

PIIAI

Professional Independent
Insurance Agents of Illinois

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Illinois State Association
of Health Underwriters

Questions Regarding Illinois Covered

The plan, as laid out in an amendment to SB 5, would clearly require a significant increase in headcount at the Department of Healthcare and Family Services and the Department of Financial and Professional Regulation in order to operate in an efficient manner for insurers and employers.

What additional personnel will be required and what is the cost?

How will the bill and the provisions affect self-funded employers?

How does more regulation of insurance plans solve the problem of insurance affordability for the uninsured?

Article 10 –

P. 36 – (c) (2) Department has complete authority to modify small employer eligibility – shouldn't this be left to the General Assembly?

P. 36 – 3 (d) Eligible employee- 25 hrs. How was this determined?

P. 37 – (h) Authority to alter definition of eligible small employer and eligible employee - Again- significant policy decision should be left to the General Assembly
(i) IL Chamber and other associations may participate in program

Q: Just Chamber and Association staff? Or Chamber and association members, i.e., employers? Wouldn't they be allowed to participate anyway?

P. 39 – (2) Eligible individual – Dept. given authority to modify – Why? General Assembly should determine this.

P. 41 – (1) Benefits in Plan left to Rule –
Shouldn't General Assembly determine benefit design?
How will managed care plans determine coverage and pricing?
Huge issue- should be determined in legislation.

P. 46 – (aa) Public education and outreach –
Should include “producer trade associations”

Eligibility - definition of resident?

P. 5 – Section 5-20 (c) Premium Assistance. Does this mean premium assistance only provided for individual coverage under ICC? What does this mean for expansion of individual market or ongoing viability?

P. 5 – Section 5-20 (d) Rules to define qualifying employer-sponsored insurance threshold minimums for employer contributions – open ended.

- P. 16 – Seems to set stage for requiring blind and disabled to be enrolled in employer plan to obtain subsidy – effect on employer-based plans?
- P. 12 – Definition of “caretaker relatives” and will they be eligible for employer-based insurance?
- P. 30 – Department can modify individual eligibility – how to plan long term?
- P. 40 – The Division may adjust the 18 months coverage prohibition at will.
- P. 39 – Division to determine pro-rated employer premium contributions for part-time employees. Does this mean employers will have to contribute to part-time employee coverage? Cost impact? (especially considering minimum wage increase pending on federal level)
- P. 37 & 38 - G & J seem to conflict. G speaks of contributions to family coverage; j says dependent coverage at discretion of small employer
- P. 38 – Plans must insure at least 50% of eligible employees – or what?
- P. 39 – Establishes an eligible individual need be a resident of Illinois – How long? – Legal or not?
- P. 39 – An eligible individual cannot be someone who is eligible for Illinois continuation – how does this serve the good of the people? What if they can’t afford continuation – does this set the stage for employers to have to contribute to continuees?
- P. 40 – Allows state to reduce period of required uninsured by rule. Should only be done by law.
- P. 40 – Individual – dental and vision coverage “shall be made available” at the option and expense of the individual. How does this differ from market now and implications?
- P. 42 – (u) Annual notice with disclosure of eligibility cumbersome, E&O or other concerns? Doable? Proof of income status?
- P. 45 – Maximum discount for wellness and disease management at 10% - why limit?
- P. 45 – Claim experience for small employers and individuals must be combined for rating purposes – does this set the stage for all groups to become individuals – connector idea? How do we explain this? Anti-selection to employer?
- P. 46 – Public education Illinois Covered Choice but not all options public and private – why?
- P. 49 (j) – Director has authority to approve, reject or **modify** rates – impact?
- P. 50 (3) – Rating Formula – includes loss experience, past and prospective and countrywide expenses and judgment factors relevant in and out of state. Our insurers/premiums to be directly impacted by what happens in other states. Is this to take a swipe at UnitedHealthcare’s CEO compensation and similar events?
- P. 43 – Insurer assessment for CHIP used to set stop loss assessment. Current assessment unfair to insurers as self-funded employers do not pay any part of it even though their employees benefit. Is it fair to base new assessment on past inequality?
- P. 53 – Commissions not less than private market. Included as part of rate approval process – why?

- P. 61 (d) 1 – What does this mean? Is it only the dependent portion? What if it's family coverage and dependent did not add to cost since other family members?
- P. 63 – Requires notice before termination – employers may not be aware of ages, etc.
- P. 69 Section 352 (c) – Requires section 125 Cafeteria Plans – has state become enabler providing documents and know-how? Effect on brokers and consultants who work in this arena?
- Article XLV- Office of Patient Protection seems to supersede federal claims appeal provisions. Broad authority. Heavy regulation. OCHI currently protects consumers – OPP is redundant.
- P. 100 – Article 20 – Comprehensive Health Care Workforce Planning Act – Has the Health Care Facilities Planning Board worked well?
- P. 118 – Article 33 – Illinois Roadmap to Health – uniformity including private insurers – purpose? End desired?
- P. 123 – Statewide participation in reimbursement methodologies – What is the goal?
- P. 124 – If roadmap not achieved by 1/1/2011 “alternative measurers” to be recommended for enactment into law. What alternative measures?
- P. 138 – Full-time equivalent employee – this definition ropes in more than employers with 10+ employees. Effect?
- P. 138 – Definition of wages – Section 3401 (a) of IRC – what does this require?
- P. 143 – Task Force for Health Insurer Responsibility – Insurance Producers should be included.