

Illinois Department of Insurance

# 68th Annual Report to the Governor



## Summary of Annual Statements

*Rod R. Blagojevich, Governor*

*J. Anthony Clark, Director*

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STATE OF ILLINOIS  
DEPARTMENT OF INSURANCE  
320 WEST WASHINGTON STREET  
SPRINGFIELD, ILLINOIS 62767-0001

ROD R. BLAGOJEVICH  
GOVERNOR

J. ANTHONY CLARK  
DIRECTOR

Honorable Rod R. Blagojevich  
Governor  
State of Illinois  
Springfield, Illinois

Dear Governor Blagojevich:

It gives me great pleasure to submit the Annual Report for the Department of Insurance for 2002. The Report summarizes the Department's activities and fiscal operations for last year.

The Department's responsibility for consumer advocacy was expanded beginning January 1, 2002, with the creation of the Uninsured Ombudsman Program within the Office of Consumer Health Insurance. Created by P.A. 92-0331, the Ombudsman Program staff worked closely with consumers who did not have, or were about to lose, health insurance coverage. The Program polled local governments and community groups to create a database of free, or low-cost, health services around the state. Uninsured consumers now calling the Department's toll-free line for coverage information are provided information on how to access these health services in their area for their immediate needs.

In 2002, the Department continued to streamline its operations. We continued to improve and adapt our ability to handle consumer complaints over the Internet. We also ensured that consumers were able to access important information from our website through the continued development of fact sheets on numerous insurance topics. The Department's effort to increase the efficiency with which it deals with insurance company filings took a giant step forward in 2002 with the incorporation of the System for Electronic Rate and Form Filing (SERFF).

Important legislative initiatives enacted in 2002 included: P.A. 92-0669 which prohibits insurers from canceling, refusing to issue or refusing to renew policies solely on the basis that one or more claims from the preceding 60 months was the result of a hate crime; P.A. 92-0835 which clarifies when a new or used automobile dealer's insurance is primary when allowing consumers to test drive autos; and P.A. 92-0579 to require health insurers to disclose to policyholders the ramifications of using non-network health care providers.

The following report provides additional information on these topics as well as an overview of the Department, a review of all enacted legislation and Department regulatory actions, and a summary of the 2002 financial statements filed by all licensed insurance companies.

Respectfully submitted,

J. Anthony Clark  
Director

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# Directors of Insurance

J. Anthony Clark	2003–present	Justin T. McCarthy	1954–1957
Nathaniel S. Shapo	1999–2003	Laddie T. Pelnar (Acting)	1954
Arnold Dutcher (Acting)	1998–1999	Robert E. Barrett	1953–1954
Mark Boozell	1995–1998	J. Edward Day	1950–1953
James W. Schacht (Acting)	1994–1995	Harry B. Hershey	1949–1950
Stephen F. Selcke	1991–1994	N. P. Parkinson	1944–1949
James W. Schacht (Acting)	1991	Paul F. Jones	1941–1944
Zack Stamp	1989–1991	S. Hayden Davis	1940–1941
John E. Washburn	1983–1989	Ernest Palmer	1933–1940
James W. Schacht (Acting)	1982–1983	Harry Hanson	1930–1933
Philip R. O'Connor	1979–1982	George Huskinson	1927–1930
Richard L. Mathias	1977–1979	Alex Johnson	1923–1927
Michael P. Duncan	1976–1977	Thomas J. Houston	1921–1923
Dennis W. Toivonen (Acting)	1976	Fred W. Potter	1917–1921
Robert B. Wilcox	1974–1976	Rufus Potts	1913–1917
Fred A. Mauck	1973–1974	Fred W. Potter	1907–1913
James Baylor	1969–1973	William R. Vredenburgh	1903–1907
John E. Bolton, Jr.	1965–1969	Henry Yates	1901–1903
Richard G. Hershey	1963–1965	James R. Van Cleave	1897–1901
Joseph S. Gerber	1957–1963	Bradford Durfee	1893–1897



**Deirdre K. Manna**  
**Assistant Director**



**J. Anthony Clark**  
**Director**



**Jack Messmore**  
**Acting Chief Deputy Director**

# Mission and Functions

The mission of the Illinois Department of Insurance is:

*To protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace.*

The Department carries out its mission through effective administration and enforcement of the Illinois Insurance Code (215 ILCS 5/1 to 5/1312), the Illinois Pension Code (40 ILCS 5/1-101 to 5/24-109) and related laws and regulations (Title 50, Illinois Administrative Code.)

The Department has four major operating Divisions: Administrative Services, Consumer-Market, Financial-Corporate Regulatory, and Legal. The Department also sponsors the Senior Health Insurance Program and oversees the operations of the Office of the Special Deputy, which handles the affairs of insurance companies placed in rehabilitation, conservation or liquidation.

# Department Organization

