



Illinois Department of Insurance

Legislative Affairs Office

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Support HB 1501 (Harris)

HB 1501: Health Insurance Rate Review

- HB 1501 would, for the first time in Illinois, protect individuals and families against unwarranted and exorbitant premium increases for health insurance.
- The bill requires all insurers and HMOs to report to the Department of Insurance premium rates and information justifying the rates for all individual and group health plans.
- HB 1501 requires the Department to disapprove premiums that are excessive, inadequate, or unfairly discriminatory.
- HB 1501 establishes a hearing process for insurance companies and consumers who object to a decision by the Department to approve or disapprove any premium rate.

Background

- Individuals, families, and small employers in Illinois who are fortunate enough to obtain an affordable offer when first purchasing a health insurance policy often face unaffordable premium increases upon renewal.
 - The "[Individual Major Medical Health Policy Rate Filing Report](#)" published by the Department of Insurance reveals rate increases of up to 80% dating back to 2005.
- Current Illinois law:
 - Does not restrict health insurance premium increases;
 - Does not vest in the Department any rate review or approval authority;
 - Gives small businesses (2-50 employees) nominal protection against rate increases, but small employers remain vulnerable to unpredictable and dramatic increases at renewal.
- 30 U.S. states have the authority to approve or deny premium rates for individual and/or group health insurance coverage, including the nearby states of Indiana, Iowa, Minnesota, Tennessee, and Ohio.
- Without state law, Illinois families are denied protection from unreasonable, unwarranted, or abusive rate hikes.