

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 5. The Illinois Insurance Code is amended by
5 changing Section 359c as follows:

6 (215 ILCS 5/359c)

7 Sec. 359c. Accident and health expense reporting.

8 (a) Beginning January 1, 2011 and every 6 months
9 thereafter, any carrier providing a group or individual major
10 medical policy of accident or health insurance shall prepare
11 and provide to the Department of Insurance a statement of the
12 aggregate administrative expenses of the carrier, based on the
13 premiums earned in the immediately preceding 6-month period on
14 the accident or health insurance business of the carrier. The
15 semi-annual statements shall be filed on or before October 1
16 ~~July 31~~ for the preceding 6-month period ending June 30 and on
17 or before April 1 ~~February 1~~ for the preceding 6-month period
18 ending December 31. The statements shall itemize and separately
19 detail all of the following information with respect to the
20 carrier's accident or health insurance business:

21 (1) the amount of premiums earned by the carrier both
22 before and after any costs related to the carrier's
23 purchase of reinsurance coverage;

1 (2) the total amount of claims for losses paid by the
2 carrier both before and after any reimbursement from
3 reinsurance coverage including any costs incurred related
4 to:

5 (A) disease, case, or chronic care management
6 programs;

7 (B) wellness and health education programs;

8 (C) fraud prevention;

9 (D) maintaining provider networks and provider
10 credentialing;

11 (E) health information technology for personal
12 electronic health records; and

13 (F) utilization review and utilization management;

14 (3) the amount of any losses incurred by the carrier
15 but not reported to the carrier in the current or prior
16 reporting period;

17 (4) the amount of costs incurred by the carrier for
18 State fees and federal and State taxes including:

19 (A) any high risk pool and guaranty fund
20 assessments levied on the carrier by the State; and

21 (B) any regulatory compliance costs including
22 State fees for form and rate filings, licensures,
23 market conduct exams, and financial reports;

24 (5) the amount of costs incurred by the carrier for
25 reinsurance coverage;

26 (6) the amount of costs incurred by the carrier that

1 are related to the carrier's payment of marketing expenses
2 including commissions; and

3 (7) any other administrative expenses incurred by the
4 carrier.

5 (b) The information provided pursuant to subsection (a) of
6 this Section shall be separately aggregated for the following
7 lines of major medical insurance:

8 (1) individually underwritten;

9 (2) groups of 2 to 25 members;

10 (3) groups of 26 to 50 members;

11 (4) groups of 51 or more members.

12 (c) The Department shall make the submitted information
13 publicly available on the Department's website or such other
14 media as appropriate in a form useful for consumers.

15 (Source: P.A. 96-857, eff. 1-5-10.)