

# Review Requirements Checklist

## Workers' Compensation & Employers Liability

Contact Person: [Ben Rekart](#) (217) 558-2960

### Line(s) of Insurance/Business:

- Workers' Compensation; filing code(s) 16.0000
- Alternative Worker's Compensation; filing code 16.0001
- Employers Liability; filing code 16.0002
- Standard Workers' Compensation; filing code 16.0004

### Links:

- [Illinois Compiled Statutes Online](#)
- [Administrative Regulations Online](#)
- [Product Coding Matrix](#)

All filings are public record in accordance with 215 ILCS 5/404 except where another provision of the Insurance Code says otherwise. The only code section that allows for a filing to be a trade secret or confidential is 215 ILCS 157/40 Use of Credit Information in Personal Insurance Act.

The Department's checklists include summaries that do not provide detailed information about all laws, regulations and bulletins. Therefore, the insurers should review the actual laws, regulations and bulletins to ensure forms are fully compliant before filing with the Department.

A form filing fee is required pursuant to 215 ILCS 5/408 (1)(jj).

LINE OF AUTHORITY	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Must have proper Class and Clause authority to conduct this line of business in Illinois.	<a href="#">215 ILCS 5/4</a> <a href="#">List of Classes/Clauses</a>	To write Workers' Compensation insurance in Illinois, companies must be licensed to write: <ol style="list-style-type: none"> <li>1. Class 2, Clause (d)</li> </ol> To write Employers Liability insurance in Illinois, companies must be licensed to write: <ol style="list-style-type: none"> <li>1. Class 2, Clause (c)</li> </ol>

<b>SERFF FILING</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
All property and casualty filings shall be submitted to the Department electronically using SERFF.	<a href="#">Company Bulletin 2011-14</a>	All property and casualty form and rate/rule filings shall be submitted using SERFF.
<b>FILING SUBMISSION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Requirements for company FEIN numbers.		Company must include all Federal Employer Identification Numbers (FEINs) for companies making the filing.
Forms under one filing number must have common coverage relationship.		All forms under an assigned filing number must have some common coverage relationship (e.g. all forms in an auto filing must pertain only to auto, etc.).  Please refer to Company Bulletin 88-53 for specific information and guidance.
<b>NO FILE OR FILING EXEMPTIONS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Manuscript endorsements are not required to be filed.	<a href="#">215 ILCS 5/143(3)</a>	Insurers are not required to file riders or endorsements prepared to meet special, unusual, peculiar, or extraordinary conditions applying to an individual risk.  Because Section 143(3) exempts only riders or endorsements, policy forms applying to an individual risk must still be filed. In addition, because Section 143(3) exempts only endorsements applying to an individual risk, if a company uses the same endorsement on more than one risk, such form no longer qualifies for the filing exemption and must be filed.
<b>THIRD PARTY FILERS AUTHORITY</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>

Licensed rating organizations must file policy forms and modifications to such forms no later than 30 days before such filings are to take effect.	<a href="#">215 ILCS 5/457</a> <a href="#">Company Bulletin 2019-05</a>	Licensed rating organizations must file with the Director all policy forms, and each modification of such forms, which it requires its members and subscribers to adhere to, no later than 30 days before such filings or modifications are to take effect.
<b>AMBIGUOUS &amp; MISLEADING</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
The Director may disapprove a form filing if it contains inconsistent, ambiguous, or misleading clauses.	<a href="#">215 ILCS 5/143(2)</a>	Director may disapprove any form that contains inconsistent, ambiguous, or misleading clauses.
<b>APPLICATIONS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Applications must be filed.	<a href="#">215 ILCS 5/143(2)</a>	Applications must be filed, including online/electronic applications.
<b>BANKRUPTCY PROVISIONS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Policies that contain liability coverage must include a bankruptcy provision.	<a href="#">215 ILCS 5/388</a>	All policies containing liability coverage must include a provision stating that insolvency or bankruptcy of the insured shall not release the company from its duties to pay under the policy.
<b>CANCELLATION &amp; NON-RENEWAL</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
May not refuse to issue a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	<a href="#">215 ILCS 5/143.10</a>	No company shall refuse to issue a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
Loss information requested for underwriting.	<a href="#">215 ILCS 5/143.10a</a>	No prospective insurer shall request the insured to provide more detailed loss information than required by it to underwrite the same line or class of insurance.

<p>Loss information required to be provided.</p>	<p><a href="#">215 ILCS 5/143.10a</a></p>	<p>Insurer shall provide the following loss information to the first named insured within 30 days of the insured's request, and at the same time as any notice of cancellation or nonrenewal, except where the policy has been cancelled for nonpayment of premium, material misrepresentations or fraud on the part of the insured:</p>
<p>Does not apply to insurance policies to which Section 19(o) of the Illinois Workers' Compensation Act applies (820 ILCS 305/19(o)).</p>	<p><a href="#">820 ILCS 305/19(o)</a></p>	<p>a) on closed claims, date and description of occurrence, and total amounts of payments;</p> <p>b) on open claims, date and description of occurrence, total amount of payments and total reserves, if any; and</p> <p>c) for any occurrence not included in (a) or (b), the date and description of occurrence and total reserves, if any.</p>
<p>Does not apply to insurance policies to which Section 19(o) of the Illinois Workers' Compensation Act applies (820 ILCS 305/19(o)).</p>	<p>Does not apply to insurance policies to which Section 19(o) of the Illinois Workers' Compensation Act applies (820 ILCS 305/19(o)).</p>	<p>Insurer shall also provide additional loss information, including specific loss reserves, to the first named insured as soon as possible, but in no event later than 20 days of receipt of named insured's mailed or delivered written request for such information at the request of a prospective insurer.</p>
<p>Insurer shall automatically extend coverage under the existing policy, at the same terms and conditions by the same number of days it takes the insurer to provide the insured with this additional information.</p>	<p>Insurer shall automatically extend coverage under the existing policy, at the same terms and conditions by the same number of days it takes the insurer to provide the insured with this additional information.</p>	<p>Insurer shall automatically extend coverage under the existing policy, at the same terms and conditions by the same number of days it takes the insurer to provide the insured with this additional information.</p>

Policy must contain cancellation provision.	<a href="#">215 ILCS 5/143.11</a>	Policy must include a cancellation provision setting out the manner in which the policy may be cancelled.
<b>CONDITIONAL RENEWAL</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Assignment or transfer of policies among or between insurers within an insurance holding company system or insurers under common management or control, or as a result of a merger, acquisition, or restructuring of an insurance company, is not a nonrenewal for purposes of the notification requirements.	<a href="#">215 ILCS 5/143.11b</a>	<p>Assignment or transfer of policies among or between insurers within an insurance holding company system or insurers under common management or control, or as a result of a merger, acquisition, or restructuring of an insurance company, is not a nonrenewal for purposes of the notification requirements.</p> <p>If the increase in the renewal premium is 30% or more, contains a change in deductibles or change in coverage that materially alters the policy, the company must adhere to provisions in Section 143.17a as described below.</p> <p>A company making an assignment or transfer of a policy among or between insurers as stated above, must deliver to the named insured notice of such assignment or transfer at least 60 days prior to the renewal date. An exact and unaltered copy of the notice shall be sent to the insured's producer, if known, and agent of record.</p>
Requirements for advance notice of renewal with changes in deductibles, changes in coverage that materially alters the policy, or increase of 30% or more.	<a href="#">215 ILCS 5/143.17a</a>  <a href="#">Illinois Supreme Court Rule 236</a>	<p>If an insurer offers to renew directly to the named insured with a renewal increase of 30% or more, or with a change in deductible or coverage that materially alters the policy, the insurer must mail or deliver to the named insured, written notice of such premium increase or change at least 60 days prior to the renewal or anniversary date.</p> <p>The increase in premium shall be the renewal premium based on the known exposure as of the date of the quotation compared to the</p>

	<p>premium as of the last day of coverage for the current year's policy, annualized. The premium may be subsequently amended to reflect any change in exposure or reinsurance costs not considered in the quotation.</p> <p>The renewal notice must provide the specific dollar amount of the premium. Renewal notices issued with the wording "your premium increase will be 30% or more" do not comply with the Code.</p> <p>Notification must also be mailed to the insured's broker, if known, or the agent of record and to the mortgage or lien holder listed on the policy.</p> <p>If the insurer fails to provide 60 days notice in advance of the renewal or anniversary date <u>but provides notice at least 31 days prior to the renewal or anniversary date</u>, the company must extend the current policy under the same terms, conditions and premium to allow 60 days notice, and provide the actual renewal premium quotation and any change in coverage or deductible on the policy. <u>If the insurer fails to provide 31 days advance notice as described above, the insurer must renew the expiring policy under the same terms and conditions for an additional year or until the effective date of any similar coverage procured by the insured, whichever is earlier. The insurer may increase the renewal premium, however such increase must be less than 30% of the expiring term's premium, and notice of such increase must be delivered to the named insured on or before the date of expiration of the current policy period.</u></p> <p>Proof of mailing or proof of receipt may be proven by a sworn affidavit by the insurer as to the usual and customary business practices of mailing notices pursuant to Section 143.17a or</p>
--	---

		may be proven consistent with Illinois Supreme Court Rule 236.
<b>PREMIUM INCREASE NOTICE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW OF STANDARDS REQUIREMENTS</b>
Notice requirements for premiums increases in excess of 5% above the rate recommendation filed by the Department.	<a href="#">215 ILCS 5/462a</a>	The insurer must mail or deliver to the named insured, written notice of such premium increase indicating the insurer's intention to condition renewal upon issuance of a policy that supersedes the policy previously issued and that will result in a premium in excess of 5% above the rate recommendation filed with the Department. The notice shall be delivered at least 30 days in advance of the expiration date of the policy, and shall set forth: (1) the amount of the premium increase or, if the amount cannot reasonably be determined as of the time the notice is provided, a reasonable estimate of the premium increase based upon the information available to the insurer at that time; and (2) the reason for the increased premium in excess of the rate recommendation filed with the Department. Nothing in this Section requires the insurer to provide notice when the employer, an agent or broker authorized by the employer, or another insurer of the employer has delivered written notice that the policy has been replaced or is no longer desired.
<b>NOTICE OF CANCELLATION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW OF STANDARDS REQUIREMENTS</b>
Cancellation notice mailing requirements and requirements for canceling premium financed insurance contracts.	<a href="#">215 ILCS 5/143.14</a>	Insurer must mail cancellation notice to named insured and to the mortgage or lien holder and send copy of such notice to the insured's broker, if known, or the agent of record, at the last mailing address known by insurer. Insurer must maintain proof of mailing on a form

		<p>acceptable to U.S. Post Office or other commercial mail delivery service.</p> <p>Section 143.14 also contains requirements for canceling premium financed insurance contracts and procedures for returning unearned premium. See law for specific details of requirements.</p>
<p>Number of days notice required for cancellation of commercial policies and notice requirements.</p>	<p><a href="#">215 ILCS 5/143.16</a></p>	<p>Insurer must mail cancellation notice to the named insured at least: 10 days prior to effective date of cancellation for nonpayment of premium; 30 days prior to effective date of cancellation during the first 60 days of coverage; 60 days prior to effective date of cancellation after coverage has been effective for 61 days or more.</p> <p>All notices shall include a specific explanation of the reason(s) for cancellation.</p>
<p>Cancellation notice must advise insured of right to request a hearing.</p>	<p><a href="#">215 ILCS 5/143.23</a></p> <p><a href="#">215 ILCS 5/143.16a</a></p>	<p>If an insurer cancels a commercial policy mid-term per Section 143.16a, for any reason except non-payment of premium, the cancellation notice must advise the named insured of the right to appeal and the procedure to follow for such appeal.</p>
<p><b>NOTICE OF NON-RENEWAL</b></p>	<p><b>REFERENCE</b></p>	<p><b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b></p>
<p>Number of days notice required for nonrenewing a commercial policy and other notice requirements.</p>	<p><a href="#">215 ILCS 5/143.17a</a></p>	<p>Nonrenewal notice must be mailed to the named insured at least 60 days in advance of the nonrenewal date.</p> <p>Insurer must maintain proof of mailing of such notice on a recognized U.S. Post Office form or a form acceptable to the U.S. Post Office or other commercial mail delivery service.</p> <p>If the insurer fails to mail notice of nonrenewal to the named insured at least 60 days in</p>

		<p>advance of the nonrenewal date, the insurer must extend the policy for an additional year or until the effective date of any similar insurance procured by the insured, whichever is less, on the same terms and conditions as the policy sought to be terminated, unless the insurer has manifested its intention to renew at a different premium that represents an increase not exceeding 30%.</p> <p>Notification must also be mailed to the insured's broker, if known, or the agent of record and to the mortgage or lien holder listed on the policy.</p> <p>Nonrenewal notice must provide a specific explanation of the reason(s) for nonrenewal.</p>
<b>PERMISSIBLE REASONS FOR CANCELLATION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
May not cancel because agent's contract with insurer was terminated.	<a href="#">215 ILCS 5/141.01</a>	Insurers may not cancel any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.
May not cancel a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	<a href="#">215 ILCS 5/143.10</a>	Insurers may not cancel a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
Reasons for canceling a commercial policy that has been in effect for 60 days or more.	<a href="#">215 ILCS 5/143.16a</a> <a href="#">50 IL Adm. Code 940</a>	After a policy has been in effect for 60 days, insurer may only cancel for the following 6 reasons: (a) non-payment of premium; (b) the policy was obtained through a material misrepresentation; (c) any insured violated any terms and conditions of the policy; (d) the risk originally accepted has measurably increased; (e) the insurer certifies to the Director of the loss of reinsurance for all or a substantial part

		of the underlying risk; or (f) the Director determines that continuation of the policy could place the insurer in violation of Illinois insurance laws.  Rule 940 outlines requirements for certification of loss of reinsurance.
Large deductible provisions.	<a href="#">215 ILCS 5/143.13(e)</a> <a href="#">215 ILCS 5/143.16</a> <a href="#">215 ILCS 5/143.16a</a>	Failure to reimburse a deductible and failure to maintain collateral are conditions that do not meet the definition of non-payment of premium under 143.13(e). A policy cannot be cancelled for non-payment of premium for not meeting these conditions.
Rating or underwriting decisions based solely on domestic violence.	<a href="#">215 ILCS 5/155.22b</a>	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating or underwriting decision.
<b>PERMISSIBLE REASONS FOR NON-RENEWAL</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
May not refuse to renew because agent's contract with insurer was terminated.	<a href="#">215 ILCS 5/141.01</a>	Insurers may not refuse to renew any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.
May not refuse to renew a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	<a href="#">215 ILCS 5/143.10</a>	Insurers may not refuse to renew a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
Insurers may nonrenew for almost any reason(s) except those specifically prohibited in other Illinois insurance laws or regulations.	<a href="#">215 ILCS 5/143.17a</a>	Insurers may nonrenew for almost any reason(s) except those specifically prohibited in other Illinois insurance laws or regulations.

However, insurers must give a specific explanation of the reason(s) for nonrenewal.		However, insurers must give a specific explanation of the reason(s) for nonrenewal.
<b>RETURN PREMIUM</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Computation of premiums -- refunds.	<a href="#">215 ILCS 5/462b</a>	If the insurer applies incorrect classifications, payrolls or any other incorrect factors of a rating system that results in the insured paying excess premiums, the insurer shall refund the excessive premiums paid for the period during which the incorrect classifications, payrolls or other rating factors were applied.
<b>CONSUMER INFORMATION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Cancellation notice must advise insured of right to request a hearing.	<a href="#">215 ILCS 5/143.23</a>	If an insurer cancels a policy mid-term per Section 143.16a, for any reason except non-payment of premium, the cancellation notice must advise the named insured of the right to request a hearing to appeal such decision, and the procedure to follow for such appeal.
Written notice of company's complaint Department and Department of Insurance Public Service Department.	<a href="#">215 ILCS 5/143c</a> <a href="#">50 IL Adm. Code 931</a>	No policy may be delivered unless the policyholder or certificate holder is provided written notice of the address of the complaint Department of the insurance company, and the address of the Public Service Department of the Department of Insurance or its successor.  Rule 931 provides more specific guidance that:  a) such notice shall accompany any newly issued policy or binder;  b) "written notice" shall be satisfied by: any printed notice delivered with a policy or certificate; any adhering label attached to a policy or certificate; any computerized notice issued concurrently with a computer issued

		<p>policy or certificate; or any other form of individual written notice substantially similar to the above.</p> <p>Notice of Availability of the Department of Insurance shall be no less informative than the following: Illinois Department of Insurance, Consumer Division, 122 S. Michigan Ave., 19th Floor, Chicago, Illinois 60603 and Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois 62767.</p> <p>The address to be used for the company shall be an office that can service all types of complaints. If one office cannot service all types of complaints, then the additional addresses of each appropriate service office must be given.</p> <p>In addition to providing the required addresses, the notification should set forth the minimum amount of information included in the following suggested wording: "This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following."</p>
<b>CONTENT OF POLICIES</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Reasons for which the Director may disapprove a form filing.	<a href="#">215 ILCS 5/143(2)</a>	The Director may disapprove any form that (i) violates any provision of the Illinois Insurance Code, (ii) contains inconsistent, ambiguous, or misleading clauses, or (iii) contains exceptions and conditions that will unreasonably or deceptively affect the risks that are purported to be assumed by the policy.
Requirements for form content and readability.	<a href="#">50 IL Adm. Code 753</a>	There must be printed at the head of the policy the name of the insurer or insurers issuing the policy, the location of the Home Office thereof; a statement of whether the insurer is a

		<p>stock, mutual, reciprocal, Lloyds, alien insurer, or an insurer operating under a charter by Special Act of the Legislature of any state. There may be added thereto such devices, emblems or designs and dates as are appropriate for the insurer issuing the policy.</p> <p>All forms must be identified by a descriptive title, form number and edition identification.</p> <p>All forms must be printed in not less than eight-point type.</p>
<b>DEFENSE WITHIN LIMITS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Defense costs may not be included in limits of liability.	<a href="#">215 ILCS 5/143(2)</a>	Defense costs must be paid as supplement to the limits of liability. Defense costs may not be included in the limits of liability. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
<b>DEFINITIONS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Definition of "renewal" or "to renew."	<a href="#">215 ILCS 5/143.13(d)</a>	Definition of "renewal" or "to renew."
Definition of "nonpayment of premium."	<a href="#">215 ILCS 5/143.13(e)</a>	Definition of "nonpayment of premium."
Definition of "policy delivered or issued for delivery in this State."	<a href="#">215 ILCS 5/143.13(f)</a>	Definition of "policy delivered or issued for delivery in this State."
Definition of "cancellation" or "cancelled."	<a href="#">215 ILCS 5/143.13(g)</a>	Definition of "cancellation" or "cancelled."

DISCRIMINATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
May not cancel certain policies, or refuse to issue or renew certain policies solely due to hate crimes.	<a href="#">215 ILCS 5/143.24c</a>  <a href="#">Title 26 U.S.C. Sections 170(b)(1)(A)(i), (ii), and (vi).</a>	<p>Insurers may not cancel a policy, or refuse to issue or renew a policy solely on the basis that one or more claims have been made against any policy during the preceding 60 months, for a loss that is the result of a hate crime, if the insured provides evidence to the insurer that the act causing the loss is identified as a hate crime on a police report.</p> <p>Applies to policies issued to an individual, a religious organization described in Section 170(b)(1)(A)(i) of Title 26 of the United States Code, or an educational organization described in Section 170(b)(1)(A)(ii) of Title 26 of the United States Code, or any other nonprofit organization described in Section 170(b)(1)(A)(vi) of Title 26 of the United States Code that is organized and operated for religious, charitable, or educational purposes.</p>
Redlining -- When geographic location of risk may be grounds for refusing to insure.	<a href="#">215 ILCS 5/155.22</a>	Insurer may not refuse to provide insurance solely on the basis of the specific geographic location of the risk unless such refusal is for a business purpose which is not a mere pretext for unfair discrimination.
Rating, claims handling, and underwriting decisions based solely on domestic violence.	<a href="#">215 ILCS 5/155.22b</a>	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.
Unfair methods of competition or unfair or deceptive acts or practices defined.	<a href="#">215 ILCS 5/424(3)</a>	It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense

		element because of the race, color, religion, or national origin of such insurance risks or applicants.
Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined.	<a href="#">215 ILCS 5/429</a>	Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.
Civil Union Partnerships-effective June 1, 2011	<a href="#">750 ILCS 75/1</a> <a href="#">Civil Union Fact Sheet</a>	The Religious Freedom Protection and Civil Union Act (Public Act 96-1513) will allow both same-sex and different-sex couples to enter into a civil union with all of the obligations, protections, and legal rights that Illinois provides to married heterosexual couples.  Please note that whenever a policy form, application, or rating rule includes the terms "spouse," "married," or "immediate family member" it is required that parties to a civil union be included in these definitions.
<b>DOMESTIC ABUSE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Rating, claims handling, and underwriting decisions based solely on domestic violence.	<a href="#">215 ILCS 5/155.22b</a>	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.
Intentional acts exclusion -- exception for innocent co-insured.	<a href="#">215 ILCS 5/155.22b</a>	If a policy excludes property damage coverage for intentional acts, the insurers may not deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of a pattern of criminal domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss.

<b>EXCLUSIONS &amp; LIMITATIONS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Blank endorsements are acceptable for filing, with exceptions.	<a href="#">215 ILCS 5/143(2)</a>	Blank endorsements may be filed, but may not be used to decrease coverage, increase rates or deductibles, or negatively alter any terms or conditions of coverage, unless such change is at the sole request of the insured. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
<b>MOLD</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Filing procedures and requirements for exclusions and limitations related to mold.	<a href="#">Company Bulletin 2002-07</a>	Please refer to Company Bulletin 2002-07 for specific information and guidance.
<b>TERRORISM</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Terrorism Risk Insurance Program Reauthorization Act of 2015 and Filing Procedures and Requirements for Terrorism-Related Forms, Rules and Rates.	<a href="#">Company Bulletin 2015-03</a>	Please refer to Company Bulletin 2015-03 for specific information and guidance.
<b>GROUP POLICIES</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Group Workers' Compensation policies are not specifically allowed by statute.	<a href="#">215 ILCS 5/388a-388g</a>  <a href="#">215 ILCS 5/393a-393g</a>  <a href="#">215 ILCS 5/400.1</a>	There are no enabling statutes in Illinois that authorize the writing of group fire, casualty, inland marine, or surety insurance. The effect is to require that all fire, casualty, inland marine, or surety insureds of the same class be treated alike. These provisions are not applicable where the Illinois Insurance Code specifically authorizes the grouping of risks.

	<a href="#">IL Adm. Code 2302</a> <a href="#">215 ILCS 5/900-906</a>	The only coverages that are currently authorized on a group basis are: a) group vehicle; b) group professional liability; c) group inland marine; d) group legal.
Claims handling requirements.	<a href="#">820 ILCS 305/1</a>	All claims must be handled in accordance with the Illinois Workers' Compensation Act.
<b>ACTION AGAINST COMPANY</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Periods of limitation tolled.	<a href="#">215 ILCS 5/143.1</a>	If the form contains a provision limiting the period of time within which the insured may bring suit, the provision must state that the running of such period is tolled from the date proof of loss is filed until the date the claim is denied in whole or in part.
<b>DEFENSE COSTS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Defense costs may not be included in limits of liability.	<a href="#">215 ILCS 5/143(2)</a>	Defense costs must be paid as supplement to the limits of liability. Defense costs may not be included in the limits of liability. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
<b>DEDUCTIBLE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Rating plan must contain offer of a deductible applicable to the medical benefit only.	<a href="#">215 ILCS 5/456(1)(e)</a>	Rating plan shall contain a mandatory offer of a deductible applicable only to the medical benefit under the Work Comp Act (820 ILCS 3-5/1 et seq.). Such deductible offer shall be in a minimum amount of at least \$1000 per accident.

<b>MEDICAL PAYMENTS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Rating plan must contain offer of a deductible applicable to the medical benefit only.	<a href="#">215 ILCS 5/456(1)(e)</a>	Rating plan shall contain a mandatory offer of a deductible applicable only to the medical benefit under the Work Comp Act (820 ILCS 3-5/1 et seq.). Such deductible offer shall be in a minimum amount of at least \$1000 per accident.
<b>OTHER INSURANCE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Requirements for "Other Insurance" provisions.	<a href="#">215 ILCS 5/143(2)</a>	"Other Insurance" provisions must state that coverage under the policy will share proportionately with other similar coverages the insured may have. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
<b>REBATES</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Payments or acceptance of rebates prohibited.	<a href="#">215 ILCS 5/469</a>	No company or employee thereof, and no broker or agent shall pay, allow or give, or offer to pay, allow or give, directly or indirectly, as an inducement to insurance, or after insurance has been effected, any rebates, discount, abatement, credit or reduction of the premium named in a policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any valuable consideration or inducement whatever, not specified in the policy of insurance, except to the extent provided for in an applicable filing.

		No insured named in a policy of insurance, nor any employee of such insured shall knowingly receive or accept, directly or indirectly, any such rebate, discount, abatement, credit, or reduction of premium, or any such special favor or advantage or valuable consideration or inducement.
<b>VOIDANCE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Requirements to rescind a policy for misrepresentation or false warranty.	<a href="#">215 ILCS 5/154</a>	A policy may not be rescinded, defeated or avoided unless the misrepresentation is stated in the policy, endorsement or rider attached thereto, or in the written application therefore, and was made with the actual intent to deceive, or materially affected either the acceptance of the risk or the hazard assumed by the company.
<b>OTHER</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Endorsements that amend another endorsement are prohibited.	<a href="#">215 ILCS 5/143(2)</a>	An endorsement cannot be used to amend another endorsement. Such endorsements are deemed to result in inconsistent, ambiguous, or misleading clauses, in violation of Section 143(2) and will be disapproved accordingly.
Requirements for termination of line of business.	<a href="#">215 ILCS 5/143.11a</a>	A company must notify the Director of the termination of a line of insurance, as well as the reasons for the action, 90 days before termination of any policy is effective.
Negative response roll-ons are prohibited.	<a href="#">215 ILCS 5/429</a>	Form changes that are optional may not be applied "automatically unless the insured rejects." Insureds must be offered the option and must respond affirmatively for the change to apply. To apply the option automatically unless rejected is to engage in an unfair or deceptive act or practice.

RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
<p>Workers compensation rates and rules, and employers' liability insurance rates and rules incidental thereto and written in connection therewith, are required to be filed in Illinois.</p>	<p><a href="#">215 ILCS 5/457</a>  <a href="#">50 IL Adm. Code 2902</a>  <a href="#">Company Bulletin 2018-09</a>  <a href="#">Company Bulletin 2019-05</a></p>	<p><b>Every company must file with the Director every manual of classifications, rules and rates, and every rating plan and modification that it intends to use. Filings must be made at least 30 days before they become effective.</b></p> <p>If a company adopts a pure premium filed by a rating organization, the company must file with the Director the modification factor it is using for expenses and profit so that the final rates in use by such company can be determined.</p> <p>All Company rate filings in SERFF must include the Company Rate Information, which shall include:</p> <ol style="list-style-type: none"> <li>1) Overall % indicated change;</li> <li>2) Overall % rate impact (meaning the statewide average percentage change to the accepted rates for the coverage's included for each company);</li> <li>3) Written premium change for this program (meaning the statewide change in written premium based on the proposed overall percentage rate impact for each company);</li> <li>4) Number of policyholders affected for this program (meaning the statewide written premium for each company);</li> <li>5) Written premium for this program (meaning the statewide written premium for each company);</li> </ol>

		<p>6) Maximum % change; and</p> <p>7) Minimum % change.</p> <p>Documentary data for rates and changes filed under this Section must be maintained by the company or its rating organization to be available upon and in accordance with the Department’s request for review by the Department’s Property and Casualty Compliance Unit.</p>
<p>NCCI Members – Annual Rate Requirements</p>	<p><a href="#">Company Bulletin 2016-08</a></p>	<p>Companies must provide the average percentage they are deviating from NCCI rates.</p>
<p>Required rate and rule filings for licensed advisory organizations.</p>	<p><a href="#">215 ILCS 5/457</a></p>	<p><b>Each licensed rating organization must file with the Director every manual of classification, every manual of rules and advisory rates, pure premium which has been fully adjusted and fully developed, every rating plan and modifications of any of the foregoing it intends to recommend for use at least 30 days before they become effective.</b></p> <p>Further, licensed rating organizations must file with the Director the rate classification system, all rating rules, rating plans, policy forms, and underwriting rules or similar materials, and each modification of any of the foregoing which it requires its members and subscribers</p>

		to adhere to no later than 30 days before such filings or modifications are to take effect.
<b>RATING PLAN REQUIREMENTS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Making of rates -- expenses provisions.	<a href="#">215 ILCS 5/456(1)(b)</a>	Expense provisions included in the rates for use by any company or group of companies may differ from those of other companies or groups to reflect the requirements of the operating methods of any such company or group with respect to any kind of insurance, or with respect to any subDepartment or combination thereof for which subDepartment or combination separate expense provisions are applicable.
Making of rates -- factors that companies must consider.	<a href="#">215 ILCS 5/456(1)(a)</a>	When making rates, due consideration shall be given to past and prospective loss experience within and outside IL, to catastrophe hazards, to a reasonable margin for profit and contingencies, to dividends, savings, or unabsorbed premium deposits allowed/returned by companies to their policyholders, to past and prospective expenses both countrywide and specifically in IL, and to underwriting practice and judgment and to all other relevant factors within and outside IL.
Making of rates -- classifications.	<a href="#">215 ILCS 5/456(1)(c)</a>	Risks may be grouped by classifications for establishing rates and minimum premiums. Classification rates may be modified to produce rates for individual risks in accordance with rating plans which measure variation in hazards or expense provisions or both.
Rates shall not be excessive, inadequate or unfairly discriminatory.	<a href="#">215 ILCS 5/456(1)(d)</a>	Rates shall not be excessive, inadequate or unfairly discriminatory.  A rate in a competitive market is not excessive. A rate in a noncompetitive market is excessive if it is likely to produce a long run profit that is

		<p>unreasonably high for the insurance provided or if expenses are unreasonably high in relation to the services rendered.</p> <p>A rate is not inadequate unless it is clearly insufficient to sustain projected losses and expenses in the class of business to which it applies and the use of such rates has or, if continued, will have the effect of substantially lessening competition or the tendency to create monopoly in any market.</p> <p>Unfair discrimination exists if, after allowing for practical limitations, price differentials fail to reflect equitably the differences in expected losses and expenses. A rate is not unfairly discriminatory because different premiums result for policyholders with like exposures but different expenses, or like expenses but different loss exposures, so long as the rate reflects the differences with reasonable accuracy.</p>
Competitive market is presumed to exist.	<a href="#">215 ILCS 5/460</a>	A competitive market is presumed to exist unless the Director, after a hearing, determines that a reasonable degree of competition does not exist in the market and the Director issues a ruling to that effect. Market shall mean the statewide workers' compensation and employers' liability lines of business.
Rating plan must contain offer of a deductible applicable to the medical benefit only.	<a href="#">215 ILCS 5/456(1)(e)</a>	Rating plan shall contain a mandatory offer of a deductible applicable only to the medical benefit under the Work Comp Act (820 ILCS 3-5/1 et seq.). Such deductible offer shall be in a minimum amount of at least \$1000 per accident.
Rating plan must include a rule permitting 2 or more employers with similar risk	<a href="#">215 ILCS 5/456(f)</a>	Rating plan or program shall include a rule permitting 2 or more employers with similar risk characteristics, who participate in a loss

characteristics to pool premium and loss experience for determining rate or premium.		prevention program or safety group, to pool their premium and loss experience in determining their rate or premium for such participation in the program.
Disapproval of rate or rule filings.	<a href="#">215 ILCS 5/458</a>	If, within 30 days of any filing, the Director finds that such filing doesn't meet the requirements of Article XXIX, he shall send to the company or rating organization a written notice of disapproval of such filing, and stating when, within a reasonable period thereafter, such filing shall be deemed no longer effective.  This Section also sets forth procedures for which the Director will disapprove a Workers' Compensation rate for rule filing.
<b>LOSS COSTS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Requirements for additional information if a company adopts a pure premium filed by a rating organization.	<a href="#">215 ILCS 5/457</a> <a href="#">50 IL Adm. Code 2902</a>	If a company adopts a pure premium filed by a rating organization, the company must file with the Director the modification factor it is using for expenses and profit so that the final rates in use by such company can be determined.  <b>Filings must be made at least 30 days before they become effective.</b>
<b>INDIVIDUAL RISK RATING</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Individual risks.	<a href="#">50 IL Adm. Code 2902</a> <a href="#">215 ILCS 5/456(1)(c)</a>	A company is not required to file rates or RF-3s for individual Illinois risks which cannot be rated in the normal course of business rating because of special or unusual characteristics, as provided in Section 456(1)(c), and which must be rated on the basis of underwriting judgment.  Company must maintain documentary information regarding such individual risk rates for review by the Department's Property & Casualty Compliance Unit.

<b>PREMIUM REFUND</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Computation of premiums -- refunds.	<a href="#">215 ILCS 5/462b</a>	If the insurer applies incorrect classifications, payrolls or any other incorrect factors of a rating system that results in the insured paying excess premiums, the insurer shall refund the excessive premiums paid for the period during which the incorrect classifications, payrolls or other rating factors were applied.
<b>OTHER</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Unfair methods of competition or unfair or deceptive acts or practices defined.	<a href="#">215 ILCS 5/424(3)</a>	It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense element because of the race, color, religion, or national origin of such insurance risks or applicants.
Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined.	<a href="#">215 ILCS 5/429</a>	Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.

Revised 04/11/2023