



Illinois Department of Insurance

JB PRITZKER
Governor

DANA POPISH SEVERINGHAUS
Director

TO: All Domestic Insurers

FROM: Dana Popish Severinghaus, Director *dps*

DATE: January 20, 2023

RE: Company Bulletin 2023-02 Group Capital Calculation (GCC) Filing

This Company Bulletin is a follow up to [Company Bulletin 2022-04](#) and provides guidance for all insurance groups subject to registration pursuant to Section 131.13 of the Illinois Insurance Code (215 ILCS 5/131.13), where Illinois has been declared the Lead State as determined by the Director in accordance with the procedures within the Financial Analysis Handbook adopted by the National Association of Insurance Commissioners (NAIC).

Public Act 102-578, effective July 1, 2022, adds Section 131.14b(b) to the Illinois Insurance Code (215 ILCS 5/131.14b(b)) requiring insurance groups to annually file a Group Capital Calculation (GCC) in accordance with the NAIC Group Capital Calculation Instructions. The law applies to the ultimate controlling person of every insurer subject to registration, with some exceptions noted in the law.

The first GCC filing is due to the Illinois Department of Insurance (the Department) by May 1, 2023. The Department encourages insurers to review the NAIC Group Capital Calculation Instructions and Template and reach out to the Department with questions. The Instructions and Template can be accessed on the NAIC website: [Group Capital Calculation \(E\) Working Group \(naic.org\)](#).

If a group qualifies for one of the exemptions noted in the law, the group should submit a letter to the Department indicating the exemption and providing any additional proof that may be necessary for the Director to grant the exemption. **A letter requesting an exemption from the May 1, 2023, filing should be submitted no later than February 28, 2023.** If the Director grants the exemption, an annual certification that there have been no significant changes that might affect this determination should be filed no later than December 1 in subsequent years.

The Director also has the discretion to exempt the ultimate controlling person from filing the annual GCC or to accept a limited group capital filing or report in accordance with criteria as specified in the associated regulation, Part 652.55 (50 Ill. Adm. Code 652.55). If a group meets the criteria in the regulation and would like to request an exemption or to file a limited filing based on the Director's discretion, the group should submit a letter indicating such and provide any proof that may be necessary for the Director to make a determination. **A letter requesting an exemption or limited filing for May 1, 2023, should be submitted no later than February 28, 2023.** If the exemption or limited filing is granted, an annual certification that there have been no significant changes that might affect this determination should be filed no later than December 1 in subsequent years.

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The letter requesting an exemption or limited filing, the GCC filing, and questions should be directed to Susan Berry at susan.berry@illinois.gov or 320 W. Washington St., Springfield, IL 62767. The filing should not be submitted via SERFF.