



Illinois Department of Insurance

BRUCE RAUNER
Governor

JENNIFER HAMMER
Director

TO: Chief Actuaries of Life/Accident and Health Insurance Companies and Fraternal Organizations Licensed in Illinois

FROM: Jennifer Hammer, Director of Insurance

DATE: November 20, 2018

**RE: Company Bulletin 2018-11
Comments Concerning:**

- **Health Insurance Reporting**
- **Rate Filings**
- **Valuation Manual**

Health Insurance Reporting

1. Effective May 31, 2017, 50 Ill. Adm. Code 2004 was amended to incorporate the August 29, 2016, NAIC Valuation Manual for policies issued and claims incurred on or after January 1, 2017. Provisions for all policies and claims incurred prior to January 1, 2017, remain unchanged.
2. Companies that write small group health insurance in Illinois are required to submit by May 15 of each year a certification of compliance with the Small Employer Health Insurance Rating Act. 50 Ill. Adm. Code 3801 is the rule to be followed in completing the certification. All certifications shall be submitted through SERFF. For further information please contact Mr. Eric Anderson at Eric.Anderson@illinois.gov.

Rate Filings

3. 50 Ill. Adm. Code 2012 was revised effective February 27, 2018. Please review the updated language before any rate filings are submitted to ensure that the filings comply with the revisions.

4. Filings for life insurance policies that accelerate benefits for long-term care should demonstrate compliance with 50 Ill. Adm. Code 2012.110(d).
5. For all Credit Life rate filings that do not file prima facie rates and for all Credit Accident and Health rate filings, an actuarial memorandum is required to be submitted. Experience exhibits are also required to be filed with all Credit Accident and Health rate filings to demonstrate compliance with the 50% loss ratio requirement in 50 Ill. Adm. Code 1052.
6. Companies writing Medicare Supplement insurance in Illinois are required by 50 Ill. Adm. Code 2008.80(b) to submit Medicare Supplement refund calculations. The calculations are due on May 31 of each year. All calculations shall be submitted through SERFF as **Other-Informational filings**. For additional information please contact Mr. Anderson at Eric.Anderson@illinois.gov.

Valuation Manual

7. Illinois domestics are not required to file a request for the Life PBR Exemption as described in the Valuation Manual, as 2019 is within the initial three-year transition period.
8. “VM-50: Experience Reporting Requirements” addresses statistical agents and statistical reports. The Department is not yet requiring insurers to submit statistical reports.

Please refer to this bulletin in future years unless and until another bulletin is posted. Any future bulletins that pertain to year-end issues are expected to be posted on or about November 30th.