

**VOTE YES
ON HB 1501**

The Health Insurance Rate Fairness and Affordability Act

Protect Consumers from Unjustified Rate Increases

Chief Sponsor: Representative Greg Harris

Skyrocketing health insurance costs pose a serious threat to the personal and economic health of families and small businesses across Illinois. Each year, Illinois families and small businesses face unjustified rate increases that severely impact their health and savings. The Illinois Health Insurance Rate Fairness and Affordability Act will take critical steps to control runaway rate increases and ensure families and businesses get quality insurance at an affordable price.

Illinoisans face record rate increases, while insurance companies make record profits:

- Health insurance premiums in Illinois rose 73% from 2000 – 2007.
- Illinois' insurance marketplace is highly concentrated, with Wellpoint / Blue Cross controlling 69% of the market (Wellpoint is a licensee of Blue Cross Blue Shield).
- CEO pay went from \$85.5 million in 2008 to \$228.1 million in 2009, a 167% increase.

Individuals buying health care on the open market (the fastest growing sector of the insurance market) saw their rates increase 60% this year alone. Such rate increases are far above medical inflation trends that are generally in the high single digit percentages, industry analysts say.

The Department of Insurance needs broader tools to use rate review as leverage for changing our healthcare delivery into a more cost-effective, higher quality system. The Health Insurance Rate Fairness and Affordability Act will give the Department of Insurance critical tools to ensure quality and affordable health care for all Illinoisans:

- Health insurance companies will file premium rate changes with the Department of Insurance for individual and group health insurance plans.
- Health insurance companies will file in writing any changes to rates or classification of risks.
- The burden of proof for justifying the rate increase falls on the insurance company.
- The Department of Insurance will make a decision within 60 days of receiving request.
- Disapproval of rate increases for inadequate benefits, excessive rate increases, and discriminatory practices.
- Any filing must clearly indicate the percent change since the last filing and percent change over the last 12 months.
- Approval and disapproval of rate increases will be in writing and posted on a website.
- Appeals by insurance company or policy holders must be submitted within 30 days of decision.

**For more information, contact John Gaudette, Citizen Action/Illinois Organizing Director:
john@citizenaction-il.org, 312.427.2114 x208.**

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AFSCME Council 31

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Illinois Main Street Alliance

Illinois Maternal and Child Health Coalition

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Illinois Psychological Association

Illinois Public Health Association

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National Association of Social Workers, Illinois Chapter

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