



Illinois Department of Insurance

BRUCE RAUNER
Governor

JENNIFER HAMMER
Director

TO: WORKERS' COMPENSATION PREFERRED PROVIDER PROGRAM (INSURERS ONLY)

FROM: JENNIFER HAMMER, DIRECTOR OF INSURANCE 

DATE: NOVEMBER 20, 2017

RE: COMPANY BULLETIN 2017-04

WORKERS' COMPENSATION PREFERRED PROVIDER PROGRAM
REGISTRATION/RENEWAL FEES

The purpose of this correspondence is to provide guidance on the topic of fees associated with Article XX ½ of the Illinois Insurance Code and 50 Ill. Adm. Code Section 2051.250. Specifically, whether insurers are obligated to pay a registration fee for the provider networks they directly assemble without an associated administrator. 215 ILCS 5/370g(g) of the Illinois Insurance Code states:

*"Administrator" means any person, partnership or corporation, other than an **insurer** or health maintenance organization holding a certificate of authority under the "Health Maintenance Organization Act" ...*

A corresponding review of 50 Ill. Adm. Code Section 2051.250 finds that:

*"On or after January 1, 2010, each new **administrator** doing business in this State shall pay to the Director an initial registration fee of \$1000. Each **administrator** doing business in this State shall annually pay to the Director a renewal fee of \$500 in order to maintain the registration."*

After a thorough review of the pertinent statutory and administrative provisions, the Department has determined that insurers who assemble their own provider networks are not subject to the aforementioned "administrator" fee(s). To this end, insurers who have previously submitted payment for these fees will be reimbursed in the subsequently prescribed manner.

215 ILCS 5/412(1)(a) states:

“Whenever it appears to the satisfaction of the Director that because of some mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state, any authorized company, surplus line producer, or industrial insured has paid to him, pursuant to any provision of law, taxes, fees, or other charges in excess of the amount legally chargeable against it, during the 6 year period immediately preceding the discovery of such overpayment, he shall have power to refund to such company, surplus line producer, or industrial insured the amount of the excess or excesses by applying the amount or amounts thereof toward the payment of taxes, fees, or other charges already due, or which may thereafter become due from that company until such excess or excesses have been fully refunded, ...”

Insurers who have previously submitted payment for these fees are eligible for a credited refund on future SERFF filings. To receive your credited refund, you will need to:

- Login to the SERFF filing where the overpayment was made and send a “Note to Reviewer” asking for the credit.
- Use that credit for future SERFF filings. This can be accomplished by referencing the credit under the “Fee Calculation Explanation” under the “Filing Fees” tab instead of submitting an EFT. Be sure to include the SERFF tracking number where the overpayment was made. If the credit is less than the amount due, then an EFT must be submitted for the remainder. If you still have a credit balance after the new filing, then you can use that balance on subsequent filings until the credit is exhausted.

The Department appreciates your attention to this matter. You may direct any associated questions or concerns to Jean Hillyer at Jean.M.Hillyer@illinois.gov or via phone at (217) 557-7318.