



Illinois Department of Insurance

JB PRITZKER
Governor

ANN GILLESPIE
Director

TO: All Companies Writing Workers' Compensation and Excess Workers' Compensation

FROM: Ann Gillespie, Director *ARG*

DATE: August 12, 2026

RE: Company Bulletin 2026-10 Additional Amount to Illinois Workers' Compensation Commission Operations Fund Surcharge

Effective August 7, 2026, [PA 104-0792](#) adds an additional amount to the annual Illinois Workers' Compensation Commission Operations Fund Surcharge based on insurers' underwriting gains. The additional amount is calculated to meet a statewide annual funding target starting at \$7 million for 2026 and increasing 3.5% annually.

PA 104-0792 further requires publication of bulletins showing how the surcharge rate is calculated and requires data transparency. This Bulletin describes the statutory process for the Department of Insurance to collect the additional fee amount.

Under 215 ILCS 5/416(b-5), the additional amount shall be a percentage of a company's underwriting gain for its workers' compensation and excess' workers compensation lines in this State, based on amounts reported in its annual statement for the previous year.

Each year's percentage is calculated as the annual funding target for the year divided by the statewide underwriting gain for the previous year, multiplied by 100. The 2026 percentage is 0.797%.

Annual Funding Target for 2026	Statewide Underwriting Gain for 2025 calculated on 6/30/2026	x 100
\$7,000,000	\$878,325,951	0.797%

Each insurer with a positive dollar amount of underwriting gain in 2025 on its workers' compensation and excess workers' compensation line of business will see a separate invoice for the Additional Amount to the Illinois Workers' Compensation Commission Operations Fund Surcharge. In future years, the Additional Amount will appear as a separate line item on the same invoice as the existing surcharge the Department charges on or before July 1.

For purposes of this statute, the underwriting gain is calculated as follows:

Underwriting Gain = Direct Earned Premiums – (Direct Losses Incurred + Direct Defense and Cost Containment Expense Incurred + Commission and Brokerage Expenses + Taxes, Licenses, and Fees)

The underlying annual statement data that the Department used to perform the calculation can be found in Appendix A, an Excel workbook available to download at the following link:

<https://idoi.illinois.gov/content/dam/soi/en/web/insurance/companies/documents/appendix-a-underlying-data-and-calculation.xls>

Questions regarding this Company Bulletin can be directed to DOI.InfoDesk@illinois.gov.