

State of Illinois
Rod R. Blagojevich, Governor



Department of Financial and Professional Regulation-Division of Insurance
Dean Martinez, Secretary
Michael T. McRaith, Director of the Division of Insurance

Illinois Insurance

Spring 2006

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Illinois Insurance is the official regulatory newsletter of the Illinois Department of Financial and Professional Regulation, Division of Insurance, 320 West Washington Street, Springfield IL 62767-0001; (217) 782-4515; TDD (217) 524-4872.

The newsletter is published quarterly and is mailed free of charge upon written request to the Editor. *Illinois Insurance* is also available on the Insurance Division's Website at: www.idfpr.com

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Illinois Insurance ISSN 0094-7660

Proposed medical liability rules

The Illinois Department of Financial and Professional Regulation - Division of Insurance (DOI) has initiated the rulemaking process to implement new legislation which affects the way medical liability insurance is regulated in Illinois. The Illinois General Assembly passed the legislation last year and Governor Blagojevich signed PA 94-0677 into law on August 25, 2005. The Division's proposed amendments to Parts 928, 929 and 4203 and proposed new Part 933 were published in the February 10, 2006 Illinois Register, which may be viewed online at the Illinois Secretary of State's website. A description of the law changes follows.

Claims and Lawsuit Reporting Requirements. The Act changes the medical liability insurance claims and lawsuits reporting requirements in Section 155.19 of the Illinois Insurance Code [215 ILCS 5/155.19]. The Act expands the data elements to be reported, as well as the types of entities required to report such information. As a result, any "entity authorized or permitted by law to provide medical liability insurance in this State shall report . . ." all insurance claims and lawsuits in this State to the Secretary or Director. The Act also requires each clerk of the circuit court to report certain information in all suits alleging medical malpractice. To implement changes to Section 155.19, the DOI proposes to amend Part 928 (50 Ill. Admin. Code 928), to require entities to report medical malpractice claims and suits data electronically using software developed by the DOI.

Medical Liability Insurance Rate and Rule Filings. The Act makes several changes to Section 155.18 of the Illinois Insurance Code [215 ILCS 5/155.18], including changing the current "use and file" standard for medical liability rate and rule manuals to "file and use." The Act also expands the Secretary's or Director's authority to hold public hearings regarding medical liability rate filings, as well as the Secretary's or Director's ability to adjust rates. To implement changes to Section 155.18, the DOI proposes to amend Part 929 (50 Ill. Admin. Code 929) to include definitions and clarify various provisions of the Act. The DOI also proposes to divide Part 929 into Subparts, to

Proposed medical liability rules continued:

separate the general regulatory provisions (Subpart A) from the new administrative hearing procedures (Subpart B).

Professional Liability Resource Center. The Act creates a new section of the Illinois Insurance Code [215 ILCS 5/155.18a] which requires the DOI to create a Professional Liability Resource Center on its website, which will allow insurers and producers to report various contact information if they wish to be listed as selling medical liability insurance. To implement this new section, the DOI proposes Part 933 (50 Ill. Admin. Code 933), a new rule that establishes the content, form and data reporting requirements for entities that wish to report their information for the website.

New Reporting Requirements for Medical Liability Insurers. The Act adds a new subsection (C-5) to Section 1204 of the Illinois Insurance Code [215 ILCS 5/1204]. The Act requires certain financial and actuarial information to be filed with the DOI. To implement Section 1204 (C-5), the DOI proposes to amend Part 4203 (50 Ill. Admin. Code 4203) to establish content, form and data reporting requirements.

To view the Act in its entirety, go to <http://www.ilga.gov>, click on the Public Acts link, and then click on the appropriate link to PA 94-0677.

Changes in Medicare impact CHIP

— *- by Jan Kirby, Chief of Board Operations, CHIP*

January 1, 2006 brings big changes in Medicare, in the form of coverage for prescription drugs in Medicare Part D, that will result in changes for the Illinois Comprehensive Health Insurance Plan (CHIP) Medicare Plan 2 as well.

CHIP Plan 2 provides coverage for persons who are not yet age 65 whom the Social Security Administration has determined to be disabled and who have become eligible for Medicare. Prior to the inception of Medicare Part D, disabled persons had little or no coverage for prescription drugs unless they enrolled in a supplemental program, and CHIP Plan 2 was the only program available in Illinois with comprehensive coverage for prescription drugs.

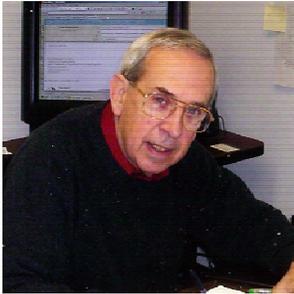
The implementation of Medicare Part D resulted in some overlap in the coverage provided by Medicare and CHIP Plan 2. In order to avoid duplicate coverage, as of January 1, 2006, CHIP Plan 2 no longer

provides coverage for prescription drugs. As a result of the reduction in coverage, the Plan 2 rates were reduced as well. On average, the premium reduction for persons in Plan 2 was 70%. The coverage remaining after elimination of the prescription drug coverage functions as a carve-out rather than a Medicare Supplement Plan. Once a person has met the deductible and out of pocket limit of \$1500, CHIP pays 100% of approved charges not covered by Medicare.

In calendar year 2004 the claims for Part 2 participants totaled \$9.3 million, \$6.5 million of which (approximately 69%) was for prescription drugs. There were just under 1000 participants in Plan 2 at the close of 2004.

For further information please contact CHIP at (217) 782-6333 or toll free within Illinois at (800) 962-8384.♦

Chuck Budinger retires after 31 years



On January 1, 2006, the Division lost one of its major assets to retirement. After 31 years with the Department of Insurance, Chuck Budinger decided it was time to devote his time to his family, golf and the carefree days of retirement.

Chuck began his career in insurance working for Franklin Life Insurance Company in the early 1970s; he joined the Department of Insurance in October 1974 as an Insurance Analyst II. He worked his way up through the ranks to become the supervisor of the Life, Accident and Health Unit in 1978, a position he held for 29 years until his retirement. In that position Chuck was responsible for approval of all life, accident, and health policies, forms, riders and certificates.

Throughout the course of his career Chuck was at the forefront of an enormous transformation in the life and health insurance industries. Chuck guided the Division from the paper intensive, mimeograph/carbon copy world of the 1970s to the electronic age, instituting immediately prior to his departure an entirely electronic system of policy and form filings.

Chuck witnessed firsthand the birth of managed care in the 1980s, and oversaw numerous lengthy and often contentious changes to Illinois laws and rules. He represented Illinois at the initial NAIC meetings designed to establish a model for viatical transactions in the late 1990s. He guided the drafting of the initial Medicare supplement rule and performed the same duty with the most recent rewrite to incorporate the federal Medicare Part D requirements.

During the course of his career Chuck was a member of numerous professional organizations including Who's Who in Finance and Industry, the Society of Chartered Life Underwriters (CLU), the Insurance Regulatory Examiners Society, and the National Association of Health Maintenance Organizations. Most recently Chuck received his accreditation as a Chartered Financial Consultant (ChFC).

Chuck graduated from Regis University, Denver, Colorado in 1962. He proudly served his country as a member of the Marines. He received the Bronze Star, the Purple Heart, and two Crosses of Gallantry as a Marine Platoon Leader in Vietnam. He retired from the Marine Reserves in 1991, as a Lieutenant Colonel.

It is obvious, given the evolution of the insurance industry over the last 31 years and the role Chuck played in ensuring that the Division kept pace with those changes, that the Division is losing a tremendous asset with Chuck's retirement. He will be truly missed and we all wish him well. ♦

Division rules review

The full text of Division rules is printed in the *Illinois Register* published weekly by the Illinois Secretary of State's Index Department, 111 E. Monroe St., Springfield, IL 62756. Subscriptions are available from that source for an annual fee of \$290. Issue numbers and a Division contact person are listed below after each rule summary.

Some rules are posted on the Insurance Division's web site at <http://www.idfpr.com/>. Adopted rules are codified in Title 50 of the Illinois Administrative Code. For questions concerning the availability of Division rules, contact Denise Hamilton at 217/785-8560.

Rule 301 (Accumulation of Guaranty Fund or Guaranty Capital) was adopted effective September 20, 2005. The amendments formalized a strictly technical correction to a statutory citation. (Vol. 29, #41; Sara Ross)

Rule 942 (Tax Allocation) was adopted effective September 30, 2005. This Rule was repealed because the statute authorizing the Rule was repealed, and the Division determined that it is no longer necessary to require companies to routinely file tax allocation agreements for review. The authority for the Rule came from 215 ILCS 5/3.1(n), which was repealed by P.A. 91-0549 (effective August 14, 1999).

The National Association of Insurance Commissioners (NAIC) Statement of Statutory Accounting Principle No. 10 (SSAP 10), effective January 1, 2001, requires the preparation of tax allocation agreements in writing. Although SSAP 10 does not require the agreements to be routinely filed with the Director of

Insurance, it does provide that the Director may request an insurance company to submit an agreement for review if it is needed. (Vol. 29, #38; Sara Ross)

Rule 2008 (Minimum Standards for Individual and Group Medicare Supplement Insurance) was adopted effective September 8, 2005. With passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), there was an immediate need for states to amend their Medigap regulations in order to maintain certification of their regulatory programs. States will retain authority over this insurance product provided that their respective regulatory programs meet the minimum standards set forth by the NAIC Medicare Supplement Insurance Minimum Standards Model Act and its companion Model Regulation as authorized by federal law.

Significant changes to the Rule include the removal of prescription drug benefits from standard Medigap plans H, I, J and J with a high deductible (and pre-standardized plans with prescription drug coverage, and waived state plans with prescription drug coverage) for current Medigap prescription drug plan insureds who choose to enroll in the new Medicare prescription drug program (Part D) after December 31, 2005. Issuers of Medigap plans H, I, J and J with a high deductible will be prohibited from offering prescription drug benefits to new enrollees after December 31, 2005. In addition, two new Medigap plans, "K" and "L", featuring reduced first-dollar coverage, have been added to the current 10 + 2 standardized plans. (Vol. 29, #39; Cindy Colonius)

Rule 3119 (Pre-Licensing and Continuing Education) was adopted effective September 29, 2005. The Rule was amended to comply with the NAIC Uniform Resident Licensing Standards adopted in the Fall 2002 meeting and to add consumer safeguards to self-study and interactive online education courses. (Vol. 29, #42; Kelly Kruger)

Rule 904 (Internal Security Standard and Fidelity Bonds) was adopted effective December 29, 2005. Section 904.5 of this Rule was amended to delete certain types of entities and add others to reflect the repeal of the Non-Profit Health Care Service Plan Act and the Medical Service Plan Act and the creation of the Limited Health Organization Act pursuant to Public Act 86-600. The amendments also extend the applicability of this Rule to include several additional types of entities that had been covered by 50 Ill. Adm. Code 5460, which has been repealed. (Vol. 30, #2; Jeffrey Martin)

Rule 5460 (Internal Security Standard and Fidelity Bonds) was repealed effective December 29, 2005. The Rule was repealed because it was nearly identical to 50 Ill. Adm. Code 904, creating confusion regarding the applicability of each of the two Rules. The duplication was the result of a previous recodification. Part 904 was simultaneously amended to extend its applicability to several types of entities that had been covered under Part 5460 through its inclusion under Subchapter kkk of the Division's administrative regulations. (Vol. 30, #2; Jeffrey Martin) ♦

Insurance legislation summary – 2004

The following insurance-related bills passed both house of the General Assembly during the 2004 session and were signed by the Governor. The complete text of these laws can be found at <http://www.legis.state.il.us/>.

House Bills

HB 393 (PA 93-0918) effective January 1, 2005 Amends the Illinois Income Tax Act. Provides that the certificate of authority the Director may issue to a nonprofit risk organization is a certificate of authority to write casualty, fidelity, surety, fire, and marine insurance.

HB 599 (PA 93-0689) effective July 1, 2004 Amends the Property Tax Code. Exempts from the extension limitation extensions made for increased pension contributions that result from the implementation of the provisions of this amendatory Act of the 93rd General Assembly. Amends the Downstate Firefighter Article of the Illinois Pension Code. Provides for a 3% annual increase in pensions to surviving children from July 1, 2004 – July 1, 2008. Incrementally increases certain minimum retirement, disability, and surviving spouse pensions. Provides that the minimum monthly pension payable to the surviving spouse of a firefighter who died while receiving a retirement pension, including any amount payable on account of children, shall be 100% of the monthly retirement pension that the deceased firefighter was re-

ceiving at the time of death, including any annual increases that have accrued. Increases the pensions of certain surviving spouses of firefighters who die as a result of sickness, accident, or injury incurred in or resulting from the performance of an act of duty or from the cumulative effects of acts of duty. Amends the IMRF Article of the Illinois Pension Code and further amends the Downstate Firefighter Article of the Illinois Pension Code. Provides a special retirement formula for firefighters who receive a retirement annuity from more than one Article 4 pension fund. Requires additional contributions. Authorizes firefighters who participate in IMRF to become members of a downstate firefighter pension fund and to transfer their creditable service from IMRF to that downstate firefighter pension fund. Amends the State Mandates Act to require implementation without reimbursement.

HB 966 (PA 93-0735) effective July 14, 2004 Amends the Civil Administrative Code of Illinois. If Executive Order No. 2004-6 becomes effective, this bill will supersede the Executive Order and require the Directors of the Department of Financial and Professional Regulation to have confirmation by the Senate of its appointments. The Executive Order did not require Senate confirmation.

HB 2268 (PA 93-0973) effective August 20, 2004 Creates the Health Care Justice Act. Increases the number of voting members of the Task Force from 19 to 29 and provides that each of the 4 legislative leaders shall appoint 6 of the members and the

Governor shall appoint 5 of the members. Provides that the Director of Public Health, the Director of Aging, the Director of Public Aid, the Director of Insurance, and the Secretary of Human Services or their designees shall represent their respective departments and shall be invited to attend Task Force meetings, but shall not be members of the Task Force.

HB 4478 (PA 93-0824) effective July 28, 2004 Amends the Comprehensive Health Insurance Plan Act. Requires the Illinois Comprehensive Health Insurance Board to conduct a study pertaining to the feasibility of establishing a small employer health insurance pool in which employers may provide affordable health insurance coverage to their employees.

HB 4481 (PA 93-0789) effective July 22, 2004 Amends the Lead Poisoning Prevention Act. Provides that the Lead-Safe Housing Advisory Council shall include one representative from the Illinois Paint and Coatings Industry.

HB 4612 (PA 93-0975) effective January 1, 2005 Amends the Civil Administrative Code of Illinois. Provides that the State Board of Health shall include one representative of the business community, one representative of the non-profit public interest community, and 2 (rather than 4) citizens at large. Provides that the terms of all members of the State Board of Health shall be three years, except that members shall continue to serve on the Board until a replacement is appointed. Provides that the Board shall deliver to the Governor a State Health Improvement Plan (rather

legislation (cont'd from pg. 5)

than make recommendations to the Governor concerning the development and periodic updating of Statewide health objectives).

HB 4712 (PA 93-0739) effective July 1, 2006 Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that a person or entity that provides an insurance card must print on the card an identification number unique to the holder of the card in the format prescribed by the Uniform Prescription Drug Information Card Act.

HB 4962 (PA 93-0921) effective January 1, 2005 Creates the Gestational Surrogacy Act. Deletes the definition of "informed consent." Removes references to informed consent. Provides, in the requirements of the surrogacy contract, that each of the gestational surrogate and the intended parent or parents shall have signed a written acknowledgment that he or she received information about the legal, financial, and contractual rights, expectations, penalties, and obligations of the surrogacy agreement.

HB 5075 (PA 93-0873) effective August 6, 2004 Amends the Illinois Insurance Code. Repeals the Standard Non-forfeiture Law for Individual Deferred Annuities on July 1, 2006, and adds a new Standard Non-forfeiture Law for Individual Deferred Annuities. Provides that a company may elect to apply the new provisions to annuity contracts on a contract form-by-contract form basis before July 1, 2006. Provides that, in all other instances, the new provisions become operative with respect to annuity contracts issued by the company on or after July 1,

2006. In provisions pertaining to the minimum values of any paid-up, cash surrender, or death benefits available under an annuity contract based upon minimum non-forfeiture amounts as defined, modifies the definition determining the minimum non-forfeiture amount. Provides that the interest rate used in determining minimum non-forfeiture amounts shall be an annual rate of interest determined as the lesser of 3% per annum and a specified formula, which shall be specified in the contract if the interest rate will be reset. The new provisions make numerous other modifications to the current Standard Non-forfeiture Law for Individual Deferred Annuities. Repeals the new provisions on July 1, 2007.

HB 5165 (PA 93-0813) effective July 27, 2004 Creates the Social Security Number Protection Task Force Act and establishes the Social Security Number Protection Task Force to examine the procedures used by the State to protect an individual against the unauthorized disclosure of his or her social security number when the State requires the individual to provide his or her social security number to an officer or agency of the State. Requires a report by the first day of the 2004 fall veto session. Adds a representative of the Department of Employment Security to the task force's membership.

HB 5928 (PA 93-1028) effective August 25, 2004 Amends the Illinois Insurance Code Article concerning Rehabilitation, Liquidation, Conservation, and Dissolution of Companies. Creates a new Section pertaining to policyholder collateral, deductible reimbursements, and other policy-

holder obligations. Adds provisions concerning: any collateral held by, for the benefit of, or assigned to the insurer or the Director of Insurance as rehabilitator, liquidator, or conservator to secure obligations under a deductible agreement with a policyholder; non-covered claims; amounts that become assets of an estate; an insurer that has contractually agreed to allow the policyholder to fund its own claims within the deductible amount pursuant to a deductible agreement; and an insurer that has not contractually agreed to allow the policyholder to fund its own claims within the deductible amount pursuant to a deductible agreement. Defines the Director's duties and powers as rehabilitator, liquidator, or conservator. Provides that the Illinois Circuit Court having jurisdiction over the liquidation proceedings shall have jurisdiction to resolve disputes. Applies to specified receivership proceedings. Removes any reference to conservators from the provisions. Provides that the provisions apply to rehabilitation proceedings only to the extent that guaranty associations are required to pay claims and do not apply to receivership proceedings in which an order of conservation has been entered.

HB 6648 (PA 93-0721) effective January 1, 2005 Amends the Workers' Compensation Act, the Workers' Occupational Diseases Act, and other Acts. Changes the name of the Industrial Commission to the Illinois Workers' Compensation Commission. Changes the name of the Industrial Commission Operations Fund to the Illinois Workers'

legislation (cont'd from pg. 6)

Compensation Commission Operations Fund.

Senate Bills

SB 2238 (PA 93-0762) effective July 16, 2004 Amends the Illinois Insurance Code. In provisions pertaining to the limits of liability for an insurer providing underinsured motorist coverage, deletes language providing that the maximum amount payable by the underinsured motorist coverage carrier shall not exceed the amount by which the limits of the underinsured motorist coverage exceeds the limits of the bodily injury liability insurance of the owner or operator of the underinsured motor vehicle. In provisions pertaining to additional uninsured motorist coverage, provides that any named insured may reject additional coverage in excess of the limits set forth in the Illinois Vehicle Code by making a written request for limits of uninsured motorist coverage which are less than bodily injury liability limits or a written rejection of limits in excess of those required by law. Makes other changes.

SB 2339 (PA 93-1000) effective January 1, 2005 Amends the Illinois Insurance Code. Provides that no individual or group policy of accident and health insurance issued or renewed in this State may be cancelled or non-renewed based on that individual's participation in a qualified cancer trial. Provides that qualified cancer trials must meet specified criteria. Amends the Health Maintenance Organization Act, the Voluntary Health Services Plans Act, and

the Illinois Public Aid Code to provide that plans under those Acts are subject to the new provisions of the Illinois Insurance Code.

SB 2404 (PA 93-1083) effective February 7, 2005 Amends the Illinois Insurance Code. Adds language providing that the Director as rehabilitator, liquidator, or conservator may not avoid a transfer to the extent that the transfer was, in the case of a transfer by a company where the Director has determined that a regulatory action level event or an authorized control event has occurred, specifically approved by the Director in writing, whether or not the company is in receivership. Further amends the Illinois Insurance Code. Provides that a proof of claim upon the liquidation, rehabilitation, or conservation of a company must identify a known loss or occurrence (rather than a particular claim). Provides that the claim may be allowed by estimation. Provides that specified contingent or unliquidated general creditors' and ceding insurers' claims may (rather than shall) be determined and allowed by estimation. Provides that the estimation and allowance of the loss development on a known loss or occurrence shall trigger a reinsurer's obligation to pay pursuant to its reinsurance contract with the insolvent company. Provides that that portion of any estimated and allowed contingent claim that is attributable to claims incurred but not reported to the insolvent company's reinsured shall not be billable to the insolvent company's reinsurers. Provides that the liquidator may negotiate a voluntary commutation and release of all obligations arising from reinsur-

ance contracts or other agreements. Provides that the changes made in these provisions by the amendatory Act do not apply to any company ordered into liquidation on or before January 1, 2004. Provides that companies must file forms electronically through the System for Electronic Rate and Form Filing (SERFF).

SB 2491 (PA 93-0713) effective January 1, 2005 Amends the Illinois Insurance Code. In provisions requiring notices of assignment, transfer, renewal, or cancellation of a policy, gives the respective parties the option to accept notification electronically. Provides that, for the purposes of provisions regarding notice of cancellation, any governmental agency, mortgagee, or other third party may opt to receive notices electronically.

SB 2545 (PA 93-0728) effective January 1, 2005 Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that a person or entity may not print an individual's social security number on an insurance card that is used to establish the eligibility of an individual or his or her dependents to receive health, dental, optical, or accident insurance benefits, prescription drug benefits, or benefits under a managed care plan or a plan provided by a health maintenance organization, a health services plan corporation, or a similar entity. Provides that existing insurance cards with an individual's social security number must be replaced with insurance cards without the individual's social security number. Provides that a violation constitutes an unlawful practice within the meaning of the Act. Provides

legislation (cont'd from pg. 7)

that a person or entity that provides an insurance card must print on the card an identification number unique to the holder of the card in the format prescribed by the Uniform Prescription Drug Information Card Act. Changes from July 1, 2005 to January 1, 2006 the date by which existing insurance cards with an individual's social security number must be replaced with insurance cards without the social security number.

SB 2560 (PA 93-0876) effective August 6, 2004 Amends the Illinois Insurance Code in relation to surplus line insurance. Provides that surplus line insurance may be procured from unauthorized insurers or domestic surplus line insurers as defined. Requires each surplus line insurance policy or contract for insurance have stamped or imprinted on the first page of the policy or contract a notice to the policyholder that the issuing company is not covered by the Illinois Insurance Guaranty Fund because the issuing company is either (i) not authorized and licensed to transact business in Illinois or (ii) a domestic surplus line insurer.

SB 2917 (PA 93-1077) effective January 18, 2005 Amends the Illinois Insurance Code, the Health Maintenance Organization Act, and the Limited Health Service Organization Act. Provides that insurers, health maintenance organizations, and limited health service organizations may not require a provider, as a condition of participation by the provider, to purchase ophthalmic goods or services (rather than just ophthalmic goods), including but not

limited to eyeglass frames in a quantity or dollar amount in excess of the quantity or dollar amount an enrollee purchases (rather than is required to purchase) under the terms of the policy.

SB 2620 (PA 93-0850) effective July 30, 2004 Amends the Illinois Insurance Code. Provides that no life company may refuse to insure, refuse to continue to insure, limit the amount or extent or kind of coverage available to an individual, or charge an individual a different rate for the same coverage for reasons associated with an applicant's or insured's past lawful travel experiences.

SB 2744 (PA 93-0853) effective January 1, 2005 Amends the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Illinois Insurance Code, the Health Maintenance Organization Act, the Voluntary Health Services Plans Act, and the Illinois Public Aid Code to require coverage for bone mass measurement and treatment of osteoporosis.

SB 2880 (PA 93-1031) effective August 27, 2004 Creates the Older Adult Services Act and amends the Illinois Act on the Aging, the Illinois Health Facilities Planning Act, the State Finance Act, and the Illinois Public Aid Code. Provides that the purpose of the Older Adult Services Act is to promote a transformation of Illinois' comprehensive system of older adult services from funding a primarily facility-based service delivery system to primarily a home-based and community-based system, taking into account the continuing need for 24-hour skilled nursing care

and congregate housing with services. Provides that the Department on Aging is the lead agency for the provision of services to older adults and their family caregivers and shall collaborate with the departments of Public Health and Public Aid in providing those services. Provides for an advisory committee to advise the departments. Requires the Department on Aging to expand older adult services that promote independence and permit older adults to remain in their own homes and communities and provides that moneys in the Department on Aging State Projects Fund may be used for older adult services. Requires the Department on Aging to send to the Health Facilities Planning Board a copy of each older adult services demonstration grant award for the purpose of maintaining the statewide inventory authorized by the Illinois Health Facilities Planning Act. Makes features of the Department on Aging's restructuring of the older adult services delivery system subject to the availability of funding.

SB 2982 (PA 93-0967) effective January 1, 2005 Creates the Uniform Limited Partnership Act (2001). Provides procedures for the formation, operation, and regulation of limited partnerships. Repeals the Revised Uniform Limited Partnership Act. Amends other Acts to make conforming changes.

SB 3211 (PA 93-0942) effective August 16, 2004 Creates the Right to Breastfeed Act. Provides that a mother may breastfeed her baby in any location, public or private, where the mother is otherwise authorized to be, irrespective of whether the nipple of the

legislation (cont'd from pg. 8)

mother's breast is uncovered during or incidental to the breastfeeding. Provides that a mother con-

sidering whether to breastfeed her baby in a place of worship shall comport her behavior with the norms appropriate in that place of worship. Provides a private right

of action for a woman who has been denied the right to breastfeed in a public or private location. ♦

Market Conduct exam reports filed

Addison Insurance Company 11/21/05	Interstate Bankers 12/28/05
American Freedom 12/28/05	Progressive Ins. Company 9/14/05
American Investors Life 11/21/05	State Farm Life Ins. Company 12/29/05
Erie Insurance Company 11/29/05	State Farm Mutual Auto Ins. Company 12/29/05
General American Life 11/02/05	Unique Insurance Company 11/21/05♦

Company action

Market Conduct Fines

Progressive Insurance
Company, OH \$30,000

State Farm Life Insurance
Company, IL \$25,000♦

Financial exam reports filed

Berlin Mutual Insurance Company 9/2/05
 Big Rock County Mutual Fire Insurance Company 10/31/05
 Buckeye Mutual Insurance Company 10/27/05
 Continental Casualty Company 11/18/05
 Dunham & Chemung Mutual Insurance Company 9/2/05
 Elmira Mutual Insurance Company 11/30/05
 Forrest Mutual Insurance Company 8/18/05
 German Richland County Mutual Insurance Company 10/27/05
 Hamlet Mutual Insurance Company 11/22/05
 Heartland Mutual Insurance Company, formerly Belleville Mutual Insurance Company 10/31/05
 Home Farmers Mutual Insurance Company 11/30/05
 Kingston Mutual Insurance Company 9/2/05
 Lewistown Mutual Insurance Company 10/5/05
 Lutheran Social Services of Illinois Workers Compensation Trust 9/29/05
 Mendota Mutual Insurance Company 12/1/05
 Noetic Specialty Insurance Company 11/29/05
 North Palmyra Farmers Mutual Fire Insurance Company 11/22/05
 Nursing Homes Risk Management Association 9/9/05
 Not-For-Profit Insurance Trust 9/9/05
 Peru Waltham Mutual Insurance Company 12/21/05
 Prophetstown Farmers Mutual Insurance Company 10/5/05
 Risk Management Association of the Residential Construction
 Employers Council 10/12/05
 Town & Country Mutual Insurance Company 12/21/05
 U.M.L. Mutual Insurance Company 11/30/05♦



COMPUTER DATA REQUEST FORM

Mail to:
Public Sales Coordinator
Information Systems Section
Illinois Division of Insurance
320 West Washington Street, 4th Floor
Springfield, Illinois 62767-0001

The information available from the Illinois Division of Insurance, pursuant to 215 ILCS 5/408.2, is listed below.
For assistance call the Public Sales Coordinator at (217) 524-0605 – TDD (217) 524-4872, or e-mail SRhodes@idfpr.com
See also the Division's Internet Site at <http://www.idfpr.com>

Instructions:

- ◆ All sales are final. The Division does not have refund authority.
- ◆ This form must be completed entirely before requests can be processed or mailed.
- ◆ Payment must be received before requests can be processed or mailed.
- ◆ The Division of Insurance will supply IBM-compatible high-density diskettes for any diskette data set requested.
 - Customer must specify comma delimited or non-delimited ASCII format.
- ◆ Return completed request form with your check made payable to **Director of Insurance/SSRF** at the above address.

Data Requested:		Amount enclosed:
<input type="checkbox"/> Diskette <input type="checkbox"/> CD		Data Type: <input type="checkbox"/> Comma delimited <input type="checkbox"/> Non-delimited
The undersigned hereby agrees that any data received as a result of this request will not be resold, reconveyed or otherwise transferred — for cash, merchandise or any consideration or thing of value — to any individual, corporation, association or other third party.		
Requestor's signature:	Date signed:	(Area Code) Phone:
Mail request to:	FEIN / SSN:	
Street:	City & State:	Zip:

PRICE SCHEDULE - Effective July 1, 2004

Licensee Data

Business Entity Licenses.....	\$600 /list/diskette
Business Entities from Upstate (zips 60000-60828)	\$300 /list/diskette
Business Entities from Downstate (zips 60829-62999).....	\$300 /list/diskette
Applicants passing exams.	\$100 /list/diskette (semi-monthly)
All producers or producers with specific authority	\$600 /diskette/CD, \$1,000 / list
Producers from Upstate (zips 60000-60828)	\$300 /diskette, \$500 / list
Producers from Downstate (zips 60829-62999)	\$300 /diskette, \$500 /list
Producers from 10 zip codes	\$150 /list/diskette
Premium Finance, Public Adjuster OR Surplus Lines licensees	\$100 /list/diskette
Third Party Administrators and Third Party Prescription Program licensees/registrants.....	\$100 /list/diskette

Complaint Data

Non-confidential standard report (complaints by company, coverages or reasons)

\$200 /report

Insurer Data

Company name, address, phone and authority (all companies)	\$100 /list/diskette, \$200 labels
Company name, president, address and phone (all companies)	\$100 /list/diskette, \$200 labels
HMO Company name, address, phone and county service area	\$ 25 /list/diskette
Managed Care Organization name, address and phone	\$100 /list/diskette
A&H Company FEINs, address and phone.....	\$100 /list/diskette
Licensed insurers and accredited/approved reinsurers (Available only to companies).....	\$100 /list/diskette
Company name, address and phone for Worker's Compensation	\$100 /list/diskette

Homeowner/Residential Fire Policy Counts

Raw data through 1995	\$200 /diskette (quarterly)
Raw data after 1995	\$600 /diskette (annually only)
Zip Code Market Share Report	\$400 /report
Company Detail Report for Chicago & East St. Louis through 1995 (new, renewal, non-renewal & cancellation by zip)	\$200 /report (quarterly)
Company Detail Report for Chicago & East St. Louis after 1995 (new, renewal, non-renewal & cancellation by zip)	\$600 /report (annually only)

ALL SALES FINAL. THE DIVISION DOES NOT HAVE REFUND AUTHORITY

●————● Hearings

Scheduled/Rescheduled Hearings:

Concierge Management LLC
Vantage America Solutions, Inc.
Hearing No. 05-HR-0992
Cease and desist 2/14/06

Consumer Health Benefits
Association
Ronald Werner, President
Hearing No. 05-HR-0653
Cease and desist 2/15/06

Allen Durham
Hearing No. 05-HR-0959
Licensing authority revoked
3/16/06

Edward Hofmann
Hartford Underwriters Ins. Co.
Hartford Casualty Ins. Co.
Hearing No. 06-HR-0044
Cancellation 2/23/06

Kemper Ins. Companies
Sara Lee Corporation
National Council on
Compensation Ins.
Hearing No. 05-HR-1020
Workers comp. appeal
3/2/06

Charles Lindsay
Hearing No. 05-HR-1015
Denial of licensing authority
3/7/06

David D. Post
Hearing No. 06-HR-0004
Licensing authority revoked
2/24/06

Quality Metal Finishing
Company
Hearing No. 4097
WC rating classification
2/6/06 – 2/10/06

Senior Insurance Services, Inc.
Hearing No. 04-HR-0383
Notice of apparent liability
3/8/06

Senior Insurance Services, Ins.
Hearing No. 05-HR-0543
Notice of apparent liability
3/8/06

Oliver Stoutner
Allstate Ins. Co.
Hearing No. 06-HR-0037
Cancellation 2/23/06

United States Liability Ins. Co.
Hearing No. 05-HR-0999
Privilege and retaliatory issue
2/22/06

James Lee Wright
Hearing No. 05-HR-1012
Licensing authority revoked
2/28/06♦

Settled Without Hearing:

Robert W. Adams, Jr.
Hearing No. 05-HR-0684
Dismissed 9/19/05

Obie M. Collins
Hearing No. 05-HR-0203
Dismissed 12/28/05

Dolton Firefighters Pension
Fund
Hearing No. 05-HR-0744
Dismissed 10/26/05

Dolton Police Pension Fund
Hearing No. 05-HR-0270
Dismissed 12/28/05

Dolton Police Pension Fund
Hearing No. 05-HR-0745
Dismissed 10/26/05

Angela L. Foster
Hearing No. 05-HR-0819
Dismissed 12/20/05

John and Liane Franck
State Farm Insurance Co.
Hearing No. 05-HR-0794
Dismissed 10/26/05

Raymond L. Gorman
Hearing No. 05-HR-0814
Dismissed 12/20/05

Herrin Firefighter Pension Fund
Hearing No. 05-HR-0738
Dismissed 11/17/05

Herrin Police Pension Fund
Hearing No. 05-HR-0739
Dismissed 11/17/05

Fard Karim
State Farm Ins. Co.
Hearing No. 05-HR-0696
Dismissed 9/20/05

Warren Kostka
Illinois Farmers Ins. Co.
Hearing No. 05-HR-0836
Dismissed 10/31/05

**Settled Without Hearing
cont'd:**

Leading Edge Group Holding
Corporation
Leading Edge Insurance Group,
Inc.

Michael A. Ward
JRSO, Inc.
Cory & Associates
Andrew C. Cory
Hearing No. 04-HR-0254
Stipulation and consent order
11/28/05

Maywood Firefighter Pension
Fund
Hearing No. 05-HR-0742
Dismissed 10/26/05

Murphysboro Police Pension
Fund
Hearing No. 0740
Dismissed 11/17/05

Thomas Q. Reed
Hearing No. 04-HR-0991
Stipulation and consent order
8/9/05

Round Lake Park Police
Pension Fund
Hearing No. 05-HR-0743
Dismissed 10/26/05

Michael and Kathleen Ulbert
State Farm Fire & Casualty Co.
Hearing No. 05-HR-0916
Dismissed 11/17/05

Washington Park Firefighters
Pension Fund
Hearing No. 05-HR-0867
Dismissed 11/17/05♦

Completed Hearings:

Bobkat Transportation
Northland Ins. Co.
Hearing No. 05-HR-0823
Cancellation effective
10/28/05

Jeremy M. Burla
Hearing No. 05-HR-0241
Denial of licensing authority
rescinded 11/28/05

Gregory J. Dillman
Hearing No. 05-HR-0586
Licensing authority suspended
until Tax Act is satisfied
11/10/05

Robert Ferguson
Hearing No. 05-HR-0590
Licensing authority suspended
until Tax Act is satisfied.
12/13/05

James Todd Gray
Hearing No. 04-HR-1021
Licensing authority revoked
11/21/05

Theodis Houston
Hearing No. 05-HR-0581
Licensing authority denied
11/21/05

Intra-Plant Maintenance
Everest National Ins. Co.
Hearing No. 05-HR-0734
Cancellation sustained and
effective 10/28/05

Roger L. Kern
Hearing No. 05-HR-0204
Licensing authority denied
11/21/05

Midland Direct Inc.
Northland Ins. Co.
Hearing No. 05-HR-0693
Cancellation effective
10/28/05

Alejandro Pastrana
Hearing No. 04-HR-0941
Licensing authority denied
11/21/05

Zachary Pinkert
Hearing No. 05-HR-0441
Denial of licensing authority
rescinded 9/1/05

Lisa Sierra
Unique Ins. Co.
Hearing No. 05-HR-0783
Nonrenewal effective
10/17/05

Keith L. Turpin
Hearing No. 05-HR-0165
Licensing authority denied
Civil penalty assessed
11/21/05

Thomas R. Wendt
Hearing No. 05-HR-0237
Licensing authority revoked;
Civil penalty assessed
9/16/05♦

Producer regulatory action

(Copies of regulatory orders are available upon written request to Producer Regulatory Unit, for \$1/page. The number of pages is indicated in parentheses following the effective date.)

Suspensions

David Bahena
8748 S. 82nd Court
Hickory Hills, IL 60457
Effective 09/26/05 (2)

Michael Brown
5628 South King Drive
Chicago, IL 60637
Effective 11/12/05 (2)

Kenneth R. Carpenter
14 Betty Drive
Bloomington, IL 61701
Effective 09/19/05 (2)

Robert S. Chirempes Jr.
739 W. Belmont Avenue
Apartment 311
Chicago, IL 60657
Effective 09/26/05 (2)

Gregory J. Dillmann
1590 Derby Court
Naperville, IL 60563
Effective 11/10/05 (8)

Donald C. Estep Jr.
1500 Catherine Street
Pekin, IL 61554
Effective 09/19/05 (2)

Robert Ferguson
10589 Brookridge Drive
Frankfort, IL 60423
Effective 12/13/05 (7)

Jeffrey R. Harness
211 S. Locust, Box 183
Tremont, IL 61568
Effective 09/15/05 (2)

Walter M. Helwich
1360 West Deervalley Drive
Lockport, IL 60441
Effective 11/08/05 (7)

Yvonne V. Kinnon
1330 East 89th Place
Chicago, IL 60619
Effective 09/15/05 (2)

Cary Lewis II
903 St. Matthews Drive
Cahokia, IL 62206
Effective 10/07/05 (2)

Donald W. McCrary
8641 S. Marquette Street
Chicago, IL 60617
Effective 09/26/05 (2)

Ronald G. Miller Sr.
536 S. Locust Street
Centralia, IL 62801
Effective 10/07/05 (2)

Terese M. Munroe
932 Greenfield Court
Mount Prospect, IL 60056
Effective 11/17/05 (2)

Andrea J. Murphy
101 10th Street
La Salle, IL 61301
Effective 10/07/05 (2)

Glen C. Oland
522 Cedar Street
Sandwich, IL 60548
Effective 10/07/05 (2)

James M. Osborne
5601 West Berenice
Chicago, IL 60634
Effective 11/17/05 (2)

Patricia M. Puhr
623 Lake Avenue
Wilmette, IL 60091
Effective 09/26/05 (2)

Peter R. Richard
2814 W. Barry 1st Floor
Chicago, IL 60618
Effective 09/26/05 (2)

Robert C. Stedman Jr.
11204 S. Ridgeland Avenue
Worth, IL 60482
Effective 10/07/05 (2)

Scott T. Sumida
P.O. Box 42
Caseyville, IL 62232
Effective 10/15/05 (2)

Joe E. Sullivan II
147 Springcreek Drive
Springfield, IL 62702
Effective 09/14/05 (2)

Andre A. Williams
604 Melissa
Bolingbrook, IL 60440
Effective 10/07/05 (2)

Joseph F. Wojtesky
154 Pinewood E. Street
Chillicothe, IL 61523
Effective 09/14/05 (2)

Suspensions cont'd:

Peter R. Woodworth
920 Chestnut Street
Deerfield, IL 60015
Effective 09/26/05 (2) ♦

Voluntary Revocation

Daniel R. Passarelli
12029 West Lancaster Court
Orland Park, IL 60467
Effective 10/31/05 (2)

Gary A. White
5155 34th Avenue No.
St. Petersburg, FL 33710
Effective 10/26/05 (2) ♦

Suspensions Lifted

Robert S. Chirempes Jr.
739 W. Belmont Ave., Apt. 311
Chicago, IL 60657
Effective 11/02/05 (1)

Mark J. Moriarty
310 S. Beau Dr., Apt. 6
Des Plaines, IL 60016
Effective 09/13/05 (1)

Peter R. Richard
450 West Melrose #227
Chicago, IL 60657
Effective 10/27/05 (1)

Joseph E. Wojtesky
154 Pinewood Park
Chillicothe, IL 61523
Effective 10/14/05 (1) ♦

**Stipulation and Consent Order
Civil Forfeiture Not Paid**

Allen Robinson
13703 S. Stewart, Unit 3E
Riverdale, IL 60827
Effective 10/31/05 (3) ♦

**Stipulation and Consent Order
Civil Forfeiture Paid**

William F. Burfield
10441 Brookridge Creek Dr.
Frankfort, IL 60423
Effective 11/02/05 (3)

Dominador A. Cruz
3845 N. Christiana Avenue
Chicago, IL 60618
Effective 09/29/05 (3)

Robert M. Davis
9650 Laramie
Skokie, IL 60077
Effective 09/26/05 (3) ♦

Denial of Producer License

Theodis Houston
6205 S. Ingleside Street
Apartment 2A
Chicago, IL 60637
Effective 11/21/05 (9)

Roger L. Kern
713 W. 1st Street
Dixon, IL 61021
Effective 11/21/05 (9)

Alejandro Pastrana
6 Springbrook Court
Bolingbrook, IL 60490
Effective 11/21/05 (6)

Keith L. Turpin
239 Hackberry Drive
Streamwood, IL 60107
Effective 11/21/05 (10) ♦

**Revocation of
Producer License**

Gregory D. Born
461 Hamilton Drive
Wheaton, IL 60187
Effective 11/19/05 (3)

Robyn S. Dreith
227 Mill Street
Bethalto, IL 62010
Effective 11/07/05 (2)

Danielle D. Faulkner
8629 S. Bishop
Chicago, IL 60620
Effective 10/17/05 (2)

Jose R. Gonzales
14047 Smith Rd.
Lockport, IL 60441
Effective 11/19/05 (4)

James Todd Gray
8 Hickory Bow
Macomb, IL 61455
Effective 11/21/05 (22)

Veronica E. Jackson
6709 N. Terra Vista #210
Peoria, IL 61614
Effective 10/23/05 (2)

LA Mexicana Insurance Agency
3315 West 55th Street
Chicago, IL 60632
Effective 11/19/05 (4)

Midland Insurance Group, Inc.
1730 Park Street
Suite 207
Naperville, IL 60563
Effective 11/19/05 (3)

Robert D. Mildenhall
P.O. Box 18
Bluford, IL 62814
Effective 12/08/05 (2)

George T. Priovolos
2212 Jessamine
Bloomington, IL 61704
Effective 09/26/05 (2)

Ignacio Ramirez
6843 S. Pulaski Rd.
Chicago, IL 60629
Effective 12/05/05 (2)

**Revocation of Producer License
cont'd:**

Student Plans, Inc.
1730 Park Street
Suite 207
Naperville, IL 60563
Effective 11/19/05 (3)

Thomas Wendt
6817 Green Road
Harvard, IL 60033
Effective 09/16/05 (10)

Michael Wojnowski
823 Dolores Drive
Bensenville, IL 60106
Effective 10/07/05 (2)

John Wottowa Jr.
4901 Forder Oaks Ct.
St. Louis, MO 63129
Effective 12/13/05 (2) ♦

Cancelled License – Dishonored Check Not Replaced

Ronnie Fine Abromowitz
815 American Lane
Schaumburg, IL 60173
Cancel effective 6/27/05

Judd D. Campbell
8148 South Yates
Chicago, IL 60617
Cancel effective 8/3/05

John K. Cavender
22340 North Post Oak Lane
Walnut Hill, IL 68932
Cancel effective 9/13/05

Garland Lee Creamer
18723 South Keeler
Country Club Hills, IL 60477
Cancel effective 10/1/05

Anthony J. Ebert
1834 San Lucas Lane
Fenton, MO 63026
Cancel effective 11/2/05

Anthony Melvin Fair
11760 Hamlin Street Apt 102
North Hollywood, CA 91606
Cancel effective 9/19/05

George M. Freegard
532 Carlyle Lane
Bolingbrook, IL 60440
Cancel effective 10/25/05

Cheryl L. Freeman
1908 South Hamlin Avenue
Chicago, IL 60623
Cancel effective 10/01/05

Annetta L. Garrett
4700 S. Lake Park Ave.
Unit 507
Chicago, IL 60615
Cancel effective 7/25/05

Lafayette Gatling II
14924 South Vine Avenue
Harvey, IL 60426
Cancel effective 6/24/05

James R. Gibson
444 Des Plaines Avenue
Forest Park, IL 60130
Cancel effective 09/03/05

Amanda C. King
1233 West Erie #2
Chicago, IL 60622
Cancel effective 8/30/05

Joseph A. Orlando
219 North Elmwood
Oak Park, IL 60302
Cancel effective 10/2/05

Cathy A. Pastorek
1504 12th Street
Silvis, IL 61282
Cancel effective 10/6/05

Manuel Ramirez
312 Highwood Avenue
Highwood, IL 60040
Cancel effective 9/9/05

Clay F. Reed
10034 South Hoyne Avenue
Chicago, IL 60643
Cancel effective 7/25/05

Tajuana Rice
21700 Merrill Avenue
Sauk Village, IL 60411
Cancel effective 9/20/05

Sonia N. Rivera
2708 North Rutherford Avenue
Chicago, IL 60707
Cancel effective 6/7/05

**Cancelled License -
Dishonored Check Not
Replaced cont'd:**

Amber Scofield
1222 Timber Place #2A
New Lenox, IL 60451
Cancel effective 8/1/05

David L. Scott
15335 Honore
Harvey, IL 60426
Cancel effective 7/15/05

John A. Wease
1203 Commanche
Auburn, IL 62615
Cancel effective 7/7/05♦

**Illinois Department of Financial and Professional Regulation
Division of Insurance
320 West Washington Street
Springfield, Illinois 62767**

Address Service Requested

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