



Illinois Department of Insurance

PAT QUINN
Governor

MICHAEL T. McRAITH
Director

TO: ALL COMPANIES AUTHORIZED TO WRITE ACCIDENT AND HEALTH
INSURANCE IN ILLINOIS

FROM: MICHAEL T. McRAITH, DIRECTOR OF INSURANCE

DATE: DECEMBER 22, 2009

RE: ANNUAL FINANCIAL STATEMENT FILING REQUIREMENTS (CB 2009-10)

This bulletin clarifies the statutory requirements applicable to all Illinois-licensed insurance companies with respect to the filing of annual financial statements.

Section 136(1) of the Illinois Insurance Code requires all companies authorized to do business in Illinois to file a financial statement with the Director by March 1 of each year and, unless the Director provides otherwise, to prepare such statement in accordance with the annual statement instructions and the Accounting Practices and Procedures Manual adopted by the National Association of Insurance Commissioners. *See* 215 ILCS 5/136(1). The annual statement shall be verified by oaths of the president and secretary of the company, or by two other principal officers in the absence of the president and secretary. *See* 215 ILCS 5/136(1).

The Department has learned that some companies have knowingly failed to submit complete and accurate data in the Accident and Health Policy Experience Exhibit (“the A&H Exhibit”), a Supplemental Exhibit to the Annual Statement. Specifically, some companies have failed to distinguish between “Small Employer” and “Other Employer” when reporting revenue, claims, and other data required by the A&H Exhibit. This failure violates State law as cited above.

The Department reminds all responsible officers that each is personally responsible for the accuracy of the Annual Statements submitted by their respective companies, and that the term “Annual Statement” includes all Supplementary Exhibits, including the A&H Exhibit. The Department will take appropriate regulatory action with respect to any company that fails to comply with all applicable annual statement instructions.

Questions regarding this bulletin should be directed to Gerald Lucht at gerald.lucht@illinois.gov.