



# Illinois Department of Insurance

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JB PRITZKER  
Governor

ROBERT H. MURIEL  
Acting Director

TO: ALL INSURANCE COMPANIES APPROVED TO PROVIDE WORKERS'  
COMPENSATION INSURANCE COVERAGE IN THE STATE OF ILLINOIS

FROM: Robert H. Muriel, Acting Director of Insurance *RM*

DATE: May 20, 2019

RE: Company Bulletin #2019-05  
215 ILCS 5/457 – Prior Approval of Workers' Compensation Rate and Loss Cost Filings

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All insurance companies writing workers' compensation coverage in Illinois, utilizing loss costs or rates, must comply with the requirements in 215 ILCS 5/457. To reiterate from the language of the statute:

1. Every company shall **pre-file** with the Director every manual of classifications, every manual of rules and rates, every rating plan and every modification of the foregoing which it intends to use. **Such filings shall be made at least 30 days before they become effective.**

*Note that rate and loss cost filings are now prior approval. Please include an appropriate timeframe for the approval process when proposing an effective date for implementation.*

2. A company may satisfy its obligation to make such filings by adopting the filing of a licensed rating organization of which it is a member or subscriber, filed pursuant to subsection (2) of 215 ILCS 5/457, in total or, with the approval of the Director, deviate from such filing.
3. If a company intends to deviate from the filing of a licensed rating organization of which it is a member, **the company shall provide the Director with supporting information that specifies the basis for the requested deviation and provides justification for the deviation.**
4. Any company adopting a pure premium filed by a rating organization pursuant to subsection (2) of 215 ILCS 5/457 must file with the Director the modification factor it is using for expenses and profit so that the final rates in use by such company can be determined.
5. A filing and any supporting information made pursuant to 215 ILCS 5/457 shall be **open to public inspection as soon as filed.**

*The filing will be made public as soon as the Department is finished with the review process and approves the filing.*

6. **A filing shall not be effective nor used until approved by the Director.** A filing shall be deemed approved and legally effective if the Director fails to disapprove within 30 days after the filing.

Please include the following in all rate or loss cost filings:

- Indicated rate level change with support for the indicated rate level change calculation;
- Proposed rate level change;
- Proposed deviation percentage from the National Council on Compensation Insurance's recommended loss costs or rates and support thereof;
- Proposed loss cost multiplier and support thereof; and
- Expense exhibit including profit provision.

Questions regarding this bulletin may be directed to [DOI.InfoDesk@illinois.gov](mailto:DOI.InfoDesk@illinois.gov).