

PART I

Introduction

The Illinois Department of Insurance (“the Department”) continues to make substantial progress in implementing the rate review enhancements proposed in its application for the Health Insurance Premium Review Cycle I Grant (“the Grant”) during the fourth quarter of the Grant period. The Department is utilizing the Grant to develop the infrastructure required for an effective rate review process, including new tools and procedures to collect, analyze, and publish premium information in order to educate consumers and State policymakers. Specifically, the Department is increasing actuarial and insurance analyst staffing and investing in technology necessary for increased collection and analysis of premium data; developing protocols for the collection, analysis, and publication of premium rates; and seeking legislative authority to deny unreasonable premium rates or rate increases. Coupled with an effective campaign to engage the public, the Department’s proposed rate review enhancements will prove to be an important tool for consumers in Illinois’ private health insurance marketplace.

Among the many important milestones achieved during the fourth quarter was the implementation of a process for reviewing rate filings. This was made possible by the execution of a contract for actuarial services with an actuarial consulting firm. The Department experienced both significant progress and continued delays in adding the staff necessary to conduct premium review activities during the fourth quarter. Finally, the Department has made significant progress in its effort to enhance the public’s access to rate information through its website, including the selection of a new Consumer Information Officer and Consumer Information Assistant who will conduct a thorough site redesign. The Department began development of a new rate review page to provide information on current rate filings in a consumer-friendly fashion and allow consumers to comment on those filings. More information on these and other rate review activities appears below.

Program Implementation Status

Accomplishments to Date

The Department has categorized rate review implementation milestones into four broad objective areas: 1) efforts to facilitate the collection of premium rate data; 2) efforts to facilitate the analysis of premium rate data; 3) efforts to obtain the authority and establish a process to conduct comprehensive premium rate review; and 4) the engagement and education of the public regarding premium rate filings. Below is a list of the implementation milestones achieved in each area during the fourth quarter. A more detailed and narrative discussion of the work behind these milestones appears under the section “Significant Activities: Undertaken and Planned.”

Objective: Effectively Collect Premium Rate Data

- Insurance Analyst positions started;
- Continued to collect rate filings through the Illinois Web Portal developed and launched during previous quarters;
- Participated in NAIC/SERFF conference calls regarding potential system upgrades to accommodate state data collection needs and considered opportunities to leverage new capabilities.

Objective: Effectively Analyze Premium Data

- Continued to compile and collect necessary data;
- Developed and implemented process for reviewing rate filings with actuarial consultants; and
- Continued to seek qualified applicants for Health Actuary positions.

Objective: Obtain Authority and Establish Process for Comprehensive Premium Rate Review

- Reviewed HHS final rule and ACA provisions related to unreasonable premium increases and implemented an internal process for reviewing rates;
- Considered regulatory action to establish a rate review process.

Objective: Engage and Educate the Public on Premium Rates and Rate Review Authority

- Researched best practices in other states for public display of premium rate information;
- Convened internal meetings to discuss the development of a premium rate “Report Card” to display premium information on Department website;
- Developed web tool to display premium information while “Report Card” concept is in development;
- Developed new rate filing webpage to provide consumers with information on the most recently filed rates with the Department; and
- Established consumer comment function on the Department’s website to allow for comments on rate filings.

Challenges and Responses

Delays in adding new staff due to State hiring requirements continued in the fourth quarter. While the State indicated in the second quarter report its intention to fill the Health Actuary and Health Actuary Assistant positions by July 2011, the Department was unable to fill these positions. The Department will continue efforts to find qualified applicants. In response to the extended postponement of the start dates for employees integral to the new rate review process, the Department applied for a No-Cost Extension to allow it to fund positions and carry out rate review activities under the Cycle I Grant

through September 2012. The project's extended timeframe is reflected in the *Work Plan* section of this report.

An additional challenge the Department has encountered is the lack of explicit statutory authority to approve or deny premium rate filings. To address this problem, the Department drafted legislation (HB 1501) in the first quarter that requires insurers to report detailed rate information, and provides the Department with the ability to deny proposed rates which are unreasonable, excessive, inadequate, unjustified or unfairly discriminatory. HB 1501 was introduced in the General Assembly on February 10, 2011. Unfortunately, the legislation did not move out of committee before the General Assembly adjourned its spring session. The Department will continue to work with state legislators to advance the bill in future sessions.

Significant Activities: Undertaken and Planned

As noted above, the Department has categorized Grant implementation milestones into four broad areas: 1) efforts to facilitate the collection of premium rate data; 2) efforts to facilitate the analysis of premium rate data; 3) efforts to obtain the authority and establish a process to conduct comprehensive premium rate review; and 4) the engagement and education of the public regarding premium rate findings. Each of the four categories is further organized into multiple subcategories. Milestones implemented or initiated during the third quarter are divided by subcategory and described below.

1. Collection of Premium Rate Data

A. Technical Capacity for Data Collection

In the first and second quarters, the Department determined that the SERFF system as currently constituted would be insufficient toward achieving the goals of the premium review program. In response, the Department developed and launched the Illinois Web Portal, which it has been using to collect and organize additional information from carriers (alongside the traditional SERFF process) since February 1, 2011. However, the Department hopes to work with SERFF and NAIC to modify SERFF in order to meet the needs of its rate review program and allow carriers to submit rate information in a single filing. In pursuit of such changes, the Department has participated in discussions with SERFF officials to discuss implementation of SERFF upgrades and implementation of the Health Filing Access Interface.

B. Staffing Capacity for Data Collection

During the fourth quarter, the Insurance Analysts were able to start work, joining the Department on July 18, 2011. In addition, a Consumer Information Officer began working with the Department on August 16, 2011.

C. Actual Collection of Data

Pursuant to Company Bulletins 2010-08 and 2011-02, the Department has received 44 rate filings in the fourth quarter, and of those, 4 requested rate increases and were subject to review. Of those subject to review, 2 received approval and 2 are still pending. The 2 filings that received approval from the Department were filed prior to September 1, 2011.

2. Analysis of Premium Rate Data

A. Identifying Analytics Goals

The Department reviewed the final HHS rules issued in May and identified all rate information necessary to compile from filings. This information has been incorporated into the analysis process described under the “Operational/Policy Developments” section.

B. Technical Capacity for Data Analysis

After issuing an RFP for actuarial services in the first quarter and selecting consultants to execute that contract in the second quarter, the Department finished all negotiations early in the third quarter and launched the project on June 21, 2011. Throughout the fourth quarter, the Department held several internal meetings to implement a process for the review of premium filings. This process is described in detail under the “Operational/Policy Developments” section of this report.

C. Staffing Capacity for Data Analysis

While the Department indicated in its second quarter report the hope that the Health Actuaries sought through Grant funding would begin work in July 2011, the hiring process experienced further delays in the fourth quarter. As detailed above in the “Challenges and Responses” section, the Department plans on continuing efforts to find qualified applicants for these positions in the fourth quarter, and will also move ahead with the hiring of an Actuarial Assistant on a contractual basis to help ease the burden of new program requirements on existing staff. Because of additional State hiring standards for permanent employees as well as the likelihood that more potential employees will possess the qualifications necessary for the position, it is expected that the hiring process for the Actuarial Assistant will proceed on a quicker timeline than that of the Health Actuaries. The Health Actuaries and Actuarial Assistant will work with the Department’s actuarial consultants to review premium information, assisting with the initial evaluation of all rate filings received from carriers, including an initial evaluation of the reasonableness of a proposed rate increase. They will also assist the Department in a macro-analysis of Illinois’ private health insurance

marketplace to identify trends in premium rate increases and the impact of such increases.

D. Conduct Actual Analysis

The Department received 44 filings in the fourth quarter, 4 of which were subject to review. Two of these filings were filed before September 1, 2011 and therefore not subject to the Department's new rate review process. For filings received after September 1, 2011, the Department's Actuary works with the actuarial consultants to review premium information received from carriers. For the majority of these filings, the Department requested further information from the carrier because the information provided in the initial filing was insufficient for a thorough analysis. The consultants then review the rate increase to determine if it exceeds the 10 percent threshold for further review. If the increase exceeds 10 percent, the consultants conduct an in-depth review and issue a report to the Department's Actuary as to whether the rate increase is reasonable. The Department's Actuary then reviews the report and makes a final determination. The Department has worked with its actuarial consultants to streamline this review process to ensure efficiency and accuracy.

3. Obtain Authority and Establish Process for Conducting Comprehensive Premium Rate Review

A. Obtain Authority to Approve or Deny Premium Rate Increases

The Department drafted legislation (HB 1501) to obtain the authority to approve and deny rate increases during the first quarter and introduced its bill in the General Assembly on February 10, 2011. The Department worked with the bill's sponsor, Rep. Greg Harris, as well as consumer advocates and other stakeholders to educate legislators and the public on the bill's benefits. Unfortunately, on May 31st the General Assembly adjourned before action was taken on HB 1501. While the Department will continue work to pass HB 1501, it initiated conversations with HHS officials to determine alternate paths toward becoming certified as an effective rate review program. As a result of those discussions, the Department is currently considering regulation to establish its authority to collect rate information and make determination about its reasonableness.

The Department also carefully reviewed the proposed and final rules regarding rate review issued by HHS and incorporated the requirements into the review process established during the third quarter. For a detailed discussion of that process, please see the "Operational and Policy Developments" section below. In addition, the Department actively participated in the commenting process on the proposed rules through NAIC.

4. Public Engagement and Education

A. Public Hearings

The Department hopes to engage stakeholder groups to educate consumers and create momentum behind HB1501. The Department will publicize the hearings and record them for posting on the Department's website.

B. Interactive Website

The Department has received a Consumer Assistance Program Grant under the Affordable Care Act and will be coordinating website improvement efforts related to both grants so as to avoid duplication. The Department is using grant dollars to develop an interactive and user-friendly website allowing consumers to, among other things, search and access all publicly available information related to premium rates and rate increases within the Illinois health insurance marketplace. During the third quarter, the Department interviewed and extended offers for a Consumer Information Officer and Consumer Information Assistant funded through the Consumer Assistance Program Grant. These two new employees, both of whom started in the fourth quarter, are responsible for implementing the website upgrades. The Department conducted meetings to discuss the design of a rate review "Report Card" to display rate information on its new website. Also during the fourth quarter, the Department began development of a new rate filing webpage that includes an interactive web tool to display current rates. This new webpage allows consumers to see rate filings from 2005-2011 and provide comments to the Department on these filings. In addition, the Department evaluated proposals submitted in response to an RFP, requesting an assessment of the Department's consumer service activities, including the accessibility of the Department's website and other outreach efforts. The work of the selected vendor will help inform the form and content of the new website.

C. Translation Services

The Department made the decision to coordinate essentially all translation activities with the work project being conducted under the Consumer Assistance Program grant. As part of that work, which includes a comprehensive analysis of the effectiveness of the Department's existing communication with consumers and development of a plan for improving communication, the Department intends to translate all of its web pages and materials into several different languages, including all rate review-related information. The funding allocated as part of this grant will supplement those efforts. This will likely occur during the Extension period of the Grant.

Operational/Policy Developments/Issues

As mentioned above, the Illinois General Assembly adjourned on May 31, 2011 before action was taken on legislation establishing rate review authority. The Department will continue to work with legislators to pass the bill, and is currently considering alternative regulatory action.

The Department conducted several meetings during the fourth quarter, both internally as well as in conjunction with representatives from the Department's actuarial consultants, to implement its process for reviewing rates. Insurance Analysts work to organize information from the Illinois Web Portal and SERFF and check for its completeness. The consultants are then responsible for conducting a review for completeness, information sufficient for actuarial review, comments regarding any rate increases, and all other information at the level of detail required by HHS. The consultants review the rate increase to determine if it exceeds the 10 percent threshold for further review. If the increase exceeds 10 percent, the consultants conduct an in-depth review consistent with the standards required by HHS and issue a report to the Department's actuary as to whether the rate increase is reasonable. The Department's Actuary will then review the report and make a final determination. The Department's final determination and explanation of its analysis will be provided to CMS within five business days of the determination.

Public Access Activities

The Department received a Consumer Assistance Program Grant under the Affordable Care Act and will be coordinating website efforts related to both grants so as to avoid duplication. Through the Consumer Assistance Grant, the Department hired staff to develop and maintain a new website. The Department conducted interviews and extended offers to candidates for a Consumer Information Officer as well as a Consumer Information Assistant funded through the Consumer Assistance Grant. The Department also executed a contract with a vendor for a comprehensive assessment of current consumer outreach efforts as well as the development of a consumer satisfaction survey that can be submitted online. In addition, the Department developed a new rate filing webpage to display rate information to consumers on its website. This page also provides consumers with the opportunity to comment on rate filings.

Collaborative Efforts

The Department has collaborated with NAIC to develop modifications to the SERFF system. The Department has discussed SERFF upgrades as well as the potential use of the Health Filing Access Interface function. It also participated in the commenting process on the proposed HHS regulations.

Lessons Learned

As mentioned in each of its previous quarterly reports, the Department has experienced extensive delays in adding the staff necessary to conduct premium review activities. The Department will adjust its expectations for the addition of new staff moving forward, and has applied for a No Cost Extension to accommodate the delays in project activities associated with those experienced in the hiring process.

Premium Review Project Budget Narrative (Updated July 13, 2011)

Overall Budget

The Illinois Department of Insurance (DOI) budget for FY2012 totals \$45,078,500. Projected annual revenue collected in FY10 is \$359,200,677 (this amount includes the taxes collected and transferred to the General Revenue Fund).

Current rate review budget for Illinois' FY 2012

The current budget for premium rate review is \$80,481. The total includes 1 fulltime Insurance Analyst II plus employee benefits which is a cost of \$75,381. Additional employee costs total \$5,100. This position does not require travel.

Estimated Budget for Premium Review Cycle I

To enhance the current rate review process and to improve consumer protection standards, the Department estimates a total cost of \$1,000,000. An itemization of the costs is below.

Personnel

The Department's original submitted proposal required 1 health actuary, 3 actuarial assistants, and contractual actuaries. The Department now submits a proposal requiring 6 staff members which includes 2 health Actuaries (permanent staff), 1 actuarial assistant (contractual), 2 insurance analysts (contractual) and 1 clerk/office coordinator (contractual). In addition, the Department intends to utilize a research assistant (contractual). Total estimated cost for salaries is \$374,792.00.

Fringe Benefits

The cost of fringe benefits, including group insurance, social security, and retirement for the additional staff is \$108,777.37.

Travel

Though new staff will not travel, existing staff will travel under the grant to perform activities related to advancing legislation, and coordinating with Springfield staff and other stakeholders across the state. Colleen Burns, Special Counsel for Health Policy, will be traveling to Springfield during the legislative session to advocate for the Department's legislation to establish rate review authority. The Department has allocated \$3000 for the cost of travel, including mileage (408 miles roundtrip at the federal rate of 51 cents per mile, or \$208), hotel (\$70/night plus taxes), and Per Diem (\$27 per full day). This will cover the cost of one staff traveling 1-2 times per month to Springfield during the General Assembly's fall session.

Equipment

For the two new permanent employees and four additional contracted staff funded by this grant, the Department anticipates an average cost of \$533.27 per employee for equipment for the year. This comes to a total of \$3199.63, and includes computers, printers, calculators, staplers, and other similar equipment.

Contractual Services

New Employee Contractual Services

For the two new permanent employees and four additional contracted staff funded by this grant, the Department estimates an average cost of \$1000 per employee for various contractual services for the year, for a total of \$6000. These contractual services are a standard cost built into the cost of hiring new employees, and include services ranging from renting offsite storage for servers, to repairs and maintenance of IT and other electronic equipment.

IT Services

Illinois intends to develop a new analytic data system to report rate increases to consumers. Improvement to the current IT infrastructure requires funding for a Level II IT consultant to design and build rate review software and convert to web-based system for consumer use. IT development would consist of 2 6-month contracts for web development. Each contract will require the expertise of a Level II IT consultant. The average rate of a Level II IT consultant is currently \$99 per hour. Each 6-month contract consists of 1,000 hours of work, for a total of \$198,000.

Actuarial Services

Illinois has contracted with an actuarial firm to assist the Department in analyzing premium rate increases flagged as being potentially “unreasonable”, and to assist the Department in filling any gaps in their new process. At an estimated cost of \$250 per hour estimate for 1,095 hours of work (6 months), the Department estimates this activity will cost \$272,978 for one six-month contract.

“Other” Category Spending

IT Upgrades

The Department will upgrade the current SERFF system at a cost of \$18,808. The cost estimate covers the expenses associated with modifying SERFF to address data collection and reporting requirements, such as:

- State options to indicate premium review grant participation;
- Company profile changes to incorporate company type;
- State-maintained indicator for rate filing requests meeting the HHS threshold for “unreasonable”;
- Addition of field to indicate product types;
- Company-maintained product information including product name, HHS id, and product status that will allow the companies to track products and apply them to filings;

A new set of fields added to the Rate/Rule schedule items to provide HIPR data on a policy form basis;
Changes to the State API to accommodate retrieval of the data elements added above and to allow for updates of appropriate data elements via the State API.

Public Hearings

The Department will conduct public hearings regarding premium rates and increases. The goal is to hear the “real” impact of rate increases on individuals, families and small businesses. The Department estimates the cost of the public hearings to be \$1,000. This estimate is based on evaluation of unspecified expenses for print materials, newspaper notices, rental of conference space and miscellaneous expenses (*i.e.*, projectors, screens). *The Department intends to use public meeting space such as public libraries or universities, which may have nominal rental fees.*

Consumer Education and Outreach

The Department will engage and educate the public and policymakers regarding health insurance premiums, health care costs, utilization and benefit design. The Department estimates the cost of this effort will be \$1,500. The estimate includes the cost of media notifications, printing and postage.

Translation Services

In an effort to provide appropriate services to all Illinois consumers, the Department will translate web-based databases, documents, reports and charts to Spanish, Polish and Korean. In addition, the Department will translate documents, reports and charts into other languages identified in the last census. A detailed description of language services is attached. The Department estimates the cost of these services to be \$11,945. The Department will procure these services through a state-approved contract. Translation services are provided at a flat rate, per-word.

Premium Rate Review Project Work Plan
(Updated October 21, 2011)

I. The goals of the Premium Rate Review Project are to:

1. *Expand the scope of current review processes and improve rate filing requirements.*
 - a) To improve the infrastructure for health insurance rate filing, review, analysis and publication, the Department of Insurance (the “Department”) plans to hire additional staff, update existing technology for collecting and analyzing rate information, and impose reporting requirements on insurers.
 - b) In addition, the Department plans to engage and educate the public and policymakers. Outreach will be premised upon the information assembled from the rate review reporting (as well as the additional consumer-provided information described below), the analysis of that data, and further reports on consumer impact.
2. *Enhance consumer protection standards.*
 - a) To increase transparency and enhance both consumer and policymaker engagement, the Department will conduct public hearings on proposed unreasonable rate increases, and the effect of these increases on Illinois families and businesses. All information related to the hearings will be posted prominently on the Department’s website.
 - b) The Department also plans to engage individuals from across the state to inform the Department on the true impact of current health insurance premium rates, to understand the statewide health care economy, utilization trends and benefit designs.
 - c) The Department will develop interactive tools for consumers, accessible on the Department website, which are dedicated to improving transparency and understanding of premium rate information through the use of consumer-friendly interfaces. This technology will enable individuals and businesses to search a database that will include:
 - Information on the history of an insurer and previous rate increases (to the extent the State has this information); and
 - Functionality to permit individuals to compare rates and trends.

II. The Department will know how many consumers it reaches by:

- a) The number of attendees of the public hearings and educational events, such as webinars;

- b) The number of “hits” to the website; and
- c) The number of policyholders impacted by a proposed rate change.

III. Preliminary actions have taken place for the Premium Rate Review Project.

The Department has publicly and privately engaged the insurance industry and emphasized the need for rate review in Illinois. The Department prepared and published a report of current rate increases in the individual and group markets. The Department will continue to update this report as rate filings are received. The Department has established a consumer comment function to allow consumers to email the Department with comments or concerns about current rate filings. The Department has initiated the formal hiring process to employ necessary personnel.

IV. The Premium Rate Review Project will be conducted by the Department’s actuaries and insurance analysts in partnership with an actuarial consulting firm.

Improvement of the rate review process requires the Department to hire 2 additional actuaries to help manage increased rate reporting and analysis of rates. Credentials for those employees will include the following:

- The **Health Actuaries** perform highly responsible professional actuarial work by providing counsel and advice and conducting technical research in the insurance field of life, accident and health; conducts technical actuarial determinations of insurance firms doing business in the State; develops and prepares reports and recommends appropriate actions to the chief actuary or to the department director and administrators; may supervise lower level actuaries.
- The **Health Actuary** position requires knowledge and skill equivalent to completion of four years of college, with courses in higher mathematics, such as calculus, probability and statistics. Requires four years professional experience in actuarial work in the life, accident and health field. Preferably requires the equivalent to the certificate received for the completion of necessary examinations to qualify as an Associate or Fellow of the Society of Actuaries (A.S.A. or F.S.A.) or Casualty Actuarial Society (A.C.A.S. or F.C.A.S.). Preferably requires the type and kind of experience and training necessary for membership in the American Academy of Actuaries.

V. The Premium Rate Review Project will take place

August 9, 2010 – September 30, 2012.

PREMIUM REVIEW PROJECT TIMELINE

(Updated October 21, 2011)

The Illinois Department of Insurance (“the Department”) will proceed with the following timeline for implementation of stated grant activities to enhance the current rate review process.

First Quarter (August 9, 2010 through December 2010). *This quarter will primarily be composed of going through the formal hiring process, staff training, and planning necessary to effectively execute each of the activities planned in the grant application.*

- August/September 2010. The Department anticipates the National Association of Insurance Commissioners (NAIC) will begin work immediately to modify the current System for Electronic Rate and Form Filing (SERFF) to address data collection and reporting requirements in Section A.1(c)(2) of the grant application. Until the Department is able to procure the Level II IT consultant, the Project Director will be working closely with NAIC over the subsequent 3 months of development to improve this technology.
- October 2010. The Department will initiate the formal process of hiring new staff dedicated to the Rate Review Enhancement Project. Illinois has a structured interview and selection process that includes bargaining contracts, executive orders and court mandates. These procedures may take 12-16 weeks or longer.
- October 2010. The Department will begin the process of preparing for and contracting with a new IT consultant dedicated to health reform and procuring additional actuarial consulting services. The Department will submit a Request for Proposal (RFP) following the statutorily required procurement process, which requires approval from the State Chief Procurement Officer. This is estimated to take approximately 12 weeks.
- October 2010. The Department will work with industry, consumer, and community-based organizations to identify partners for the engagement and education of the public and policymakers.
- October 2010. Department senior staff will work in concert with the new health reform IT consultant to begin crafting a plan to transition the Department’s existing IT infrastructure to meet the needs of improved rate review activities and consumer engagement tools.
- October/November 2010. The Department will establish a reporting protocol for major medical insurance products.
- November 2010. The Department will provide written notification to insurers of the Department’s rate increase reporting protocol.

- December 2010. As soon as practicable, insurers in every market (individual, small group, large group, HMO) will begin reporting rate information electronically through SERFF and the IT infrastructure developed for this purpose.
- December 2010. Using the enhanced SERFF technology and the IT design plan from the consultant, the Department will begin building an enhanced IT infrastructure to report findings to consumers.

Second Quarter (January 2011 - March 2011). *This quarter will be dedicated to public hearings on rate increases, developing/testing/training staff on the new technological infrastructure necessary, and educating insurers about the IT reporting process.*

- January 2011. The Department will continue to engage and educate the public and policymakers regarding the dysfunction of the Illinois market and the need for extensive rate review authority, through mechanisms such as educational webinars and other outreach to coordinate with stakeholders on expanding rate review authority for the Department. Department professionals will continue to evaluate and analyze data received in the rate review process.
- February 2011. The Department will launch the new reporting system for rate filings and notify carriers of the new requirements.
- February-April 2011. The Department will review proposals submitted for actuarial consulting services, select a vendor, and execute a contract with the vendor to perform those services.

Third Quarter (April 2011 – June 2011). *This quarter will be dedicated to evaluating implementation and actual information reported due to the new reporting requirements, more in-depth review of rates, reporting on rates, and communication with key stakeholders during the second half of the state's legislative session.*

- April/May 2011. The Department will work with state legislators and relevant stakeholders to develop a plan for public hearings on proposed rate increases (with the goal of multiple hearings in Chicago and Springfield). Planning will consist of location, logistics, potential witnesses, public notification, and administrative processes.
- May 2011. The Department will contract with a vendor (Oliver Wyman) to provide actuarial consulting services related to the rate review process.
- May 2011. Appropriate Department staff will commence training on updates to SERFF reporting systems and related API web services, while new technical staff continues to represent the needs of the Department as it relates to additional updates to SERFF and related API services with NAIC.

- May 2011. SERFF staff and our internal health reform IT consultant will train relevant staff on new rate filing technology. IT staff will work with senior rate filing staff to draft the appropriate notice and directions on the new rate filing system for insurers. New information will be made public, and posted prominently on the Department's website.
- May/June 2011. The Department will commence a public campaign to inform individuals and businesses about the information and trends apparent in the rate filing data. This may include only preliminary information, rate trends, and relevant information related to the Medical Loss Ratio data submitted to the state, NAIC, and HHS.
- June 2011. Appropriate Department staff will meet with representatives from Oliver Wyman to establish a detailed process for the evaluation of rate filings.

Fourth Quarter (July 2011 – September 30, 2011)

*Note that the Department has applied for a No Cost Extension of the Cycle I grant funding through September 2012.

- July 2011. The Insurance Analysts begin work.
- July 2011– 2012. The Department expects to host public hearings on proposed rate increases.
- October 2011. In coordination with the efforts in the Department using the Consumer Assistance federal grant, IT staff will launch a beta version consumer interface for the rate review web site and associated tools with simulated information for feedback and refinement.
- October 2011. Through the Consumer Assistance Program Grant, the Department will execute a contract with a vendor to assess the Department's consumer service activities, including the accessibility of the Department's website and other outreach efforts. The work of the selected vendor will help inform the form and content of the new website.
- December 2011. The Department will compile and publish analyses regarding rate increases, health care costs, health care utilization and benefit design.
- December 2011. Reports generated from the rate review process will be made publicly available.
- December 2011. The Department will continue to make improvements to the Illinois Web Portal.
- January 2012. The Department expects to complete efforts to hire an Actuarial Assistant to assist with rate review.

- January/February 2012. The Department expects to complete efforts to hire two Health Actuaries to assist the Department with rate review.