support the Department’s employees to strengthen a culture of belonging and engagement.

Goal Three: Expanded Knowledge Capture and Transfer

To provide for continuity of operations and succession planning as the Agency's workforce faces critical retirements.

Objective One: The Strategic and Administrative Services Office will initiate workforce and succession planning efforts by meeting with each of the Deputy Commissioners within the first six months of 2024 and developing a comprehensive annual Workforce and Succession Plan for PID by December 2024.

Objective Two: As part of the Workforce and Succession planning initiative, the Administrative and Strategic Services Office will particularly develop a more robust mentorship program for the PID and develop a more comprehensive catalog of educational and development opportunities for staff, focusing on technical development

and soft-skill enhancement by December 2025.

Objective Three: Under the coordination of the Strategic and Administrative Services Office and championed by each of the Deputy Commissioners, each program area will assemble a work group of subject matter experts to plan to review the suitability and accuracy of current knowledge repositories that capture institutional knowledge. The plan will identify gaps in technical knowledge and skills present among the workforce and develop new knowledge repositories by December 2026.

Goal Four: Create a Technology Plan

To be able to capture and document the agency's current technology resources and automated processes and develop a plan by the end of calendar year 2025 to maximize technology solutions and resources.

Objective One: Under the coordination of the Administrative and Strategic Services Office and championed by each of the agency's Deputy Commissioners for their respective program area, the agency will assemble an IT Exploratory Work-group by April 2024 to work with the Commonwealth's shared services Office of Information Technology to capture current automated processes and systems throughout the agency and Research potential solutions to automate ongoing paper processes and improve public interfaces/portals. The work-group will present the Commissioner

and Chief-of-Staff with a proposal of recommended solutions by December 2024.

Objective Two: The agency will continue to pursue staffing internal IT expertise in order to have the in-house and ongoing capability to manage the agency's IT solutions and resources. By the end of calendar year 2024, the Strategic and Administrative Services Office will identify readily available in-house staffing and expertise to fulfill this role or will establish and hire for such a role for the agency.

Conclusion

Our agency is proud of the strategic initiative that we have undertaken. With this ambitious plan of fostering greater collaboration, communication, and relationships, increasing the technical and soft-skills competencies of our team members, and securing resources to the maximum extent possible, PID is endeavoring to pursue, and hoping to obtain, greater operational optimization and provide Pennsylvania's consumers and regulated entities premier-level service for years to come.

It is the agency's plan to continually monitor and review progress throughout the time period of this Strategic

Plan, over the next three (3) years (2023-2026), provide necessary progress reports, and to adjust actions, as warranted, to continue to promote optimization, consistent with this Strategic Plan's identified Goals.

Questions regarding this Strategic Plan may be referred to Matt Stine, Special Assistant to the PA Insurance Commissioner for Strategic and Management Consulting at ra-in-commissioner@pa.gov.

"If you aim at nothing, you'll hit it every time."

"Zig" Ziglar,
American author
1926-2012





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