



Illinois Department of Insurance

PAT QUINN
Governor

ANDREW BORON
Director

TO: ALL COMPANIES LICENSED TO WRITE WORKERS COMPENSATION INSURANCE IN THIS STATE PURSUANT TO SECTION 4, CLASS 2(d) OF THE ILLINOIS INSURANCE CODE [215 ILCS 5/4, CLASS 2(d)].

FROM: ANDREW BORON *AB*
DIRECTOR OF INSURANCE

DATE: FEBRUARY 29, 2012

RE: COMPANY BULLETIN 2012-01

ILLINOIS DEPARTMENT OF INSURANCE REPORT DETAILING THE STATE OF THE WORKERS' COMPENSATION INSURANCE MARKET IN ILLINOIS

On June 28, 2011, Governor Pat Quinn signed 97-0018, which amended the Illinois Workers Compensation Act and includes a new Section to the Act, 820 ILCS 305/29.2.

820 ILCS 305/29.2 requires that on April 1 beginning in 2012 the Illinois Department of Insurance (Department) issue "written report that details the state of the workers' compensation insurance market in Illinois" (820 ILCS 305/29.2(a)).

820 ILCS 305/29.2 requires the Department to report on a number of statistical indices and adopt rules outlining reporting requirements on an aggregate basis relating to claims in Illinois opened within the prior calendar year.

The Department has submitted a First Notice for 50 Illinois Administrative Code Part 2907 to the Secretary of State, which was published on January 13, 2012, in the Illinois Register (See Volume 36, Issue 2 of the Illinois Register, page 678).

In order to provide the Workers Compensation report for 2012 to the Governor, the Chairman of the Commission, the President of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate, and the Minority Leader of the House of Representatives the Department is requiring all companies licensed to write workers compensation insurance in this State pursuant to Section 4, Class 2(d) of the Illinois Insurance Code [215 ILCS 5/4, Class 2(d)] to provide the answers to the attached data call.

Field #	Data Field	Data Definition
1	Company NAIC #	Character value 5 digits '00000'
2	Company FEIN #	Character value 10 digits '00-0000000'
3	Company Name	Character value any length
4	Company Contact	Character value any length
5	Company Contact email	Character value any length
6	# of claims opened	A formal request for payment related to an event or situation that is covered under an in-force insurance policy received by the insurer during the survey period.
7	# of reported medical only claims	The number of claims that are opened during the survey period in which recovery was limited to medical expenses only.
8	# of contested claims	The number of claims that are opened during the survey period in which resolution was delayed due to a dispute regarding policy language or litigation was involved.
9	# of claims for which the employee has attorney representation.	The number of claims that are opened during the survey period in which the insurer has received notice that the insured has retained legal counsel.
10a	# of claims with lost time and # of claims for which temporary total disability was paid.	a) The number of claims that are opened during the survey period in which the claimant incurred time off of less than 3 working days.
10b		b) The number of claims that are opened during the survey period in which the claimant incurred time off of between 3 and 14 working days.
10c		c) The number of claims that are opened during the survey period in which the claimant incurred time off of greater than 14 working days.
11	# of claim adjusters employed to adjust workers' compensation claims.	The total number of man-hours allocated to adjust workers compensation claims received by the company during the survey period.
12	# of claims for which temporary total disability was not paid within 14 days from the first full day off, regardless of reason.	The number of temporary total disability claims that are opened during the survey period in which temporary total disability benefits were not paid within 14 days from the first full day off, regardless of reason.
13a	# of medical bills paid 60 days or later from date of service and the average days paid on those	a) The total number of medical bills paid during the survey period where the time between the date of service and the date paid was greater than 60 days. and

13b	paid after 60 days for the previous calendar year.	b) The average number of days for all claim payments identified above.
14a	# of claims in which in-house defense counsel participated,	a) The total number of claims in which internal defense counsel expenses were paid on, applied to, or associated with during the survey period.
	and	and
14b	total amount spent on in-house legal services.	b) The total amount of all internal defense costs associated with the above claims.
15a	# of claims in which outside defense counsel participated,	a) The total number of claims in which external defense counsel expenses were paid on, applied to, or associated with during the survey period.
	and	and
15b	total amount paid to outside defense counsel.	b) The total amount of all defense costs associated with the above claims.
16a		a) The total amount billed to employers for all medical bill review services provided by the insurer during the survey period.
16b	Total amount billed to employers for bill review.	b) The total allocated expenses for bill review paid on behalf of employers for all medical bill review services during the survey period.
17	Total amount billed to employers for fee schedule savings.	The total amount of allocated expenses for all fee schedule review services provided by the insurer during the survey period.
18	Total amount charged to employers for any and all managed care fees.	The total amount of allocated expenses for all managed care fees provided by the insurer during the survey period.
19a	# of claims involving in-house medical nurse case management,	a) The total number of claims in which internal medical nurse management expenses were applied to or associated with during the survey period, regardless of when the claim was opened.
	and	and
19b	the total amount spent on in-house medical nurse case management.	b) The total amount of all internal nurse management expenses associated with the above claims.
20a	# of claims involving outside medical nurse case management,	a) The total number of claims in which external medical nurse management expenses were applied to or associated with during the survey period, regardless of when the claim was opened.
	and	and
20b	the total amount paid for outside medical nurse case management.	b) The total amount of all outside nurse management expenses associated with the above claims.
21	Total amount paid for Independent Medical exams.	The total amount paid for all independent medical exams by the insurer during the survey period.

22	Total amount spent on in-house Utilization Review for the previous calendar year.	The total amount of all internal Utilization Review expenses incurred by the insurer during the survey period.
23	Total amount paid for outside Utilization Review for the previous calendar year.	The total amount of all external Utilization Review expenses incurred by the insurer during the survey period.

Complete details and filing instructions regarding this data call may be obtained under the Insurance Data Reporting Requirements heading at:

http://insurance.illinois.gov/regulatory_filings/regulatory_filings.asp

The Department will expect receipt of all data no later than **April 1, 2012**.

Should you have any questions, please contact Robert Rapp at 217/785-1680 or robert.rapp@illinois.gov.