**Section 919.30 Examinations**

a) Each company's claim files for policies or certificates on Illinois risks are subject to examination and inspection by the Director of Insurance or by his duly appointed designees. Examples of the criteria which may be used to determine the frequency of examinations include but are not limited to:

1) High ratio of written complaints to premium volume or units of exposure or enrollment;

2) Examination of a percent of a particular market;

3) Examination of a particular specialty line for which claims handling, underwriting or marketing practices or procedures raise questions of compliance with any insurance laws or rule;

4) Examination of a particular company whose practice or procedure for the handling of claims, underwriting or the marketing of policies raise questions of compliance with any insurance laws or rules.

b) Each company shall maintain claim data that should be accessible and retrievable for examination by the Director. A company shall be able to provide the claim number, line of coverage, date of loss and date of payment of the claim, date of denial, or date claim closed without payment. This data must be available for all open and/or closed files for the current year and the two preceding years. The examiners' review may include but need not be limited to an examination of the following claims:

1) Claims Closed With Payment;

2) Claims Denied;

3) Claims Closed Without Payment;

4) First Party Automobile Total Losses; and/or Subrogation Claims.

c) Detailed documentation shall be contained in each claim file in order to permit reconstruction of the company's activities relative to each claim file.

d) For those companies who do not maintain hard copy files, claim files must be accessible from cathode ray tube (CRT) or micrographics and capable of duplication to hard copy.

(Source: Amended at 13 Ill. Reg. 1204, effective January 11, 1989)