



The Voice of Illinois Consumers

Central/Statewide

44 East Main St., Suite 414
Champaign, IL 61820-3642
(v) 217/352-5600
(f) 217/352-5688
e-mail: cbhc-cu@cbhconline.org

Chicago

1325 S. Wabash, Suite 305
Chicago, IL 60605-2504
(v) 312/913-9449
(f) 312/913-9559
e-mail: cbhc-chi@cbhconline.org

Helplines

1-888-511-0290
(Children's Health)
1-888-544-8271
(Medicare & Uninsured)
Website: www.cbhconline.org

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Talking Points: Rate Review – HB 1501

TO: Staff, Board, Partners and supportive legislators

FR: Jim Duffett

RE: Talking Points – Rate Review

We encourage everyone to use the talking points developed by collaborative partners within the HCJC communications committee and national partners, especially the Herndon Alliance. Use them in your verbal description of HB 1501 and in all your written communications. Additional framing documents (letter to the editor builder, and question and answer document) will be sent out this week.

- Rate review means that insurance companies will have to justify their requests for rate increases to the state Department of Insurance and cannot raise your rates unless their request passes this review. This increases transparency in the process - insurance companies will now have to prove the need to charge their customers more, and will not be allowed to do so unless they meet strict criteria.
- The state Department of Insurance will act as a watchdog to ensure that rate increases are fair, needed, and enacted in accordance with the rules. That is strong protection for insurance consumers in Illinois.
- Rate review is fair for both insurance companies and insurance consumers. Rates cannot be raised unless the review says they can, but insurance companies whose increases are denied will have the opportunity to appeal the decision.
- With more information about the rationale for rate hikes, consumers will be better prepared to make an informed decision about whether or not to purchase insurance from a specific company. This will stimulate positive competition in the health insurance marketplace, and benefit consumers by lowering costs.
- Without rate review, health insurance premiums in Illinois rose 73% from 2000-2007. The rate review process will slow down sudden exorbitant cost increases for insurance, allowing all health insurance consumers including working families and small business owners the ability to obtain quality, affordable insurance for themselves and their families.