

## INSURANCE COMPANY EXAMINER

**Description of Work:** This is professional analysis/examination work with responsibility for monitoring and regulating the operations and financial condition of all proposed and authorized insurers, entities that self-insure for workers compensation, certain third party administrators, managing general agents, accredited and authorized reinsurers, reinsurance intermediaries, surplus lines carriers, risk retention groups, risk purchasing groups, professional employer organizations, continuing care retirement communities and other regulated entities, for compliance with the solvency laws of this state. Work involves analyzing and/or examining financial statements, mergers and acquisitions, independent auditor reports, actuarial reports, business plans and risks, operations and/or systems, to monitor solvency, determine compliance with State law and recommend appropriate action. In certain instances work may involve supervising troubled, potentially troubled or dissolving insurance entities, including companies operating under a court ordered receivership. Work is extremely detailed, voluminous and complex and requires a high degree of judgment based on financial and insurance expertise. Work requires an extensive knowledge and application of the theories and practices of Generally Accepted Accounting Principles (GAAP), Statements of Statutory Accounting Principles (SSAP), Statements on Auditing Standards (SAS), and related information technology. The work is guided by State laws and regulations, North Carolina Department of Insurance policies and procedures, the National Association of Insurance Commissioners (NAIC), and other similar professional guidelines.

<b>ROLE DESCRIPTIONS BY COMPTENCY LEVEL</b>		
<b>Contributing</b>	<b>Journey</b>	<b>Advanced</b>
<p>Employees at this level are entry level professionals with a general understanding of insurance concepts, financial analysis and auditing procedures, and accounting principles. Work involves analyzing and examining the financial records of insurance companies and other regulated entities; summarizing information; and making recommendations for appropriate action based on pre-established guidelines and state laws. This position is required to understand and apply necessary and appropriate actions for the protection of policyholders and other stakeholders. Employees interact with management staff within the agency and with lower level staff in regulated entities. The position makes general recommendations on necessary and appropriate actions for the protection of policyholders and other stakeholders.</p>	<p>Employees at this level are established professionals who have a thorough understanding of insurance concepts, basic functions performed by insurers, financial analysis and auditing procedures, and accounting principles. Work involves independently analyzing and examining the financial records of insurance companies and other regulated entities; assessing risk; and making recommendations for appropriate action based on pre-established guidelines and state laws. This position is required to determine necessary and appropriate actions for the protection of policyholders and other stakeholders. Employees interact with management staff within the agency and lower and mid-level staff in the regulated entities. The position makes recommendations on necessary and appropriate actions for the protection of policyholders and other stakeholders.</p>	<p>Employees at this level are advanced professionals who have an in-depth knowledge of insurance concepts, complex functions performed by insurers, financial analysis and auditing procedures, accounting principles and state laws and regulations. Work involves evaluating and determining the approach for analyzing and examining the financial records of insurance companies and other regulated entities; evaluating the assessment of risk; and making recommendations for appropriate action based on pre-established guidelines and state laws. This position has a leadership role in the training of staff and may serve as project leader with temporary supervisory duties. Employees are required to interact with management, independent auditors, information system specialists, actuaries, consultants and other internal and external parties in a manner which continuously serves the citizens of North Carolina. This position is required to determine necessary and appropriate actions for the protection of policyholders and other stakeholders.</p>

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<b>Competency</b>	<b>Definition</b>
<b>Professional Knowledge</b>	Demonstrates understanding of financial statements, financial ratios, the impact of journal entries on financial statement components, and the ability to apply knowledge effectively with applicable information technology software and systems. Demonstrates a proficient level of professional skill and/or knowledge in generally accepted auditing standards (GAAS) and testing methods, generally accepted and statutory accounting principles (GAAP & SSAP), financial accounting concepts and theories, financial analysis procedures. Actively pursues to expand personal knowledge base through additional training and/or professional designations. (i.e. Certified Public Accountant, Certified Financial Examiner, Accredited Financial Examiner, etc.).
<b>Industry Knowledge</b>	Demonstrates professional skill and/or knowledge in the concepts related to insurance companies and other regulated entities. Demonstrates a thorough understanding of business risks, operations, financial transactions and financial regulatory functions for consumer protection including regulation of company admissions, capital standards, reserve requirements, investment restrictions, solvency monitoring, intervention and guaranty funds. Demonstrates a thorough understanding of NAIC guidelines and state laws and regulations.
<b>Examination &amp; Analysis</b>	Demonstrates the ability to examine and analyze insurance operations, financial transactions, market conditions and information systems; collects data and information to assess financial statement risk, accuracy, completeness, and integrity; and performs effective verification and analytical procedures on data collected within prescribed timeframes. Demonstrates the ability to determine compliance with applicable standards, principles, laws, and regulations; interprets, evaluates and summarizes results effectively; prepares clear and concise documentation of work performed, reports and/or presentations. Recommends corrective action when necessary based on acquired knowledge and observation of best practices while maintaining confidentiality.
<b>Decision Making/Problem Solving</b>	Demonstrates the ability to use effective approaches for choosing a course of action, developing appropriate solutions, reaching conclusions and providing appropriate guidance and direction necessary for a consistent and effective solvency surveillance program. Demonstrates the ability to adequately identify and summarize findings/problems and take action consistent with available facts, constraints, and anticipated consequences. Seeks and provides timely feedback, makes suggestions for improvement and generates creative solutions to improve processes and reach organizational goals.
<b>Communication</b>	Demonstrates the ability to effectively communicate information to individuals, management, insurance professionals, certified public accountants, consultants and other internal and external parties; delivers a quality work product and/or presentations suited to the characteristics and needs of the audience. Clearly and concisely conveys information orally and in writing to ensure that audience understands the information and the message. Listens

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	and responds appropriately to others and develops and maintains professional working relationships.
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Note: Competency statements are progressive and not all competencies apply to every position/employee. Evaluate only those that apply. For positions with some supervision consider the highest level of professional work performed.

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**Professional Knowledge** - Demonstrates understanding of financial statements, financial ratios, the impact of journal entries on financial statement components, and the ability to apply knowledge effectively with applicable information technology software and systems. Demonstrates professional skill and/or knowledge in generally accepted auditing standards (GAAS) and testing methods, generally accepted and statutory accounting principles (GAAP & SSAP), financial accounting concepts and theories, financial analysis procedures. Actively pursues to expand personal knowledge base through additional training and/or professional designations. (i.e. Certified Public Accountant, Certified Financial Examiner, Accredited Financial Examiner, Life Office Management Association (LOMA), Certified Property and Casualty Underwriter, etc.).

<b>Contributing</b>	<b>Journey</b>	<b>Advanced</b>
<p>1. Demonstrates a general understanding of financial statements, financial ratios, and the impact of journal entries on financial statement components and the ability to apply knowledge effectively with applicable information technology software and systems.</p> <p>2. Demonstrates a general understanding of generally accepted accounting principles (GAAP), financial analysis procedures, reporting guidelines, and generally accepted auditing standards.</p> <p>3. Demonstrates a desire to obtain additional knowledge and to pursue additional training and/or professional designations. (i.e. Certified Public Accountant, Certified Financial Examiner, Accredited Financial Examiner, etc.).</p>	<p>1. Demonstrates a thorough understanding of financial statements, financial ratios, and the impact of journal entries on financial statement components and independently interprets information to provide assistance in identifying areas of concerns relative to financial statement results. Effectively utilizes applicable information technology software and systems.</p> <p>2. Demonstrates a thorough understanding of generally accepted and statutory accounting principles (GAAP &amp; SSAP), financial analysis procedures, reporting guidelines and generally accepted auditing standards and independently interprets and applies them on a consistent basis.</p> <p>3. Actively pursues additional knowledge through relevant training and/or professional designations. (i.e. Certified Public Accountant, Certified Financial Examiner, Accredited Financial Examiner, etc.).</p>	<p>1. Demonstrates advanced knowledge and interpretation of financial statements, financial ratios, and the impact of journal entries on financial statement components and independently identifies areas of concerns relative to financial statement results while providing direction and guidance to others. Effectively utilizes applicable information technology software and systems.</p> <p>2. Demonstrates advanced knowledge of generally accepted and statutory accounting principles (GAAP &amp; SSAP), financial analysis procedures, reporting guidelines, systems design and generally accepted auditing standards. Displays leadership in identifying complex and unique issues and develops resolution and/or consults with management in order to achieve resolution; consistently serves as a technical resource.</p> <p>3. Has obtained additional training and/or professional designations and continues to expand knowledge base through continuing education courses. (i.e. Certified Public Accountant, Certified Financial Examiner, Accredited Financial Examiner, etc.).</p>

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**Industry Knowledge** - Demonstrates professional skill and/or knowledge in the concepts related to insurance companies and other regulated entities. Demonstrates understanding of business risks, operations, financial transactions and financial regulatory functions for consumer protection including regulation of company admissions, capital standards, reserve requirements, investment restrictions, solvency monitoring, intervention and guaranty funds. Demonstrates understanding of NAIC guidelines and state laws and regulations.

<b>Contributing</b>	<b>Journey</b>	<b>Advanced</b>
<p>1. Demonstrates a general understanding of insurance concepts which include how insurance is used to manage risk and reduce uncertainty, conditions for insurability of risk exposures, and the key concepts underlying insurance contracts. Demonstrates a general understanding of business risks and operations.</p> <p>2. Demonstrates a general understanding of the various functions involved in processing transactions or preparing financial statements for insurance companies and other regulated entities, financial transactions, and how information systems are used to process the various functions.</p> <p>3. Demonstrates a general understanding of financial regulatory functions for consumer protection including regulation of company admissions, capital standards, reserve requirements, investment restrictions, financial requirements, solvency monitoring, intervention and guaranty funds. Demonstrates the ability to learn NAIC guidelines and state laws and regulations.</p>	<p>1. Demonstrates a thorough understanding of insurance concepts and the basic functions performed by insurers which include product design, pricing, production and distribution, underwriting, loss settlement, investment and reinsurance. Demonstrates a thorough understanding of business risks and operations.</p> <p>2. Demonstrates a thorough understanding of financial transactions relative to insurance companies and other regulated entities and how information systems are used to process transactions. Demonstrates the ability to apply knowledge and perform related tasks independently.</p> <p>3. Demonstrates a thorough understanding of market and financial regulatory functions for consumer protection including regulation of company admissions, capital standards, reserve requirements, investment restrictions, financial requirements, solvency monitoring, intervention and guaranty funds and applies knowledge independently. Demonstrates a thorough understanding of NAIC guidelines and state laws and regulations.</p>	<p>1. Demonstrates advanced knowledge of insurance concepts, complex functions performed by insurers, insurance lines/ products and insurer organization forms which include stock, mutual and reciprocal insurers, Lloyd's associations, health expense associations, risk retention and purchasing groups and captives. Demonstrates a thorough understanding of business risks and operations.</p> <p>2. Demonstrates an advanced understanding of financial transactions, information systems, and the role of management's financial planning, control and supervision of insurance companies and other regulated entities. Provides guidance and direction to co-workers in the application of knowledge and performance of related tasks.</p> <p>3. Demonstrates an advanced understanding of market and financial regulatory functions for consumer protection including regulation of company admissions, capital standards, reserve requirements, investment restrictions, financial requirements, solvency monitoring, intervention and guaranty funds. Applies knowledge independently and provides direction and guidance to others. Demonstrates an advanced understanding of NAIC guidelines and state laws and regulations.</p>

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**Examination & Analysis** - Demonstrates the ability to examine and analyze insurance operations, financial transactions, market conditions and information systems; collects data and information to assess financial statement risk, accuracy, completeness, and integrity; and performs effective verification and analytical procedures on data collected within prescribed timeframes. Demonstrates the ability to determine compliance with applicable standards, principles, laws, and regulations; interprets, evaluates and summarizes results effectively; prepares clear and concise documentation of work performed, reports and/or presentations. Recommends corrective action when necessary based on acquired knowledge and observation of best practices while maintaining confidentiality.

<b>Contributing</b>	<b>Journey</b>	<b>Advanced</b>
<p>1. Demonstrates a general understanding of financial statement risk, internal controls, and accuracy and completeness testing. Demonstrates the ability to examine and analyze insurance operations, financial transactions, market conditions and information systems.</p> <p>2. Gathers and documents detailed explanations on various processes, transactions, internal controls, and identified areas of concerns related to the proper recording and reporting of account balances. Demonstrates the ability to determine compliance with applicable standards, principles, laws, and regulations; interprets, evaluates and summarizes results effectively. Demonstrates ability to complete work within prescribed timeframes.</p> <p>3. Applies professional standards to documentation of work and writes communications that convey concise and comprehensive information on matters of</p>	<p>1. Demonstrates the ability to assess financial statement risk, provides a basis for risk assessment, performs analytical procedures and performs tests of internal controls. Demonstrates the ability to examine and analyze insurance operations, financial transactions, market conditions and information systems.</p> <p>2. Performs detailed verification and analysis procedures on underlying data to determine accuracy, completeness and the overall propriety of transactions according to established guidelines and compliance with state law and within prescribed timeframes. Demonstrates the ability to determine compliance with applicable standards, principles, laws, and regulations; interprets, evaluates and summarizes results effectively. Can perform work within prescribed timeframes.</p> <p>3. Writes communications and documentation of works that convey concise and comprehensive information on matters of a moderately complex nature; provides</p>	<p>1. Applies advanced knowledge of financial statement risk, analytical procedures and internal controls; evaluates basis for risk assessments, interprets results of analytical procedures, identifies critical issues and/or areas of concern and develops an overall approach for the examination and analysis of financial data and information. Demonstrates advanced knowledge of insurance operations, financial transactions, market conditions, and information systems.</p> <p>2. Evaluates and reviews the detailed verification and analysis procedures, draws conclusions and coordinates with other divisions when necessary to determine appropriate course of action. Identifies documents and provides ongoing support on critical issues noted during analysis and verification procedures and may assess the need for additional expertise to meet analysis/examination objective. Independently interprets and applies knowledge of state laws, regulations and established guidelines for solvency monitoring procedures. Monitors the work to ensure completion occurs within prescribed timeframes, including any work being performed by other team members temporarily assigned to work with this employee.</p> <p>3. Writes communications and documentation of work that convey concise and comprehensive information on matters of a complex nature. Documents conclusions,</p>

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<p>routine complexity and conforms to established guidelines; provides appropriate documentation to support conclusions. Recommends corrective action when necessary based on acquired knowledge and observation of best practices while maintaining confidentiality.</p>	<p>appropriate documentation to support conclusions which adhere to professional standards and established guidelines and requires some revision. Recommends corrective action when necessary based on acquired knowledge and observation of best practices while maintaining confidentiality.</p>	<p>recommendations and writes initial drafts of final letters and/or reports. May review and edit written communications of others. Provides appropriate documentation to support conclusions which adhere to professional standards and established guidelines and requires little revision. Recommends corrective action when necessary based on acquired knowledge and utilization of best practices while maintaining confidentiality.</p>
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**Decision Making/Problem Solving** - Demonstrates the ability to use effective approaches for choosing a course of action, developing appropriate solutions, reaching conclusions and providing appropriate guidance and direction necessary for a consistent and effective solvency surveillance program. Demonstrates the ability to adequately identify and summarize findings/problems and take action consistent with available facts, constraints, and anticipated consequences. Seeks and provides timely feedback, makes suggestions for improvement and generates creative solutions to improve processes and reach organizational goals.

<b>Contributing</b>	<b>Journey</b>	<b>Advanced</b>
1. Demonstrates the ability to be proactive when seeking answers to questions, addressing concerns and obtaining feedback on work performed.	1. Proactively seeks to obtain answers to questions, addresses concerns in a timely manner, obtains feedback on work performed and seeks creative solutions to problems. Identifies findings/problems and provides supporting detail which summarizes the issue.	1. Demonstrates the ability to provide answers to questions. Provides timely feedback, training and assistance to employees in their development of knowledge and skills, makes suggestions for improvement and generates creative solutions to solve problems, improve processes and reach organizational goals.

**Communication** - Demonstrates the ability to effectively communicate information to individuals inside and outside of the Department of Insurance, including management, insurance professionals, certified public accountants, consultants and other internal and external parties; delivers a quality work product and/or presentations suited to the characteristics and needs of the audience. Clearly and concisely conveys information orally and in writing to ensure that audience understands the information and the message. Listens and responds appropriately to others and develops and maintains professional working relationships.

<b>Contributing</b>	<b>Journey</b>	<b>Advanced</b>
1. Effectively communicates in a professional manner, orally and in writing, information suited to the characteristics and needs of the audience. Listens and responds appropriately to others and develops and maintains professional working relationships. Generally communicates with lower level staff of regulated entities. Makes general recommendations for any formal written findings, or may be delegated final responsibility for portions of findings subject to extensive review.	1. Effectively communicates in a professional manner, orally and in writing, information suited to the characteristics and needs of the audience. Listens and responds appropriately to others and develops and maintains professional working relationships. May provide guidance to others regarding the delivery of a quality work product. Generally communicates with lower and mid-level staff of regulated entities. Makes recommendations for any formal written findings, or may be delegated final responsibility for significant portions of findings subject to review.	1. Effectively communicates in a professional manner, orally and in writing, information suited to the characteristics and needs of the audience. Initiates communication with certified public accountants and other parties when necessary. Listens and responds appropriately to others and develops and maintains professional working relationships. In some instances, delivers presentations to management and staff. May communicate with a wide variety of staff of regulated entities, including higher level staff. May make specific written recommendations for any formal written findings, or may be delegated final responsibility for significant portions of findings subject to minimal review.



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### Recommended Minimum Training Guidelines:

#### **Contributing**

Bachelors degree from an accredited college or university, with the appropriate courses in accounting as defined in 21 NCAC 8A.0309 and other courses required to qualify as a candidate for the uniform certified public accountant examination, based on the examination requirements in effect at the time of graduation.

#### **Journey**

Bachelors degree from an accredited college or university, with the appropriate courses in accounting as defined in 21 NCAC 8A.0309 and other courses required to qualify as a candidate for the uniform certified public accountant examination, based on the examination requirements in effect at the time of graduation and: two years of experience in auditing insurance company operations or closely related accounting or auditing work; or, an equivalent combination of training and experience.

#### **Advanced**

Bachelors degree from an accredited college or university, with the appropriate courses in accounting as defined in 21 NCAC 8A.0309 and other courses required to qualify as a candidate for the uniform certified public accountant examination, based on the examination requirements in effect at the time of graduation and: three years of experience in auditing insurance company operations or closely related accounting or auditing work; or one year experience as a senior accountant with a CPA firm; or one year experience as a corporate controller, manager of internal audit or similar role preceded by experience as a staff accountant for a CPA firm; or an equivalent combination of training and experience.

**Special Note:** This is a generalized representation of positions in this class and is not intended to identify essential work functions per ADA. Examples of competencies are primarily those of the majority of positions in this class, but may not be applicable to all positions