



Illinois Department of Insurance

BRUCE RAUNER
Governor

JENNIFER HAMMER
Director

To: Bruce Rauner, Governor
Jennifer Hammer, Director of Insurance
Honorable Members of the General Assembly

From: The Office of Consumer Health Insurance/Uninsured Ombudsman

Re: The Office of Consumer Health Insurance 2017 Annual Report

Date: January 31, 2018

The Office of Consumer Health Insurance (OCHI) is pleased to submit its 2017 Annual Report as required by the Managed Care Reform and Patient Rights Act (215 ILCS 134/90).

OCHI is an essential resource for consumers with health insurance related questions, and serves as an advocate for individuals and businesses seeking health insurance information.

We anticipate continued success in the upcoming years and value any comments or suggestions you may have.

Consumers can reach OCHI toll-free by calling 1-877-527-9431, and can reach the External Review team toll-free seven days a week at the Department's External Review Hotline 1-877-850-4740.

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Executive Summary

The Managed Care Reform and Patient Rights Act (215 ILCS 134/1 *et seq.*) established the Office of Consumer Health Insurance (OCHI) effective January 1, 2000. OCHI operates within the Illinois Department of Insurance (Department) and serves Illinois residents by responding to health, substance use disorder, mental health, disability, and long-term care insurance related inquiries. As of December 31, 2017, consumers have contacted the Department on over 353,509 occasions through the OCHI toll-free number and the External Review Hotline number. OCHI staff immediately responds to approximately 90% of incoming calls, and returns more than 99% of all voicemail messages within one hour of receipt. OCHI strives to directly answer the consumer's questions while on the phone or researches the issue of concern and responds to the consumer within 24 hours.

OCHI's activities have expanded and intensified due to the rapidly changing and confusing health insurance environment, and the increasing number of individuals who lack employer-sponsored health care. In addition to responding to consumer telephone inquiries, OCHI also provides assistance to Illinois consumers and through outreach mechanisms, including administration of the Uninsured Ombudsman Program (Ombudsman) (20 ILCS 1405/1405-25), participation at Rapid Response meetings for dislocated workers, involvement in community health fairs, and the development and distribution of consumer oriented brochures and fact sheets. Through these avenues, OCHI helps consumers understand their insurance coverage, advises consumers of their rights under insurance policies, assists insureds with filing appeals and complaints, and connects Illinois residents with appropriate resources. In 2016, OCHI expanded its consumer resources by including a mental health and substance use disorder parity hotline, and also handling all Get Covered Illinois calls. OCHI call volumes were slightly decreased in 2017, due in part to redirecting the high volume of Get Covered Illinois Open Enrollment calls, and to the ability of all health issuers to remain solvent throughout the 2017 Plan Year.

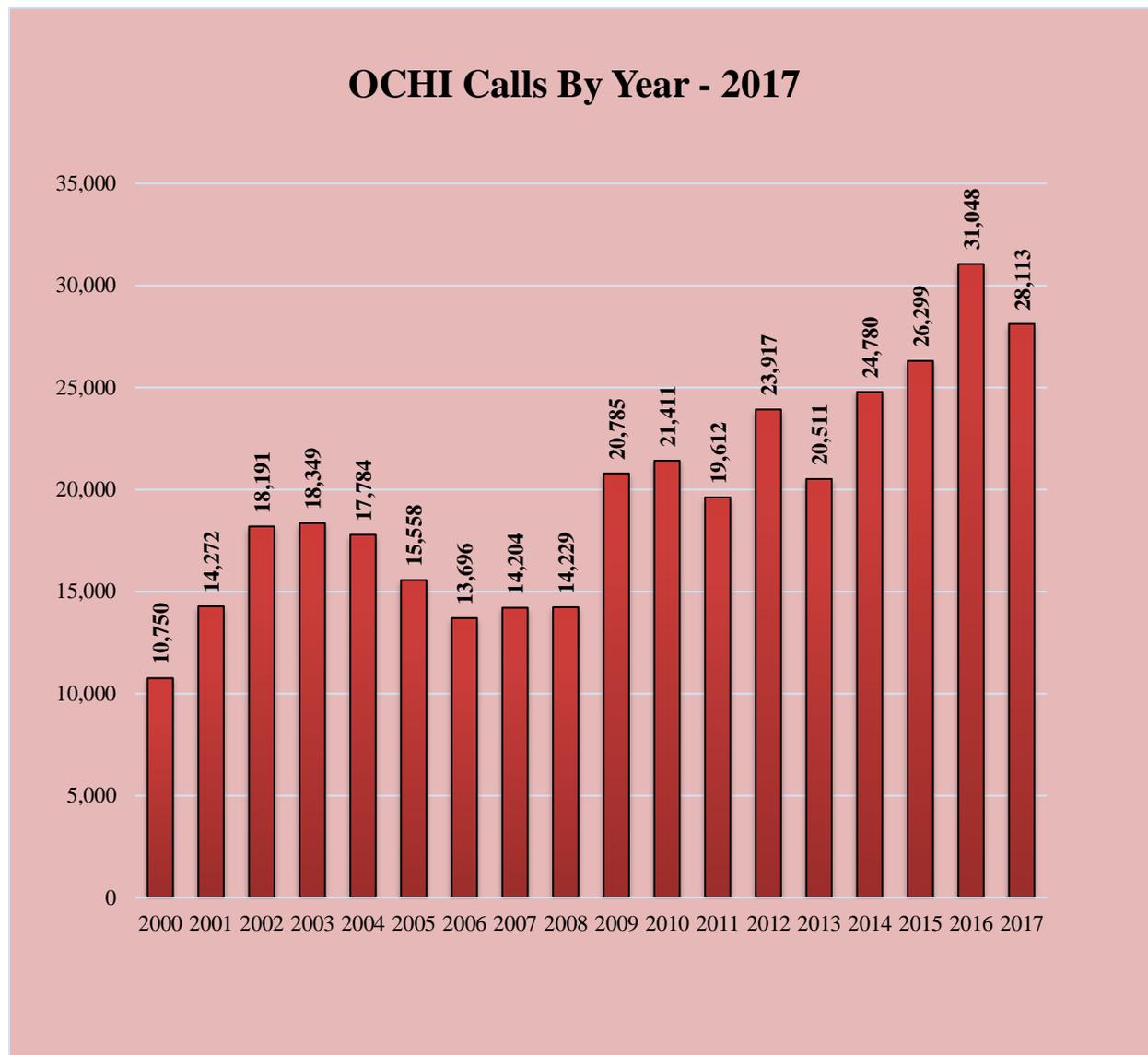
Our goals during the most recent Marketplace Open Enrollment were to make Illinois consumers aware of several key messages:

- All Qualified Health Plans (QHP) must provide equal treatment (parity) for physical illnesses as for mental health and substance use disorders;
- Open Enrollment for 2018 is November 1, 2017, to December 15, 2017, 6 weeks not 12 weeks as in past years;
- Shop before you decide, cost is not always the only factor, look both on and off exchange to maximize your benefits;
- Tax subsidies are still available to those who qualify; and
- The individual mandate and the ACA are still the law of the land.

As of December 28, 2017, 334,975 Illinoisans enrolled or re-enrolled in Marketplace QHPs during open enrollment. Under the ACA, Illinois expanded Medicaid to provide coverage for low-income adults ages 19-64. 631,693 additional adults enrolled in 2017 Medicaid plans as a result of the Medicaid expansion, bringing total Illinois ACA related enrollments to 966,668. The uninsured rate continues to improve in Illinois. Since 2013 the Illinois uninsured rate has dropped from 17.8% to 6.5% (as of September 2017).

OCHI and External Review staff is available to consumers Monday through Friday, 8:00 a.m. – 5:00 p.m. at (877) 527-9431 and (877) 850-4740 respectively, and participated in approximately 28,113 telephone calls last year. External review staff is also available during weekends to handle external review requests. In 2017, the OCHI toll-free number received 20,589 calls and placed 3,587 outgoing calls, for a total of 24,176. The External Review Hotline received 3,648 calls and placed 289 outgoing calls for a total of 3,937. OCHI received approximately 1285 calls from consumers requesting assistance in Spanish, and these calls were transferred to Department employees fluent in Spanish.

OCHI staff supported the Get Covered Illinois help desk functions throughout 2017. During the six week Open Enrollment Period, OCHI and the Department received support through a partnership with GoHealth. GoHealth provided detailed on-line plan information and phone support from licensed health insurance agents seven days a week. At the close of open enrollment, OCHI resumed the sole responsibility for all consumer calls.



Section 1 - Educating Consumers about Health Insurance Rights and Options

In 2017, OCHI staff were challenged to support an ever-changing landscape of questions from Illinois consumers. OCHI staff participated in more than 28,000 calls from a variety of individuals and groups, including consumers, employers, agents, associations, attorneys, health care providers, and advocates.

OCHI provides information and education that assists consumers in understanding their health insurance needs and benefits, and helps consumers define, in practical terms, the specific challenges they are experiencing. OCHI explains differences between benefits available in individual, small group, and large group insurance products, and related rights guaranteed by federal and state laws. In addition to discussing issues with consumers by phone and in person, OCHI refers consumers to information available on the Department's internet site (<http://www.insurance.illinois.gov>) and outside websites. Based on income and age information provided, OCHI staff directed consumers to the appropriate resource to obtain coverage, such as Get Covered Illinois, the federal Marketplace, the Illinois Department of Health Care and Family Services (HFS) for Medicaid and All Kids, or the Department of Aging Senior Health Insurance Program for Medicare.

OCHI staff continued to track the call topics via the Phone Inquiry and Response Tracking System (PIRT). The system also tracks resources used by OCHI staff, referrals to other entities for assistance, and the action taken to resolve the call.

The Department continues to maintain the On-line Agency Resources (OAR) to the PIRT system. Resources such as the Uninsured Ombudsman Service Finder Database, Fact Sheets, websites, telephone numbers and company-specific information are maintained for easy access by the OCHI staff. The OAR contains over 1,000 resources, allowing for efficient call times with consistent and accurate information for consumers.

Throughout 2017, OCHI responded to more than 3,200 calls from Illinois residents who needed assistance or had questions regarding the Health Insurance Marketplace, including topics such as enrollment and eligibility, Essential Health Benefits (EHB), Advance Premium Tax Credits (APTC), Cost Sharing Reductions (CSR), QHPs, provider networks, Presidential Executive Orders and press releases, and the individual mandate.

OCHI supported Get Covered Illinois by advising consumers how to locate available health plans, when to enroll, and how to obtain detailed assistance in selecting a plan, including website and telephone information for Get Covered Illinois and the federal Marketplace (www.getcoveredillinois.gov and (866) 311-1119; www.healthcare.gov and (800) 318-2596). OCHI also coordinated communication with insurance issuers directly, and provided Medicare and Medicaid related resources where appropriate.

OCHI explained the ten categories of EHBs that all ACA compliant plans offered in the individual and small group markets (both inside and outside of the Marketplace) must provide:

- Ambulatory Service
- Emergency Room Services

- Hospitalization
- Maternity/Newborn
- Mental Health and Substance Use
- Prescription Drugs
- Rehabilitative and Habilitative Services
- Laboratory
- Preventive Services
- Pediatric Services

Additional EHBs are required in Illinois, based on a benchmark plan (Blue Cross Blue Shield of Illinois Blue Advantage Plan) and state laws. OCHI addressed questions regarding Illinois EHB requirements by accessing OAR, Department consumer fact sheets and Department issuer filing checklists on-line at <http://insurance.illinois.gov/healthInsurance/consumerHealth.html> and http://insurance.illinois.gov/LAH_HMO_IS3_Checklists/LAH-Checklist.html

On October 11, 2017, the United States Attorney General authored a legal opinion finding there was no appropriation for the federal government to make ACA CSR payments to issuers, and on October 12, 2017, the Secretary of Health and Human Services announced CSR payments to issuers would stop immediately. On October 12, 2017, President Trump issued Executive Order 13812 requesting rules related to three already complicated areas of health insurance: Association Health Plans; short term limited duration plans; and health reimbursement arrangements. Consumer inquiries and confusion significantly increased due to these actions by the federal government. OCHI analysts reiterated the Department's message that the ACA remains the law of the land, and explained the continuing requirement for individuals to obtain health insurance.

OCHI educated consumers about federal premium tax credits which could help lower monthly insurance premiums for individuals with household incomes between 100 percent and 400 percent of the federal poverty level (FPL). In addition, OCHI explained that consumers who purchase a Silver Plan on the Marketplace may also be eligible for CSRs, which could lower out-of-pocket costs by reducing deductibles, coinsurance, and copayments

In light of the confusion surrounding the federal government's payment of CSRs to the insurance issuers, and the Department's commitment to ensure consumers did not incur higher health insurance costs due to uncertainty in Washington, D.C., the Department advised issuers to apply the CSR uncertainty cost solely to silver plans.

During 2017, the following five carriers offered individual QHPs through the federal marketplace to Illinois consumers:

1. Celtic Insurance Company;
2. CIGNA Healthcare of Illinois, Inc.;
3. Health Alliance Medical Plans, Inc. (HAMP);
4. Health Care Service Corporation, a Mutual Legal Reserve Company (Blue Cross Blue Shield of Illinois); and
5. Humana Health Plan, Inc.

Illinois had issuers available in all 102 Counties within the state, while Blue Cross Blue Shield of Illinois was the only carrier to cover the entire state. Residents in all counties had multiple plan choices including gold, silver, bronze and catastrophic plans. Additionally, five issuers offered off exchange health insurance plans for 2017 that complied with ACA requirements. 2017 Plan Year details are available here: <http://insurance.illinois.gov/newsrsls/2016/08/2017RatesNumbers.pdf>.

The long term sustainability of the Health Insurance Marketplace, as established by the ACA, continued to be a nationwide source of discussion and speculation. Many states faced a complete collapse of the Marketplace, and withdrawal by all issuers. Illinois worked diligently with issuers, and the Department and OCHI were pleased to announce that four issuers would continue to offer individual QHPs for 2018. In late 2017, Illinois released the Plan Analysis (<http://insurance.illinois.gov/newsrsls/2017/11/2018IllinoisPlanAnalysisOnAndOffExchange.pdf>) for 2018 coverage, identifying the four 2018 issuers:

1. Celtic Insurance Company;
2. CIGNA Healthcare of Illinois, Inc.;
3. Health Alliance Medical Plans, Inc. (HAMP); and
4. Health Care Service Corporation, a Mutual Legal Reserve Company (Blue Cross Blue Shield of Illinois).

The ACA small business program continued to face low enrollment, and OCHI received only 33 calls regarding this topic, a 50% reduction from 2016. OCHI staff provided callers with information regarding the availability of the SHOP Marketplace where small businesses with fewer than 50 employees could purchase coverage. As part of the information provided, OCHI staff explained that small businesses with fewer than 25 full-time equivalent employees making an average of \$50,000 or less, per year, may qualify for the small business health care tax credit worth up to 50% of the employer's contribution toward employee premium costs when coverage is purchased through SHOP.

In 2017, the following two issuers offered plans through SHOP: Health Alliance Medical Plan, Inc. (HAMP); and Health Care Service Corporation, a Mutual Legal Reserve Company (Blue Cross Blue Shield of Illinois). Health Alliance Medical Plans, Inc., is the only issuer that offered plans through SHOP for 2018. Despite the small number of Marketplace SHOP participants, many issuers, including Blue Cross Blue Shield of Illinois, offered small group plans outside the Marketplace.

Consumers also contacted OCHI with Marketplace concerns including:

- Marketplace determinations that some or all children of a household were potentially eligible for Public Aid causing the application to be transferred to HFS (resulting in a delayed coverage) although parent's income was over the minimum threshold;
- Denials of advance premium tax credits and/or CSRs;
- Special Enrollment opportunities;
- Miscalculation of advance premium tax credits;
- How to access 1095 forms;
- Coverage denials due to other reasons;
- Inability to qualify for Special Enrollment Periods or to get coverage once qualified;

- Miscommunication between the carriers and the Marketplace regarding payment of premiums and effectuation of coverage;
- Delays receiving insurance identification cards and policies; and
- Misunderstanding, by consumers, of distinct provider networks associated with specific plans, even if offered by the same carrier.

OCHI assisted callers with all mentioned problems and many others. OCHI helped consumers file appeals of the Marketplace determinations, and also connected consumers with Marketplace and/or HFS staff who could assist depending on the situation. OCHI helped consumers file complaints with the Department when a carrier's action or inaction was in question. In circumstances where a person needed medicine or treatment, OCHI acted as liaison and sent expedited inquiries to the Marketplace, HFS and/or the carrier and then followed up with the consumer to ensure resolution.

In addition to the ACA-related calls, OCHI continued to receive calls requesting information on many other topics including:

- How to obtain independent review of a claim or service denied for medical necessity, pre-existing condition, or rescission;
- How to file a complaint with the Department regarding administrative denials or unsatisfactory payments;
- How to navigate provider network changes;
- How to contact an insurance company directly;
- Questions regarding state health insurance laws and rules including mental health and substance use disorder parity;
- Questions regarding rate increases; and
- How to continue coverage upon loss of employment or a change in family dynamic such as birth, death, divorce or legal separation.

OCHI continues to provide services to Illinois consumers who experience problems with insurance carriers, have questions about Illinois insurance laws and the impact of federal law, have concerns regarding rate increases, and are unable to find coverage due to cost or access.

1. Claim-Related Appeals

Claim-related appeals continue to be one of the top reasons for calls. OCHI spoke to nearly 4,000 callers regarding this topic. Questions included claim denials, unsatisfactory claim payments, and contract exclusions. OCHI responded to callers by explaining the internal appeal process and situations that warrant filing a complaint with the Department. OCHI staff participated in specialized training to assist with identification of mental health and substance use disorder parity claim denials.

Some callers were advised that their claim denials might warrant filing an external review request with the Department. According to the Health Carrier External Review Act, consumers have the right to file an external review request for denial of coverage based on medical necessity, rescission of coverage, preexisting conditions and/or if the service or treatment is believed to be experimental and/or investigational.

2. Consumer Assistance and Education

Many calls to the OCHI toll-free numbers do not relate directly to insurance plans regulated by the Department; however, OCHI's mission includes referring consumers to the appropriate resource for assistance. Examples of consumer referrals include: calls related to self-insured plans, Medicaid questions, Marketplace escalations, calls intended for other state agencies, calls for the carriers, and calls for other areas within the Department. OCHI assisted over 13,200 callers by listening to their needs and guiding them to the appropriate place for assistance.

3. Insurance Law

In 2017, OCHI assisted 1,611 callers about various state and federal insurance laws. As in past years, questions regarding federal and state continuation of coverage laws accounted for most of these questions. Other laws of special interest included questions about:

- a. Infertility coverage mandate;
- b. Autism coverage mandates;
- c. Coordination of benefits; and
- d. Mental Health and Substance Use Disorder parity.

4. General Company Information

OCHI received approximately 890 questions from consumers seeking general information about an issuer. Many of the callers requested address and phone numbers for insurance companies. OCHI also provided callers with the complaint history of specific carriers, and rating information accessed at A.M. Best Rating Services which rates companies based on their financial status and ability to pay claims.

5. Uninsured Ombudsman and Shopping for Coverage

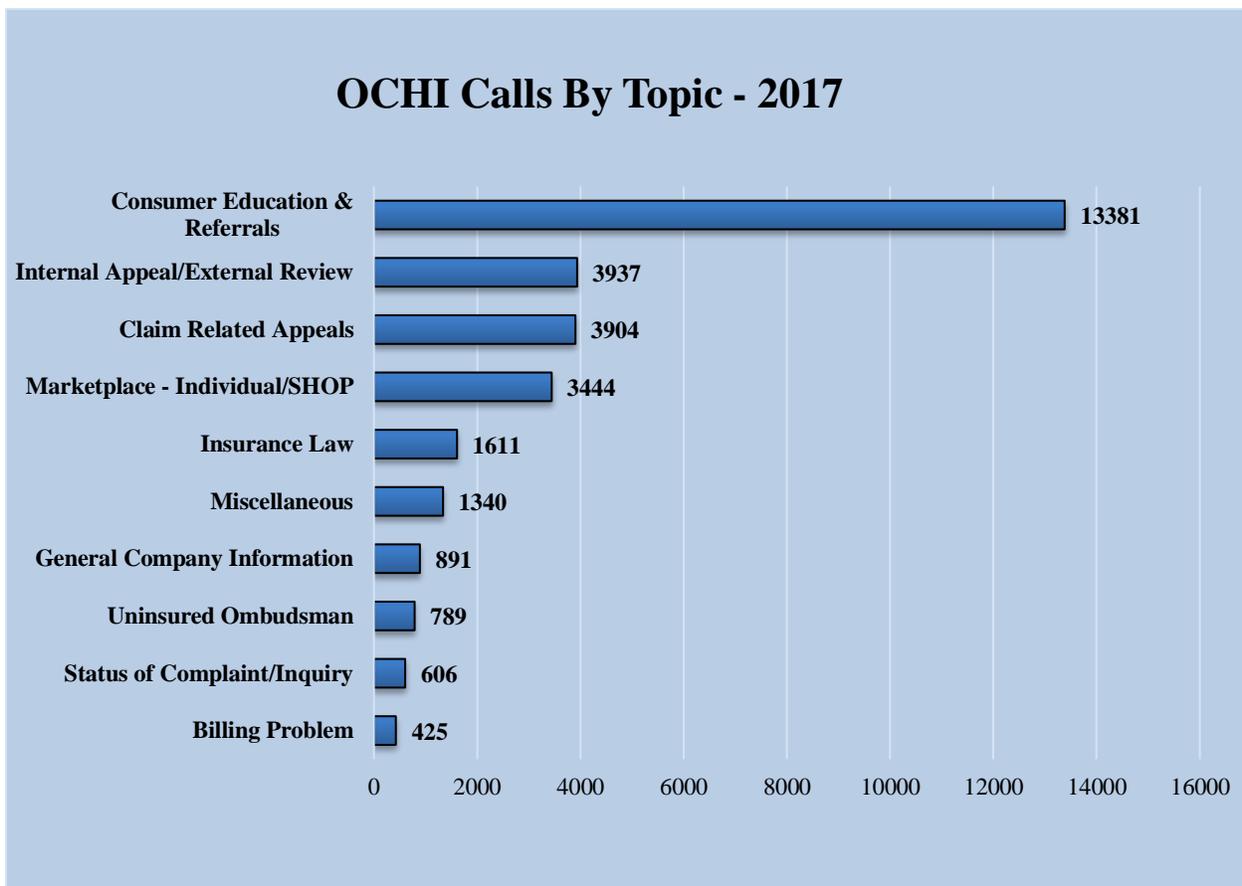
OCHI spoke to over 750 consumers regarding resources available through the Uninsured Ombudsman or for assistance in shopping for coverage such as long-term care coverage and Medicare Supplement (Medigap) coverage. OCHI used the resources from OAR to assist uninsured callers and direct them to medical clinics, pharmaceutical companies, and other entities that provide medical care for free or at a discounted rate. For those looking for other types of coverage, OCHI provided complaint history information and answered questions about the options available to the consumer. Additional information regarding the activities of the Uninsured Ombudsman is included in Section 5 of this report.

6. Premium Billing Problems and Rates

OCHI spoke to 425 callers regarding billing problems with insurance carriers. The OCHI team assisted consumers having difficulty with effective dates, premiums, billing or other similar issues. Consumers also called regarding long-term care coverage rate increases. OCHI explained how rates are filed with the Department and encouraged consumers to file complaints to shed more light on this situation.

7. Other topics explored by callers to OCHI during 2017 included:

- Impacts of the activities in Washington D.C. on Illinois consumers
- Shopping for Coverage – questions regarding the types of products available and asking for information regarding those products to make an informed decision;
- Disability insurance – questions and concerns regarding problems with disability insurance;
- Marketing issues – questions and concerns regarding how carriers, producers and the Marketplace marketed coverage;
- Confirming status of complaints made against carriers;
- Long-term care coverage and premiums; and
- Special Enrollment Period criteria.



Section 2 - Helping Consumers Navigate Appeals, Complaints and External Reviews

Internal Appeals

Under Illinois law, two classifications of health claim denials exist. First, an adverse determination relates to claims that involve medical judgment for which a carrier has found a service, supply, drug or procedure not medically necessary and not covered by the plan. Adverse determinations include claims, services, supplies, drugs or procedures denied as being experimental/investigational. Second, administrative determinations include all other types of denials, delays, unsatisfactory payments, referral issues, and contract disputes.

Health carriers must have internal appeal procedures in place for both adverse and administrative determinations. Consumers, or their authorized representative, may file an internal appeal with the carrier within 180 days after receiving an explanation of benefits (EOB) that contains a denial or partial denial of a claim or request for coverage. A carrier may require one or two levels of appeals. In a two-appeal level situation, both must be completed within the time frames set forth in the law. Depending on the type of appeal (pre-service, concurrent service or post-service), the time frame for resolving the appeal vary. Additionally, if the medical condition of the patient is urgent, the time frames are expedited.

For both administrative and adverse determinations, a consumer may file a complaint with the Department at any time. OCHI staff provides access to the Department's complaint form and explains both the complaint and the internal appeal process to the consumer.

External Reviews

External Review is an additional type of relief for adverse determinations available after the consumer exhausts his/her internal appeal rights with the carrier. For urgent situations, the consumer may file an expedited internal appeal and/or an expedited external review request. OCHI analysts speak with callers regarding the patient's medical situation and counsel callers regarding the various appeal routes available to them. OCHI analysts closely monitor complaints in case external review rights apply, and guide consumers through the internal appeal process and to the external review process without delay.

In addition to medical necessity and investigation/experimental adverse determinations, a consumer may request external review when carriers deny claims due to pre-existing conditions limitations and when a policy has been rescinded.

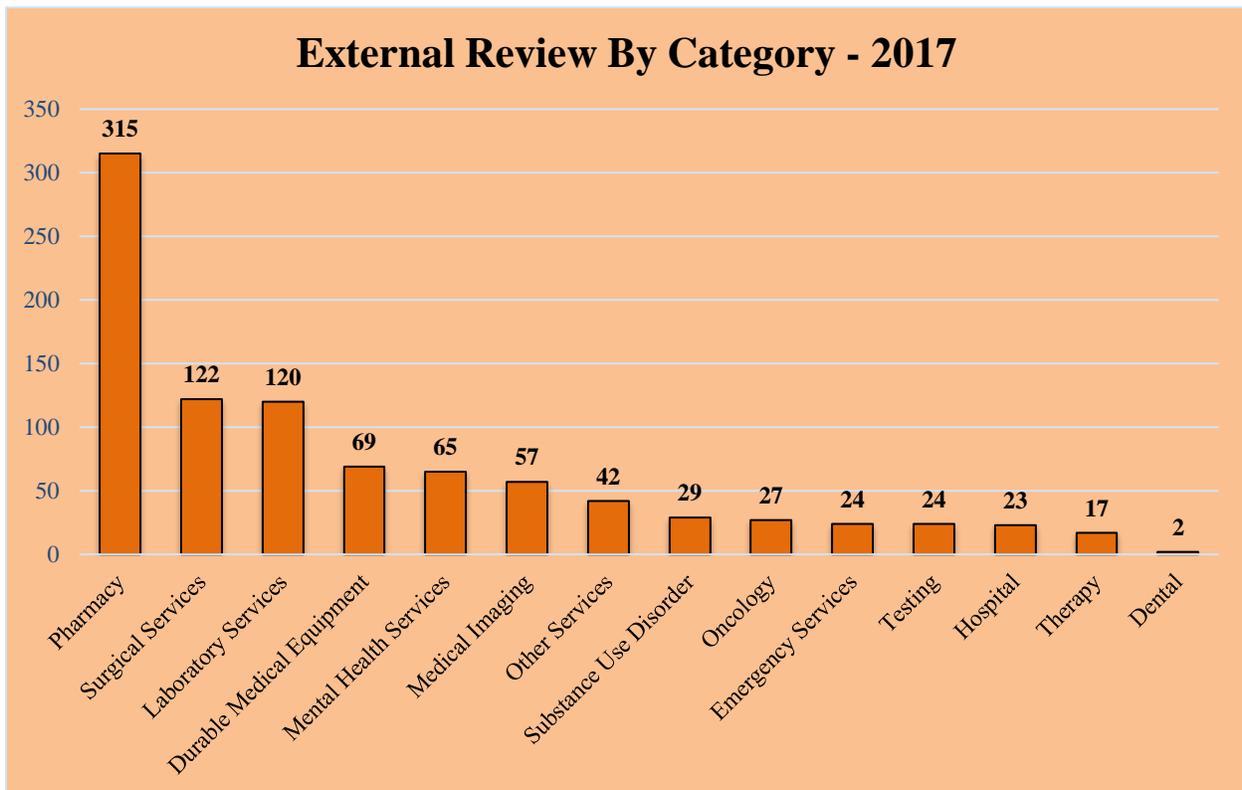
OCHI assisted consumers faced with adverse determinations through internal appeal procedures (mandated by the Managed Care Reform and Patient Rights Act 215 ILCS 134/45) and the external independent review process (mandated by the Health Care External Review Act 215 ILCS 180). Under the External Review Act, the Department receives requests for external review, and after the carrier and the Department confirm eligibility, the Department randomly assigns a registered IRO to review the request.

In 2017, OCHI staff spoke to consumers, health care providers, authorized representatives, insurance carriers, and IROs regarding external review. OCHI staff explained the information needed for the request, the relevant time periods, and the patient's health care provider's role in the process. OCHI staff also directed individuals to the on-line external review form.

Illinois consumers submitted approximately 2,604 external review requests in 2017. Many of these (1,668) were not eligible for external review for a variety of reasons including: not exhausting internal appeals, and administrative denials by the issuers which do not meet the statutory external review criteria. The decisions for 936 external independent reviews completed in 2017 were:

- 375 adverse determinations were overturned in favor of the consumer;
- 542 adverse determinations were upheld; and
- 19 adverse determinations were partially overturned.

These results provided a positive outcome for many Illinois health insurance consumers who would have otherwise been denied services or payment.



Section 3 - Additional Services Provided By OCHI

OCHI staff has taken on additional responsibilities over the past several years to ensure consumers receive the guidance and assistance necessary to navigate the increasingly complex realm of health insurance.

1. Written Inquiries

In 2017, OCHI staff continued to assist in reviewing and responding to written inquiries from consumers. Written inquiries consist of correspondence that does not constitute a complaint based on one or more of the following reasons: (i) a letter from a consumer addressed to an insurer with a copy to the Department; (ii) a letter of complaint that does not contain enough information for the Department to begin a formal investigation; (iii) a general question about insurance or insurance law; or (iv) a letter requesting assistance on a matter that is not within the jurisdiction of the Department.

2. Complaints

In 2017, OCHI staff assisted the Health Complaint Unit with written consumer complaints. OCHI staff, time permitting, assisted with complaints and had a direct impact on the responsiveness of the Complaint Unit for Illinois consumers. For example, OCHI analysts are responsible for written complaints that contain potential external review issues. Analysts must handle these complaints in a timely manner to ensure the consumer does not lose external review rights which must be exercised within four months of the date of the adverse determination.

3. Emails

OCHI staff members respond to inquiries sent to the Department's general email address (DOI.InfoDesk@illinois.gov) available on the Department's website for the public. One OCHI analyst is dedicated to drafting responses to these emails. In 2017, OCHI staff replied to approximately 350 consumer inquiries sent to the general email address.

Section 4 - Expanding Public Awareness of OCHI

During 2017, OCHI used various methods to expand public knowledge about the services it provides to Illinois consumers.

1. Brochures

In 2017, the Department of Insurance distributed the following brochures for Illinois consumers, providers, other agencies and agents/brokers:

- a. Consumer Toolkit for Navigating Behavioral Health and Substance Use Disorder– Aids consumers in navigating mental health and substance use disorder (MH/SUD) care through their health insurance plans;

- b. We Are Here For You – Reflects the Department’s mission and provides important health insurance telephone numbers and websites for state resources;
- c. Uninsured Ombudsman Brochure – Provides information for uninsured Illinoisans including websites and telephone numbers for state and federal agencies and programs that provide services to help consumers find qualified health plans. The brochure was recently updated to reflect aspects of Marketplace plans including information on tax credits, discounts on out-of-pocket costs, low cost or free health coverage through Medicaid and information on finding Navigators or Assistants and licensed agents who are reliable and available to explain and help explore options for purchasing health care coverage through the Marketplace;
- d. Premium Rate Review Brochure – Provides information regarding premiums, medical loss ratios and the rate review process; and
- e. External Review Brochure – Provides important information on consumer rights and guidelines.

Most brochures are available in multiple languages including English, Spanish, Korean and Polish.

2. Fact Sheets

OCHI, in conjunction with the Department, continues to create and provide Fact Sheets in response to questions received from Illinois consumers. These Fact Sheets, which effectively explain complex insurance issues important to consumers, are available on the Department website at the following web address: (http://insurance.illinois.gov/Main/Consumer_Facts.asp). For callers who are unable to access this information via the internet, OCHI staff sends the requested material via U.S. mail.

The Department continuously updates the consumer fact sheets as part of our ongoing mission to provide consumer outreach and education to Illinois consumers.

3. Rapid Response Meetings for Dislocated Workers

An OCHI staff representative participated in more than 50 Rapid Response meetings providing in-person assistance for more than 4,502 dislocated workers in 2017. The Illinois Department of Commerce and Economic Opportunity (DCEO) schedules these meetings when an employer reports anticipated lay-offs or business closure. More information regarding Rapid Response meetings can be found in Section 5.

4. Job Fairs and Health Fairs

An OCHI staff representative participated in Job Fairs and Transition Center events throughout Illinois for Green County Health Fair, The Richland Community College Career Fair, Veteran Job Fair and the Community Career Job Fair. This effort provided in person assistance to approximately 1,000 Illinois consumers. More information about these events can be found in Section 5 of this report.

Section 5 – Uninsured Ombudsman Program

OCHI established the Uninsured Ombudsman Program (Ombudsman) in 2002 to educate uninsured and underinsured Illinois residents about health insurance options and benefits, including rights guaranteed by state and federal law. The Ombudsman also informs uninsured and underinsured consumers about available resources for low-cost or subsidized medical services. As in previous years, calls came from the following: uninsured persons, advocates, organizations that aid the uninsured, other state agencies, legislators, insurance agents, and families. Since its inception, Ombudsman staff has continued to work with various state and local agencies to locate resources that provide medical services to the uninsured and underinsured populations.

In 2017, OCHI staff continued to receive calls from consumers regarding the entire spectrum of health coverage issues, often concerning specific diseases or conditions and the related financial burdens faced by those who are uninsured or underinsured. To provide answers to consumer questions, the Department trains OCHI staff on the relevant sections of the Illinois Insurance Code and the Illinois Administrative Code. General familiarity with certain federal laws and regulations (e.g., ERISA (Employee Retirement Income Security Act) and COBRA (Consolidated Omnibus Budget Reconciliation Act – continuation of coverage)) is also required. Given the unique coverage questions and challenges faced by consumers, particularly relating to disease-specific mandates, OCHI staff uses additional resources, including the internet, as well as information from other state and local agencies (e.g., state and local public health departments), to provide clear and helpful answers. In many cases, OCHI directs uninsured and underinsured consumers to providers of low-cost or subsidized medical services.

2017 Rapid Response Workshops for Dislocated Workers

Ombudsman staff actively participated on the Rapid Response Team for Dislocated Workers. At Rapid Response meetings, team members from various agencies answered questions and provided the most current information about local resources and services for dislocated workers. The Ombudsman staff provided critical information about continuation rights available through the former employer’s group health insurance; and information regarding special enrollment rights which allow dislocated workers to enroll on a spouse’s employer group health plan.

The Rapid Response Team distributed printed OCHI materials to help consumers through the period of transition after job loss. Ombudsman staff personally connected with 4,502 Illinois dislocated workers by attending the following workshops and outreach events in 2017:

| Date | City | Company | # of Employees |
|-----------|--------------|--|----------------|
| 1/24/2017 | Mound City | SECO Manufacturing | 30 |
| 2/1/2017 | Morton | G & D Integrated | 70 |
| 2/8/2017 | Bloomington | Macy's Department Store | 85 |
| 2/14/2017 | Flora | Southwire | 45 |
| 2/17/2017 | Granite City | Kmart | 60 |
| 2/23/2017 | Alton | Macy's Department Store | 55 |
| 3/7/2017 | Mattoon | G & D Integrated | 150 |
| 3/9/2017 | Alton | Kmart | 60 |
| 3/29/2017 | Carrollton | Annual Green County Health Fair | 250 |
| 3/30/2017 | Decatur | Richland Community College Career Fair | 250 |

| | | | |
|--------------|--------------|-------------------------------------|-------------|
| 4/4/2017 | Decatur | MC Sports | 20 |
| 4/20/2017 | Marion | BCBSIL | 25 |
| 4/27/2017 | Peoria | Caterpillar/Volt | 20 |
| 5/9/2017 | Fairfield | Airtex | 30 |
| 5/16/2017 | Peoria | Reaching Across IL Libraries (RAIL) | 5 |
| 5/17/2017 | Harrisburg | American Coal | 120 |
| 5/24/2017 | Taylorville | GSI | 170 |
| 6/13/2017 | Litchfield | Nucor Grating Facility | 60 |
| 6/14/2017 | Belleville | Southwestern Illinois College | 47 |
| 6/20/2017 | Champaign | News Gazette | 35 |
| 6/29/2017 | Baldwin | Dynegy | 20 |
| 7/11/2017 | Granite City | Amsted Rail Trade Workshop | 435 |
| 7/14/2017 | Springfield | Veteran Job Fair | 250 |
| 7/17/2017 | Springfield | LRU District Office | 25 |
| 7/26/2017 | Peoria | Gander Mountain | 25 |
| 7/27/2017 | Springfield | Gander Mountain | 40 |
| 8/3/2017 | Granite City | Amsted Rail | 440 |
| 8/7/2017 | Decatur | ADM | 175 |
| 8/15/2017 | Decatur | ADM | 100 |
| 8/23/2017 | Decatur | Community Career Job Fair | 350 |
| 8/29/2017 | Springfield | Experian Health | 20 |
| 9/6/2017 | Harrisburg | American Coal | 90 |
| 9/7/2017 | Litchfield | Nucor Grating | 60 |
| 9/11/2017 | Peoria | ADM | 50 |
| 9/25/2017 | Cahokia | Jet Aviation | 95 |
| 9/27/2017 | Pekin | PAL Health Technologies | 20 |
| 10/5/2017 | Carmi | Illinois workNet Center-SIC | 35 |
| 10/12/2017 | Champaign | Patterson Office Supply | 85 |
| 10/17/2017 | Belleville | K-Mart | 30 |
| 10/20/2017 | Pekin | ADM | 60 |
| 10/26/2017 | Belleville | K-Mart | 30 |
| 10/26/2017 | Springfield | Standard Mutual | 40 |
| 10/30/2017 | Marion | Fabick/CAT | 30 |
| 11/3/2017 | Decatur | Crown Cork & Seal | 10 |
| 11/7/2017 | Decatur | Meda Pharmaceuticals | 80 |
| 11/14/2017 | Cahokia | Jet Aviation | 50 |
| 11/30/2017 | Springfield | Henry's | 15 |
| 12/12/2017 | Effingham | K-Mart | 35 |
| 12/13/2017 | Charleston | Vesuvius | 50 |
| 12/20/2017 | Metropolis | Honeywell | 170 |
| Total | | | 4502 |

Section 6 - Market Status, Trends and Recommendations

Market Status

The Department and OCHI continued to focus on its mission *“To protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace.”* The Illinois health insurance market remained strong with five Marketplace issuers offering individual coverage for Plan Year 2017, and four issuers offering individual Marketplace coverage for Plan Year 2018. Many consumers and issuers expressed uncertainty and frustration to the Department and to OCHI

staff. It is critical that the OCHI team continues educating consumers about the benefits of obtaining health insurance coverage.

Consumers are also challenged in understanding the regulatory process for insurance. The Department of Insurance does not have regulatory authority over many important areas impacting health insurance. The OCHI staff spends hours of their day educating and redirecting consumers to the appropriate area for assistance as represented in the call type categories. OCHI does all it can to assist in getting consumers to the best place for a successful outcome.

Other key areas impacting the market are rate increases, the changing landscape for pharmaceuticals, Mental Health and Substance Use Disorder Parity, and the narrowing of provider networks. OCHI staff works to stay on top of changes in the market and passes that knowledge to Illinois consumers whenever possible.

Trends and Recommendations

1. Consumer Education for Department of Insurance Jurisdiction

OCHI receives thousands of calls each year that are outside of Department of Insurance jurisdiction. OCHI analysts work with the consumer to educate them on the resources available to them and the appropriate agency with the authority to assist and resolve their issue. The primary source of consumer confusion is the respective roles of HFS/Medicaid, the Marketplace and the Department of Insurance.

Possible Remedy

The Department of Insurance works closely with the HFS area to communicate issues and works together to try to minimize consumer confusion. An ongoing educational campaign for consumers would increase awareness of OCHI and the role of Medicaid within the State of Illinois. Another option would be to create a statewide combined health plan consumer resource with shared access to Medicaid and commercial insurance information.

2. Prescription Drugs; Understanding your Benefits

In 2017, the Department continued to receive complaints from consumers regarding the availability of prescriptions drugs and the cost of those drugs. Consumers did not understand the tiered approach for co-payments, the ability of carriers to exclude specific drugs and overall drug costs created concerns. The number one external review request category dealt with prescription drug benefits when a patient could not take the “suggested” drug, for example a generic vs. brand specific. Many cases result in a significant out-of-pocket cost difference for the consumer.

Possible Remedy

The Department and OCHI staff works to explain the importance of reviewing plans carefully prior to purchasing, but this continues to be an escalating issue for Illinois consumers.

3. Provider Networks – Out-of-network benefits

With the cost of healthcare premiums and out-of-pocket expenses rising, many carriers have narrowed their network selection and offer managed care/HMO (health maintenance organization) products versus the open access of a broad PPO (preferred provider organization) product. Consumers have expressed concerns over this trend, the limited choices available to them and the high out-of-pocket costs when going out-of-network.

Possible Remedy

The Department continues its review of the provider networks for health insurance plans. Fact Sheets explaining how provider networks operate (Provider Network Fact Sheet) and the ramifications of going out of network (Out-of-Network Benefits) are posted on the Department's website at <http://insurance.illinois.gov/HealthInsurance/HealthInsurance.asp>.

During 2017, the Illinois legislature adopted the Network Adequacy and Transparency Act (215 ILCS 124/1 et seq.), effective for plans issued on or after January 1, 2019. The Department and OCHI is currently planning the implementation of this Act.

4. Mental Health/Substance Use Disorders (MH/SUD)

The external review team received more than 80 external review requests for services involving MH/SUD. Many of the requests involved disputes regarding the appropriate level of care (such as residential care or inpatient care) and some were expedited due to the potential for immediate impact on the health of the consumer. MH/SUD providers reached out to the Department with concerns that many carriers are not covering medically necessary treatment; however, providers are reluctant to file external review requests via the formal process. Additionally, the limited availability of partial hospitalization and outpatient treatment programs can cause issues for patients who enter a facility for detoxification and then need immediate rehabilitation treatment, but their insurer denies inpatient or residential care. In several instances, patients have been discharged from inpatient care and are unable to access partial hospitalization or outpatient treatment in a timely manner, making it more likely that they will relapse.

Possible Remedy

The Department continues to encourage MH/SUD providers to file external review requests on behalf of their patients. OCHI has developed an external review brochure to be distributed to health care providers throughout the state, and the Department held several meetings in 2017 to increase awareness of mental health parity and the availability of OCHI to assist in documenting those concerns. Throughout 2017 more than 4,200 consumers participated in Department sponsored community events to increase awareness of MH/SUD including health insurance coverage options.

The Department also participates in a working group to assess trends and possible solutions for Illinois consumers. The Department will continue to work with providers, patients, authorized representatives, and carriers to bridge the gap between inpatient/residential care and partial hospitalization/outpatient treatment; however, this issue needs to be addressed globally.

Additional information is available on the DOI internet site
http://insurance.illinois.gov/HealthInsurance/mental_hlth.asp

The Department of Insurance is actively engaged with consumer advocacy groups to assess the rights and needs of Illinoisans related to Mental Health and Substance Use Disorders, to be sure consumers understand their rights under the laws, and to act as a trusted advisor to direct consumers to the appropriate resources whenever possible.

5. The Health Carrier External Review Act (215 ILCS 180)

Statistics reflect a high level of misunderstanding among consumers in the use of the external review process. The Department received 2,604 requests for an external review, but only approximately 35% of met the statutory qualifications. Illinois law allows external review for medical necessity and experimental denials, but not contractual denials listed as exclusions by the carrier. Examples include: seeking assistance for out-of-network costs, not obtaining a referral or eligibility prior to service.

Remedy

The Department has educational resources available for consumers and carriers online and in its External Review Fact Sheet (http://insurance.illinois.gov/ExternalReview/Fact_sheet.pdf).

Continued focus in this area with consumers and working with carriers to be sure their letters accurately reflect the Health Carrier External Review Act language appropriately in their communications would allow OCHI staff to be available for those in need of assistance under the law.