

Illinois Department of Insurance



2000

66th Annual Report and Summary of Annual Statements

George H. Ryan
GOVERNOR

Nathaniel S. Shapo
DIRECTOR



STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
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GEORGE H. RYAN
GOVERNOR

NATHANIEL S. SHAPO
DIRECTOR

Honorable George H. Ryan
Governor
State of Illinois
Springfield, Illinois

Dear Governor Ryan:

I am pleased to submit this Annual Report summarizing the activities and fiscal operations of the Department of Insurance in 2000.

A highlight of our consumer protection initiatives was the opening of our Office of Consumer Health Insurance (OCHI) to assist Illinois consumers with their health insurance problems and questions. During its first year of operation OCHI responded to nearly 11,000 telephone calls from all parts of the state, mailed 2,489 complaint forms, and distributed thousands of educational materials.

Illinois was fortunate to be one of eleven states to receive one-year federal grants to develop plans extending health insurance coverage to all citizens. Illinois' share of the grant is \$1.2 million. The goals of the State Planning Grant program, which was authorized by the U.S. Congress, are to identify characteristics of uninsured people in the state and to develop a proposal to provide them with health insurance coverage. The culmination of the grant will be the submission of the Illinois proposal to the Secretary of Health & Human Services. Illinois' planning process is being coordinated by a Steering Committee of representatives from several state agencies and the Office of the Governor. The Department of Insurance is pleased to be the lead agency.

An important financial regulation initiative was the expansion of the Department's regulatory authority over group workers compensation pools. Those entities are now subject to regulation of financial reporting, annual statements and admitted assets, including stronger obligations, duties, and management standards for directors/trustees of the pools and their administrators.

In the global arena, Illinois joined the international effort to settle the insurance claims of Holocaust victims and continued active involvement in the National Association of Insurance Commissioners, including implementation of projects being driven by the federal Gramm-Leach-Bliley Act. Department staff participated in NAIC working groups to address uniformity in market conduct examinations, to increase the speed at which insurance products are brought to market, to adopt requirements for reciprocity and uniformity in the licensing of non-resident insurance producers, and to develop a framework for privacy issues.

The Department's regulatory initiatives and a summary of the 2000 financial statements of all licensed insurance companies are outlined in the report that follows.

Respectfully submitted,

Nathaniel S. Shapo
Director

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Nathaniel S. Shapo
Director



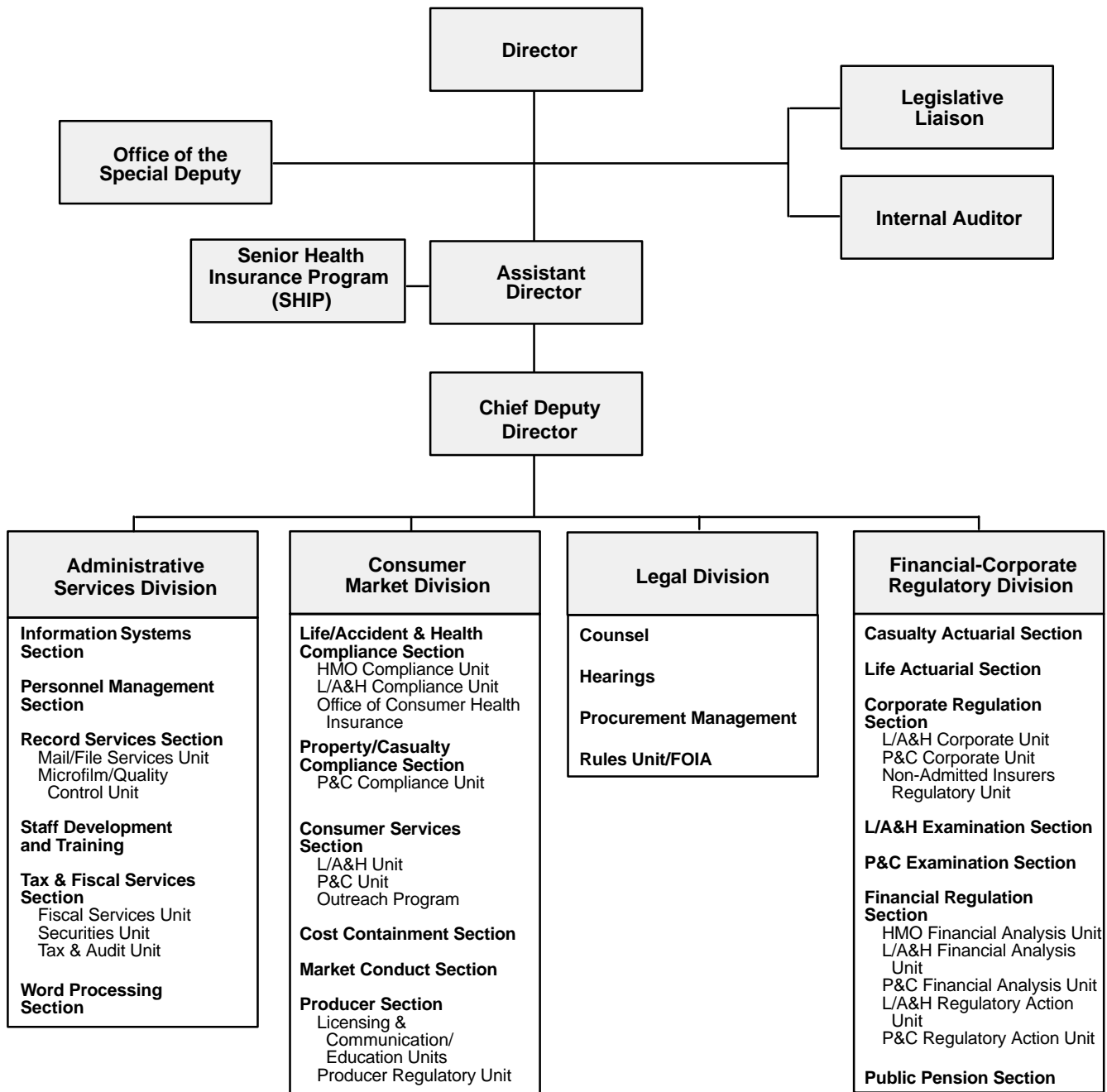
Madelynne Brown
Assistant Director



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Department Organization



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