



Rep. JoAnn D. Osmond

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09700SB1553ham001

LRB097 09436 RPM 54993 a

1 AMENDMENT TO SENATE BILL 1553

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1553 by replacing  
3 everything after the enacting clause with the following:

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

1 or before April 1 ~~February 1~~ for the preceding 6-month period  
2 ending December 31. The statements shall itemize and separately  
3 detail all of the following information with respect to the  
4 carrier's accident or health insurance business:

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

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

12 (A) disease, case, or chronic care management  
13 programs;

14 (B) wellness and health education programs;

15 (C) fraud prevention;

16 (D) maintaining provider networks and provider  
17 credentialing;

18 (E) health information technology for personal  
19 electronic health records; and

20 (F) utilization review and utilization management;

21 (3) the amount of any losses incurred by the carrier  
22 but not reported to the carrier in the current or prior  
23 reporting period;

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

26 (A) any high risk pool and guaranty fund

1 assessments levied on the carrier by the State; and

2 (B) any regulatory compliance costs including  
3 State fees for form and rate filings, licensures,  
4 market conduct exams, and financial reports;

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

7 (6) the amount of costs incurred by the carrier that  
8 are related to the carrier's payment of marketing expenses  
9 including commissions; and

10 (7) any other administrative expenses incurred by the  
11 carrier.

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

15 (1) individually underwritten;

16 (2) groups of 2 to 25 members;

17 (3) groups of 26 to 50 members;

18 (4) groups of 51 or more members.

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

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