



HR1570

LRB095 22753 RPM 53215 r

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HOUSE RESOLUTION

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WHEREAS, The Illinois Comprehensive Health Insurance Plan (CHIP) provides health insurance coverage for Illinois residents who cannot obtain individual coverage from private insurance companies due to a pre-existing medical condition and for residents with prior health coverage who meet federal rules for eligibility; and

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WHEREAS, Persons may qualify for CHIP under the Traditional Pool, which covers individuals with preexisting conditions, or the HIPAA Pool, which provides individual health coverage to persons with previous group coverage pursuant to the portability requirements of the Health Insurance Portability and Accountability Act (HIPAA); and

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WHEREAS, The Traditional Pool is financed through a combination of premium dollars and funds from the State General Revenue Fund and the HIPAA Pool is financed through a combination of premium dollars and funds collected through an assessment on insurance companies based on insurance premiums written in Illinois; and

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WHEREAS, The CHIP Board recently adopted a new rate formula that reduces the amount of the projected deficit that will be covered by premiums paid by enrollees in the HIPAA Pool; and

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1 WHEREAS, The amount of the assessment on insurance
2 companies in FY08 totaled \$19.8 million, with these assessed
3 funds earmarked to cover the gap between the premiums paid by
4 individuals enrolled in the HIPAA Pool and the actual medical
5 bills incurred by individuals in the HIPAA Pool; and

6 WHEREAS, On September 25, 2008, the CHIP Board approved an
7 FY09 assessment of \$43.4 million on insurance providers, an
8 increase of 119% compared to the FY08 assessment; and

9 WHEREAS, The CHIP Board has indicated that the need for
10 this unprecedented increase in the assessment is due to an
11 increase in the projected deficit of the HIPAA Pool based on
12 actuarial studies performed by Hause Associates; therefore, be
13 it

14 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
15 NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
16 the Commission on Government Forecasting and Accountability
17 shall conduct a review of the Comprehensive Health Insurance
18 Plan focusing on the HIPAA Pool, the deficit projections and
19 actuarial estimates for the HIPAA Pool, and the assessments
20 paid by insurance providers; and be it further

21 RESOLVED, That the Comprehensive Health Insurance Plan

1 shall provide all necessary documentation to the Commission on
2 Government Forecasting and Accountability in relation to the
3 finances of the Plan and the actuarial projections used to
4 determine the FY09 assessment; and be it further

5 RESOLVED, That the members of the Commission on Government
6 Forecasting and Accountability shall compile the results of
7 their review in a report to the General Assembly.