

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
PART 916 REQUIRED PROCEDURE FOR FILING AND SECURING APPROVAL OF POLICY FORMS
FOR LIFE INSURANCE, ANNUITY AND ACCIDENT AND HEALTH INSURANCE, VOLUNTARY
HEALTH SERVICES PLANS, DENTAL SERVICE PLANS, LIMITED HEALTH SERVICE
ORGANIZATIONS AND HEALTH MAINTENANCE ORGANIZATIONS

Section 916.10 Authority

This Part is promulgated by the Director of Insurance pursuant to authority contained in Section 401 of the Illinois Insurance Code [215 ILCS 5/401] which empowers the Director to make reasonable rules and regulations as may be necessary for making effective insurance laws of the State of Illinois. This Part implements Section 143 of the Illinois Insurance Code [215 ILCS 5/143] and Section 10 of the Voluntary Health Services Plans Act [215 ILCS 165/10] and Section 109 of the Dental Care Patient Protection Act [215 ILCS 109] and Section 25 of the Dental Service Plan Act [215 ILCS 110/25] and Section 4003 of the Limited Health Service Organization Act [215 ILCS 130/4003] and Section 5-3 of the Health Maintenance Organization Act [215 ILCS 125/5-3] and the Electronic Commerce Security Act [5 ILCS 175].

(Source: Amended at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.20 Purpose and Scope

The purpose of this Part is to establish a uniform, expeditious and required method and procedure under which all companies, defined under Section 916.30, shall file with and secure approval of the Director of Insurance of all life insurance, annuity and accident and health insurance policy forms, defined under Section 916.30, before issuance or delivery.

(Source: Amended at 17 Ill. Reg. 15853, effective September 14, 1993)

Section 916.30 Definitions

Certificate of Assumption Transmittal means a transmittal document to be completed when one company assumes a block of business from another company. Instructions for completing the Transmittal are found on the Department of Insurance website or through the System for Electronic Rate and Form Filing (SERFF).

Certificate of Compliance is described in Section 916.50 and can be found in Exhibit A of this Part for filings made prior to January 1, 2006. Certificate of Compliance for filings made on or after January 1, 2006 means the certification that must be completed on the transmittal document that certifies that the filing complies with Illinois applicable provisions. The Certification must include a readable authentic visible signature of an officer of the company.

Code means a general description of the policy form to be issued or delivered.

Coding Matrix represents, by abbreviation of letters and numbers, types of coverage as appears within the Uniform Life, Accident & Health, Annuity and Credit Coding Matrix as set forth on the Department of Insurance website or the System for Electronic Rate and Form Filing (SERFF) website.

Combination Form means a policy form which will be used for both Life and Accident and Health.

Company means any entity which is defined as a "company" in Section 2 of the Illinois Insurance Code [215 ILCS 5/2], in Section 2 of the Voluntary Health Services Plans Act [215 ILCS 165/2], in Section 3 of the Dental Service Plan Act [215 ILCS 110/3], and in

Section 109 of the Dental Care Patient Protection Act [215 ILCS 109], and in Section 1002 of the Limited Health Service Organization Act [215 ILCS 130/1002], and in Section 1-2 of the Health Maintenance Organization Act [215 ILCS 125/1-2], and which issues or delivers in the State of Illinois policies, group contracts or certificates of life, annuity and accident and health insurance, which fall within the definition of Classes 1(a), 1(b) and 2(a) of Section 4 of the Illinois Insurance Code [215 ILCS 5/4].

Department means the Illinois Department of Financial and Professional Regulation.

Director means the Director of the Illinois Department of Financial and Professional Regulation-Division of Insurance.

Division means the Department of Financial and Professional Regulation-Division of Insurance.

Electronic Mail Identification Number means the e-mail address that Department personnel may use to communicate electronically with the named contact person who is filing the transmittal document. Filers who use IBM mail shall include their IBM mail identification number. Internet users shall contact the Department for more information.

Life/Accident & Health, Annuity, Credit Transmittal Document means a transmittal document for identifying policy forms or informational material in a filing. Instructions for completing the Transmittal Document are contained on the Department website or the System for Electronic Rate and Form Filing (SERFF) website. All policy forms submitted on a transmittal document shall be for the same line of business and the same type of insurance.

PDF means an Adobe Portable Document Format.

Policy Form means any form to be issued or delivered in the State of Illinois constituting in form and content a policy, group contract or certificate of insurance or evidence of coverage, endorsement, rider, schedule of benefits page, by-law or other matter incorporated by reference, or application blank or discretionary group forms requiring the Director's approval pursuant to Section 230.2 and 367.3 of the Illinois Insurance Code [215 ILCS 5/230.2 and 367.3]. A Transmittal Document is required to be submitted with all policy forms, including subsequently issued riders or endorsements.

SERFF means the System for Electronic Rate and Form Filing used for electronic filings of participating company policy forms and rating information.

State Tracking/Company Tracking Numbers means the number assigned by the company, not to exceed 15 characters, that is used to distinguish one filing from any other filing submitted by that same company. All policy forms submitted in a filing shall be for the same line of business and the same category. The first 14 characters (or less) of the tracking number must be unique from any other tracking number used by the company.

Subtype of insurance means the characteristic and detailed description of the policy form as set forth on the Department website or through the SERFF website.

Type of Insurance (TOI) means the general classification of the policy form to be issued or delivered as set forth on the Department website or the SERFF website.

Section 916.40 Filing Procedures

- a) Certificate of Compliance. By December 31, 2005, each company doing business in the State of Illinois shall submit a Certificate of Compliance, as described in Section 916.50 and Exhibit A, for all policy forms previously approved by the Division. On or after January 1, 2006, this Certificate of Compliance will no longer be required.
- b) Forms Review. Each company shall file with the Director for approval each new policy form before it is issued or delivered. Beginning January 1, 2006, each filing shall be submitted:
 - 1) Directly through SERFF; or
 - 2) By submitting the filing to the Division on compact disc (CD). These submissions shall be consistent with the format prescribed by SERFF, which is contained in the user's guide posted on the Division's website. The Division will upload these CD submissions to SERFF on behalf of the company. The CD filing shall include, as separate PDFs on the CD, each of the following:
 - A) A letter of submission giving a detailed description of:
 - i) the purpose for the policy form and the manner in which it will be marketed;
 - ii) a cross reference filing number for identical submissions made by affiliated companies.
 - B) The policy forms. The text of each policy form shall be made out in "John Doe" fashion, bracketing any appropriate variable material. The form number shall appear in the lower left-hand corner of the policy form to be approved, and shall not exceed 30 characters.
 - C) A transmittal document that is consistent with the format prescribed by SERFF, which is contained in the user's guide posted on the Division's website. The transmittal document identifies the company filing number and lists the policy form numbers. It includes the certification described in Section 916.50. A combination form shall be submitted as two separate filings. Each shall be identified by its own State tracking/company tracking number. Resubmission of pending policy forms within a filing shall be submitted under their original State tracking/company tracking number.
- c) Riders and Endorsements. Riders or endorsements that unilaterally reduce benefits, and are attached to a policy subsequent to the date the policy is issued, shall be reviewed and approved by the Director prior to their issuance or delivery.
- d) Replacement Filings
 - 1) A new policy form replacing a form previously approved, when the new policy form bears the same form number as the previously approved form, shall be accompanied by:
 - A) a statement that the filing is a replacement;

- B) the State tracking/company tracking number of the previously approved form and the date of the previous approval; and
 - C) a statement that the previously approved policy form was never issued.
 - 2) Replacement filings shall be assigned their own State tracking/company tracking number, and the original filing shall be withdrawn by completing the transmittal document.
- e) Rates. Accident and health policy form filings written on an individual basis, individual and group Medicare supplement policy form filings and individual and group long-term care policy form filings shall be accompanied by rates providing a description of the classification of risks and the premium rates. Data demonstrating the calculation of the rates shall accompany each individual accident and health policy form. Subsequent rates shall be submitted as information on the transmittal document.
- f) Credit Policies. Individual and group credit policy form filings shall be accompanied by the rate filing that provides a description of the classification of risks and the premium rates. Data demonstrating the calculation of the rates shall accompany each credit policy form. Subsequent credit rates shall be submitted with a transmittal document.
- g) Filing Fee. A quarterly invoice will be mailed to the company by the Division for the filing fee required by Section 408(jj) of the Insurance Code [215 ILCS 5/408(jj)].
- h) Policy Form Withdrawal
 - 1) Withdrawal of a policy form shall include:
 - A) A letter of explanation.
 - B) A transmittal document listing the State tracking/company tracking number and policy form number of the forms to be withdrawn.
 - 2) Each time a company's policy form is to be withdrawn, it is the responsibility of the company to notify the Director on a transmittal document that is consistent with the format prescribed by SERFF, which is contained in the user's guide posted on the Division's website.

(Source: Amended at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.50 Certification of Compliance and Procedure for Order of Withdrawal

- a) Effective January 1, 2006, each filing transmittal document shall contain a certification that the filing complies with all applicable Illinois statutes. The certification must carry a readable authentic visible signature of an officer of the company.
- b) Until January 1, 2006, each company shall submit a "Certificate of Compliance" for all previously approved policy forms on file with the Department. The certification shall be signed by an officer of the company, identified by title, who has the authority to obligate the company by such signature. In this manner, the company shall agree and consent to the discontinuance of future use of any approved policy form, 30 days from the date of mailing an order of withdrawal issued by the Director pursuant to Section 143(1) of the Illinois Insurance Code. The order shall set forth the reasons why such previously approved policy form is violative of or contrary to the provisions of the Illinois Insurance Code or 50 Ill. Adm. Code. Each company shall have the right to request a hearing

within that 30 day period. Such request shall be made in writing to the Director. The order of withdrawal shall be stayed and the company shall be given a hearing under such provisions of Sections 143(1), 401(c), 401.1, 402(2), 426 and 429 of the Illinois Insurance Code [215 ILCS 5/143(1), 401(c), 401.1, 402(2), 426 and 429] and 50 Ill. Adm. Code 2402 as may be applicable to determine:

- 1) whether such policy form shall be disapproved, and
- 2) whether further orders of the Director may be appropriate.

(Source: Amended at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.60 Effective Date

The required procedure established by this Rule is effective and shall be utilized for all policy form filings on and after December 1, 1975.

Section 916.EXHIBIT A Certificate of Compliance

Each company shall, from July 1, 1996 through December 31, 2005, submit a "Certificate of Compliance" in substantially this format.

CERTIFICATE OF COMPLIANCE

(Company Name)

By: _____ Title: _____

does hereby certify that the policy form(s) as identified by either the Departmental listing attached hereto, or those filed by the company during this fiscal year, do comply:

- a) with all provisions of the Illinois Insurance Code applicable to the policy forms; and
- b) with 50 Ill. Adm. Code; and does further certify to the best of our knowledge and belief that:
 - 1) the form(s) do not contain any inconsistent, ambiguous or misleading clauses;
 - 2) the form(s) do not contain specifications or conditions that unreasonably or deceptively affect the risk purported to be assumed in the general coverage of the policy form(s);
 - 3) the only variation from the usual provisions of the policy form(s) are clearly marked or otherwise indicated;
 - 4) the policy form language as submitted or approved shall be exactly as they have been or will be offered for issuance or delivery in the State of Illinois as approved by the Director, except for hypothetical data and other appropriate variable material; and
 - 5) the policy form(s) do not contain any provision or clause currently being disapproved by the Director.

In utilizing the procedure for policy form filing and approval set forth in 50 Ill. Adm. Code 916 (company name) hereby expressly agrees and consents to a review, by the Director, to be made at any time, and further hereby expressly agrees and consents to the discontinuance by the company of future use of such approved policy form(s), 30 days from the date of mailing an order of withdrawal issued by the Director pursuant to Section 143(1) of the Illinois Insurance Code. The order shall set forth the reasons why such previously approved policy form(s) are violative of or contrary to the provisions of the Illinois Insurance Code or 50 Ill. Adm. Code. Each company shall have the right to request a hearing within that 30 day period. Such request shall be made in writing to the Director. The order of withdrawal shall be stayed and the company shall be given a hearing under the provisions of Section 143(1), 401(c), 401.1, 402(2), 426 and 429 of the Illinois Insurance Code [215 ILCS 5/143(1), 401(c), 401.1, 402(2), 426 and 429] and 50 Ill. Adm. Code 2402 as may be applicable to determine:

- a) whether such policy form shall be disapproved, and
- b) whether further orders of the Director may be appropriate.

(Company Name)

By: _____

(Signature)

Title: _____

Date: _____

(Source: Amended at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.EXHIBIT B Coding Guide (Repealed)

(Source: Amended at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.EXHIBIT C Discontinued Acronyms From Exhibit B Coding Guide (Repealed)

(Source: Amended at 29 Ill. Reg. 4922, effective March 22, 2006)

Section 916.EXHIBIT G General Transmittal Instructions and Transmittal (Repealed)

(Source: Added at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.EXHIBIT H Replacement/Withdrawal Transmittal Instructions and Transmittal (Repealed)

(Source: Repealed 29 Ill. Reg. 4922, effective March 22, 2000)

Section 916.EXHIBIT I Certificate of Assumption Transmittal Instructions and Transmittal (Repealed)

(Source: Repealed at 29 Ill. Reg. 4922, effective March 22, 2005)

Section 916.EXHIBIT J Informational Filing Transmittal Instructions and Transmittal (Repealed)

(Source: Repealed at 29 Ill. Reg. 4922, effective March 22, 2005)