



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB5035

Introduced 2/7/2012, by Rep. Mary E. Flowers

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Consumer Health Insurance Counsel Act. Creates the independent Office of Consumer Health Insurance Counsel for the purpose of representing the interests of health insurance consumers. Sets forth provisions concerning the appointment and qualifications of and prohibited activities regarding the position of Consumer Health Insurance Counsel. Provides that the Consumer Health Insurance Counsel may assess the impact of insurance rates, rules, and forms on consumers and shall advocate positions determined to be most advantageous to a substantial number of insurance consumers. Sets forth additional provisions.

LRB097 19749 RPM 65010 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Consumer Health Insurance Counsel Act.

6 Section 5. Definitions. For the purposes of this Act:

7 "Department" means the Department of Insurance.

8 "Director" means the Director of Insurance.

9 "Office" means the Office of Consumer Health Insurance  
10 Counsel.

11 Section 10. Office of Consumer Health Insurance Counsel.  
12 The independent Office of Consumer Health Insurance Counsel is  
13 created for the purpose of representing the interests of health  
14 insurance consumers in Illinois.

15 Section 15. Appointment; term. The Governor, with the  
16 advice and consent of the Senate, shall appoint a Consumer  
17 Health Insurance Counsel to serve as director of the Office.  
18 The term of the Consumer Health Insurance Counsel shall be 4  
19 years.

20 Section 20. Qualifications. To be eligible to serve as

1 Consumer Health Insurance Counsel, a person must:

2 (1) be an attorney licensed to practice in Illinois;

3 (2) have demonstrated a strong commitment to and  
4 involvement in efforts to safeguard the rights of the public;  
5 and

6 (3) possess the knowledge and experience necessary to  
7 practice effectively in insurance proceedings.

8 Section 25. Business interest prohibitions. A person is not  
9 eligible for appointment as Consumer Health Insurance Counsel  
10 or for employment as an Assistant Consumer Health Insurance  
11 Counsel with the Office if the person or the person's spouse:

12 (1) is employed by or participates in the management of  
13 a business entity or other organization regulated by or  
14 receiving funds from the Department;

15 (2) owns or controls, directly or indirectly, an  
16 interest in a business entity or other organization  
17 regulated by or receiving funds from the Department; or

18 (3) uses or receives a substantial amount of tangible  
19 goods, services, or funds from the Department or the  
20 Office, other than compensation or reimbursement  
21 authorized by law for Department or Office membership,  
22 attendance, or expenses.

23 Section 30. Lobbying activities. A person may not serve as  
24 Consumer Health Insurance Counsel or act as Assistant Consumer

1 Health Insurance Counsel if the person is required to register  
2 as a lobbyist under the Lobbyist Registration Act because of  
3 the person's activities for compensation related to the  
4 operation of the Department or the Office.

5 Section 35. Grounds for removal. The Consumer Health  
6 Insurance Counsel shall be removed from the position by the  
7 appointing officer if he or she:

8 (1) does not have at the time of appointment or  
9 maintain during service as Consumer Health Insurance  
10 Counsel the qualifications required by Section 20 of this  
11 Act;

12 (2) violates a prohibition established by Section 25 of  
13 this Act; or

14 (3) cannot, because of illness or disability,  
15 discharge the Consumer Health Insurance Counsel's duties  
16 for a substantial part of the Consumer Health Insurance  
17 Counsel's term.

18 Section 40. Revolving door prohibition. No former Consumer  
19 Health Insurance Counsel or Assistant Consumer Health  
20 Insurance Counsel or spouse or immediate family member living  
21 with such person, shall, within a year after the date the  
22 person ceases to serve as Consumer Health Insurance Counsel or  
23 Assistant Consumer Health Insurance Counsel, represent any  
24 person or receive compensation for services rendered on behalf

1 of any party involved in a matter in which the Consumer Health  
2 Insurance Counsel or Assistant Consumer Health Insurance  
3 Counsel participated personally and substantially before the  
4 Director, the Department, or any State health insurance rate  
5 review board in the year immediately preceding the date the  
6 person ceases to serve as Consumer Health Insurance Counsel or  
7 Assistant Consumer Health Insurance Counsel.

8 Section 45. Prohibitions against political activities.

9 (a) No Consumer Health Insurance Counsel or employee of the  
10 Office may, during his or her term of appointment or  
11 employment:

12 (1) become a candidate for any elective office;

13 (2) hold any other elected or appointed public office,  
14 except for appointments on governmental advisory boards or  
15 study commissions or as otherwise expressly authorized by  
16 law;

17 (3) be actively involved in the affairs of any  
18 political party or political organization; or

19 (4) advocate for the appointment of another person to  
20 an appointed or elected office or position or actively  
21 participate in any campaign for any elective office.

22 (b) In this Section, "appointed public office" means a  
23 position authorized by law that is filled by an appointing  
24 authority as provided by law and does not include employment by  
25 hiring in the ordinary course of business.

1 (c) No Consumer Health Insurance Counsel or employee of the  
2 Office may, for one year after the termination of his or her  
3 employment:

4 (1) become a candidate for any elective office;

5 (2) hold any elected public office; or

6 (3) hold any appointed State, county, or local judicial  
7 office.

8 (d) The requirements of item (3) of subsection (a) of this  
9 Section may be waived by the Executive Ethics Commission.

10 Section 50. Office personnel. The Office shall be comprised  
11 of the Consumer Health Insurance Counsel and such Assistant  
12 Consumer Health Insurance Counsels and other staff as are  
13 deemed necessary to implement this Act.

14 Section 55. Powers and duties. The Office:

15 (1) may assess the impact of insurance rates, rules,  
16 and forms on health insurance consumers in this State; and

17 (2) shall advocate in the Office's own name positions  
18 determined by the Consumer Health Insurance Counsel to be  
19 most advantageous to a substantial number of insurance  
20 consumers.

21 Section 60. Authority to appear, intervene, or initiate.  
22 The Consumer Health Insurance Counsel:

23 (1) may appear or intervene, as a party or otherwise,

1 as a matter of right before the Director, the Department,  
2 or any State health insurance rate review board on behalf  
3 of insurance consumers, as a class, in matters involving  
4 rates, rules, and forms affecting accident and health  
5 insurance policies, managed care plans, and health plans  
6 offered by health maintenance organizations;

7 (2) may initiate or intervene as a matter of right or  
8 otherwise appear in a judicial proceeding involving or  
9 arising from an action taken by an administrative agency in  
10 a proceeding in which the Consumer Health Insurance Counsel  
11 previously appeared under the authority granted by this  
12 Section; and

13 (3) may appear or intervene, as a party or otherwise,  
14 as a matter of right on behalf of insurance consumers as a  
15 class in any proceeding in which the Consumer Health  
16 Insurance Counsel determines that insurance consumers are  
17 in need of representation, except that he or she may not  
18 intervene in an enforcement or parens patriae proceeding  
19 brought by the Attorney General.

20 Section 65. Intervention. The Consumer Health Insurance  
21 Counsel may not intervene or appear in:

22 (1) any proceeding or hearing before the Director or  
23 Department, or any other proceeding, that relates to  
24 approval or consideration of an individual charter,  
25 license, certificate of authority, acquisition, merger, or

1 examination; or

2 (2) any proceeding concerning the solvency of an  
3 individual insurer, a financial issue, a policy form,  
4 advertising, or another regulatory issue affecting an  
5 individual insurer or agent.

6 Section 70. Recommendation of legislation. The Consumer  
7 Health Insurance Counsel may recommend legislation to the  
8 legislature that the Consumer Health Insurance Counsel  
9 determines would positively affect the interests of insurance  
10 consumers.