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NEWS

Illinois Department of Insurance

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Illinois Department of Insurance Outlines Plan for Enhanced Review of Health Insurance Premium Increases

Department applies for \$1 million Federal grant to support premium review efforts

CHICAGO – July 12, 2010. The Illinois Department of Insurance announced today that it has applied for a federal grant to support the Department's efforts to enhance the collection, public disclosure, and analysis of health insurer premium increases in Illinois. If, as hoped, the Department's application is approved by the U.S. Department of Health and Human Services (HHS), the \$1,000,000 grant will be available for use beginning August 9, 2010.

"Under Governor Quinn's leadership, the Department continues implementation of federal and State law that will improve the quality of health insurance purchased by Illinois families and employers, including protection against unreasonable rate increases," said Illinois Department of Insurance Director Michael T. McRaith. "The rate review grant provided under the Affordable Care Act presents an opportunity to better inform and protect Illinois families and employers from abusive premium increases."

Earlier this year, the Department published the [Individual Major Medical Health Insurance Policy Rate Filing Report](#) on premium increases imposed by Illinois health insurers for individual and family health insurance policies dating to 2005. With few protections afforded by Illinois law, families and employers in Illinois have experienced rate increases that far exceed both national averages and rates of medical inflation.

The grant opportunity provided under the federal health reform law (known as the "Affordable Care Act") will allow the Department to establish the infrastructure and protocols necessary to collect, publish, and analyze premium information so that consumers and policymakers in the State are better informed about health insurance premium rates and rate increases, health care costs, utilization trends, and health plan benefit designs.

The Department's grant application articulates the plan to increase actuarial staffing and invest in the necessary technological infrastructure to implement premium rate reporting, analyses, and public and policymaker engagement. A copy of the grant application submitted by the Department, which outlines in detail the Department's proposal to enhance the reporting and review of health insurance premium increases, is available at www.insurance.illinois.gov/HIRIC.

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The Affordable Care Act also requires a health insurer proposing an unreasonable premium increase to post information justifying the increase on the company's web site. More detailed information about this and other provisions of the Affordable Care Act is available on the Department's web site at www.insurance.illinois.gov/HIRIC.

More information

The Department's mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto, life, and homeowner. Consumers in need of information or assistance should visit the Department's Web site at insurance.illinois.gov or call our toll-free hotline at (877) 527-9431.

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