



Rep. John E. Bradley

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1 AMENDMENT TO HOUSE BILL 1287

2 AMENDMENT NO. _____. Amend House Bill 1287, AS AMENDED, by
3 inserting the following in its proper numeric sequence in the
4 bill:

5 "Section 8. The Workers' Compensation Act is amended by
6 changing Section 29.2 and by adding Section 29.3 as follows:

7 (820 ILCS 305/29.2)

8 Sec. 29.2. Insurance and self-insurance oversight.

9 (a) The Department of Insurance shall annually submit to
10 the Governor, the Chairman of the Commission, the President of
11 the Senate, the Speaker of the House of Representatives, the
12 Minority Leader of the Senate, and the Minority Leader of the
13 House of Representatives a written report that details the
14 state of the workers' compensation insurance market in
15 Illinois. The report shall be completed by April 1 of each
16 year, beginning in 2012, or later if necessary data or analyses

1 are only available to the Department at a later date. The
2 report shall be posted on the Department of Insurance's
3 Internet website. Information to be included in the report
4 shall be for the preceding calendar year. The report shall
5 include, at a minimum, the following:

6 (1) Gross premiums collected by workers' compensation
7 carriers in Illinois and the national rank of Illinois
8 based on premium volume.

9 (2) The number of insurance companies actively engaged
10 in Illinois in the workers' compensation insurance market,
11 including both holding companies and subsidiaries or
12 affiliates, and the national rank of Illinois based on
13 number of competing insurers.

14 (3) The total number of insured participants in the
15 Illinois workers' compensation assigned risk insurance
16 pool, and the size of the assigned risk pool as a
17 proportion of the total Illinois workers' compensation
18 insurance market.

19 (4) The advisory organization premium rate for
20 workers' compensation insurance in Illinois for the
21 previous year.

22 (5) The advisory organization prescribed assigned risk
23 pool premium rate.

24 (6) The total amount of indemnity payments made by
25 workers' compensation insurers in Illinois.

26 (7) The total amount of medical payments made by

1 workers' compensation insurers in Illinois, and the
2 national rank of Illinois based on average cost of medical
3 claims per injured worker.

4 (8) The gross profitability of workers' compensation
5 insurers in Illinois, and the national rank of Illinois
6 based on profitability of workers' compensation insurers.

7 (9) The loss ratio of workers' compensation insurers in
8 Illinois and the national rank of Illinois based on the
9 loss ratio of workers' compensation insurers. For purposes
10 of this loss ratio calculation, the denominator shall
11 include all premiums and other fees collected by workers'
12 compensation insurers and the numerator shall include the
13 total amount paid by the insurer for care or compensation
14 to injured workers.

15 (10) The growth of total paid indemnity benefits by
16 temporary total disability, scheduled and non-scheduled
17 permanent partial disability, and total disability.

18 (11) The number of injured workers receiving wage loss
19 differential awards and the average wage loss differential
20 award payout.

21 (12) Illinois' rank, relative to other states, for:

22 (i) the maximum and minimum temporary total
23 disability benefit level;

24 (ii) the maximum and minimum scheduled and
25 non-scheduled permanent partial disability benefit
26 level;

1 (iii) the maximum and minimum total disability
2 benefit level; and

3 (iv) the maximum and minimum death benefit level.

4 (13) The aggregate growth of medical benefit payout by
5 non-hospital providers and hospitals.

6 (14) The aggregate growth of medical utilization for
7 the top 10 most common injuries to specific body parts by
8 non-hospital providers and hospitals.

9 (15) The percentage of injured workers filing claims at
10 the Commission that are represented by an attorney.

11 (16) The total amount paid by injured workers for
12 attorney representation.

13 (a-5) The Department of Insurance shall annually submit to
14 the Governor, the Chairman of the Commission, and the General
15 Assembly a written report that details the state of
16 self-insurance for workers' compensation in Illinois. The
17 report shall be completed by October 1, 2015 and April 1 of
18 each year thereafter or later if necessary data or analyses are
19 only available to the Department at a later date. The report
20 shall be posted on the Department of Insurance's Internet
21 website. Information to be included in the report shall be for
22 the preceding calendar year. The report shall include, at a
23 minimum, the following:

24 (1) The number of employers that self-insure for
25 workers' compensation.

26 (2) The total number of employers belonging to a group

1 workers' compensation pool.

2 (3) The total amount of indemnity payments made by
3 self-insureds and by group workers' compensation pools in
4 Illinois.

5 (4) The total amount of medical payments made by
6 self-insureds and by group workers' compensation pools in
7 Illinois, and the national rank of Illinois based on
8 average cost of medical claims per injured worker.

9 (5) The growth of total paid indemnity benefits by
10 temporary total disability, scheduled and non-scheduled
11 permanent partial disability, and total disability.

12 (6) The number of injured workers receiving wage loss
13 differential awards and the average wage loss differential
14 award payout.

15 (7) Illinois' rank, relative to other states, for:

16 (i) the maximum and minimum temporary total
17 disability benefit levels;

18 (ii) the maximum and minimum scheduled and
19 non-scheduled permanent partial disability benefit
20 levels;

21 (iii) the maximum and minimum total disability
22 benefit levels; and

23 (iv) the maximum and minimum death benefit levels.

24 (8) The aggregate growth of medical benefit payouts by
25 non-hospital providers and hospitals.

26 (9) The aggregate growth of medical utilization for the

1 top 10 most common injuries to specific body parts by
2 non-hospital providers and hospitals.

3 (b) The Director of Insurance shall promulgate rules
4 requiring each insurer licensed to write workers' compensation
5 coverage in the State self-insured employer, and group workers'
6 compensation pool to record and report the following
7 information on an aggregate basis to the Department of
8 Insurance before March 1 of each year, relating to claims in
9 the State opened within the prior calendar year:

10 (1) The number of claims opened.

11 (2) The number of reported medical only claims.

12 (3) The number of contested claims.

13 (4) The number of claims for which the employee has
14 attorney representation.

15 (5) The number of claims with lost time and the number
16 of claims for which temporary total disability was paid.

17 (6) The number of claim adjusters employed to adjust
18 workers' compensation claims.

19 (7) The number of claims for which temporary total
20 disability was not paid within 14 days from the first full
21 day off, regardless of reason.

22 (8) The number of medical bills paid 60 days or later
23 from date of service and the average days paid on those
24 paid after 60 days for the previous calendar year.

25 (9) The number of claims in which in-house defense
26 counsel participated, and the total amount spent on

1 in-house legal services.

2 (10) The number of claims in which outside defense
3 counsel participated, and the total amount paid to outside
4 defense counsel.

5 (11) The total amount billed to employers for bill
6 review.

7 (12) The total amount billed to employers for fee
8 schedule savings.

9 (13) The total amount charged to employers for any and
10 all managed care fees.

11 (14) The number of claims involving in-house medical
12 nurse case management, and the total amount spent on
13 in-house medical nurse case management.

14 (15) The number of claims involving outside medical
15 nurse case management, and the total amount paid for
16 outside medical nurse case management.

17 (16) The total amount paid for Independent Medical
18 exams.

19 (17) The total amount spent on in-house Utilization
20 Review for the previous calendar year.

21 (18) The total amount paid for outside Utilization
22 Review for the previous calendar year.

23 The Department shall make the submitted information
24 publicly available on the Department's Internet website or such
25 other media as appropriate in a form useful for consumers.

26 (Source: P.A. 97-18, eff. 6-28-11.)

1 (820 ILCS 305/29.3 new)

2 Sec. 29.3. Workers' Compensation Premium Rates Task Force.

3 (a) There is created the Workers' Compensation Premium
4 Rates Task Force consisting of 12 members appointed as follows:
5 2 legislative members appointed by the Speaker of the House of
6 Representatives; 2 legislative members appointed by the
7 Minority Leader of the House of Representatives; 2 legislative
8 members appointed by the President of the Senate; 2 legislative
9 members appointed by the Minority Leader of the Senate; and one
10 member appointed by the Governor from each of the following
11 organizations: (i) a statewide association representing
12 retailers; (ii) a statewide association representing
13 manufacturers; (ii) a statewide association representing labor
14 interests; and (iii) a statewide association representing
15 injured workers. The members of the Task Force shall be
16 appointed by August 1, 2015. Two co-chairpersons, representing
17 different political parties, shall be selected by the members
18 of the Task Force. Members of the Task Force shall receive no
19 compensation for their service on the Task Force.

20 (b) The Task Force shall study the National Council on
21 Compensation Insurance's recommendations for workers'
22 compensation premium rates and the extent to which Illinois
23 employers' actual premiums reflect these recommended rates.
24 The Department of Insurance shall provide administrative
25 support to the Task Force.

1 (c) The Task Force shall report its findings and
2 recommendations to the General Assembly no later than December
3 31, 2015.

4 (d) This Section is repealed on December 31, 2016."