



Illinois Department of Insurance

J.B. Pritzker
Governor

Robert Muriel
Director

To: JB Pritzker, Governor
Robert Muriel, 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 2019 Annual Report

Date: January 31, 2020

The Office of Consumer Health Insurance (OCHI) is pleased to submit its 2019 Annual Report as required by the Managed Care Reform and Patient Rights Act (215 ILCS 134/90).

OCHI is a consumer assistance office that operates within IDOI and serves consumers by responding to health insurance issues and questions. Staff are familiar with relevant insurance regulations and laws, including the Illinois Insurance Code and Illinois Administrative Code, to provide accurate information to consumers.

Consumers needing assistance with health insurance questions or issues can reach OCHI toll-free by calling 1-877-527-9431 Monday through Friday from 8 am to 5 pm. The External Review team is available toll-free, seven days a week at the Department's External Review Hotline: 1-877-850-4740.

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

Executive Summary

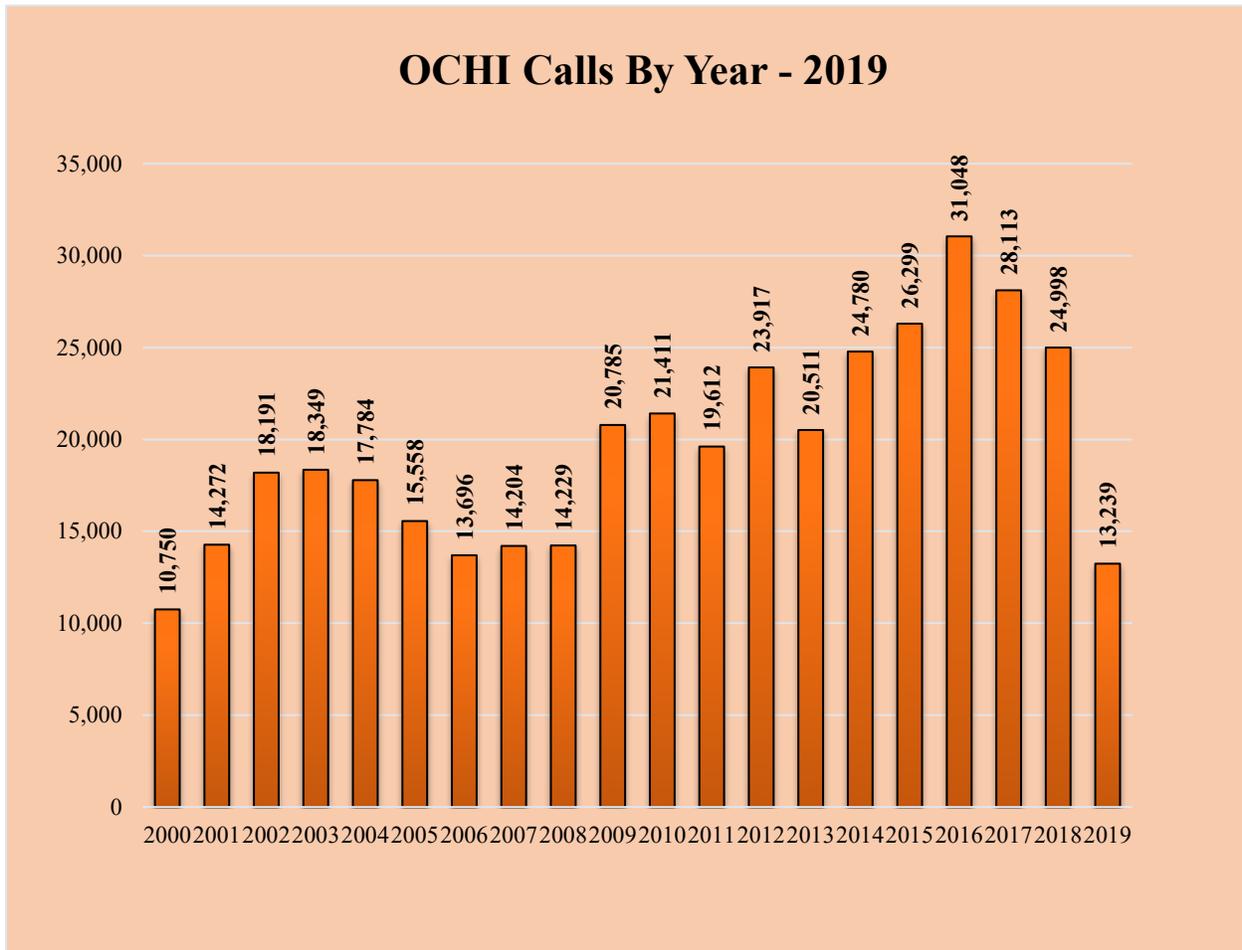
The Managed Care Reform and Patient Rights Act (215 ILCS 134/1 *et seq.*) established the Office of Consumer Health Insurance (OCHI), effective January 1, 2000. OCHI operates within the Illinois Department of Insurance and serves Illinois residents by responding to a wide variety of health insurance issues and questions. OCHI responds to telephone calls, e-mails, letters, and walk-in visits from consumers. As of December 31, 2019, consumers have contacted the Department on over 387,250 occasions through the OCHI and External Review Hotline toll-free numbers. OCHI strives to directly answer each consumer's questions while on the phone or researches the issue of concern and responds to the consumer within 24 hours.

OCHI analysts provide general information in the form of brochures and consumer FACT sheets. The unit also informs consumers of their options and rights under their policies, state laws and regulations. To provide answers to consumer questions, staff is trained on the relevant sections of the Illinois Insurance Code and the Illinois Administrative Code. Familiarity with certain federal laws and regulations, such as the Employee Retirement Income Security Act (ERISA) and COBRA (Consolidated Omnibus Budget Reconciliation Act – continuation of coverage), is essential. Staff address unique coverage questions and challenges faced by consumers. OCHI analysts utilize additional resources, including information from other State and local agencies to provide clear and helpful answers. OCHI continually monitors state and federal legislation; identifies significant trends and specific issues affecting health coverage for Illinois citizens; and sets forth specific recommendations to address those issues.

In addition to responding to consumer telephone inquiries, OCHI also aids Illinois consumers through various outreach, including administration of the Uninsured Ombudsman Program (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-focused brochures and FACT sheets. These efforts help consumers understand their insurance coverage; inform consumers of their rights under insurance policies; help consumers file complaints, internal appeals and requests for external reviews for denied claims; and connect Illinois residents with appropriate resources based on their needs.

OCHI staff is available Monday through Friday, 8:00 a.m. – 5:00 p.m. at (877) 527-9431. External review staff is available seven days a week at (877) 850-4740. External review is dedicated to expediting external review requests outside of normal office hours, including weekends and holidays.

Staff participated in approximately 13,239 telephone calls in 2019. The OCHI toll-free number received 6,752 calls and placed 1,157 outgoing calls, for a total of 7,909 calls. The External Review Hotline received 4,113 calls and placed 889 outgoing calls, for a total of 5,002 calls. Approximately 328 callers requested assistance in Spanish, and these calls were transferred to Department employees fluent in Spanish.



Section 1 - Educating Consumers about Health Insurance Rights and Options

OCHI staff continued to support an ever-changing landscape of questions from Illinois consumers in 2019. OCHI staff responded to questions from a variety of individuals and groups, including consumers, employers, agents, associations, attorneys, health care providers, and advocates. Staff assisted consumers through telephone inquiries, walk-in visits, email, and written correspondence. In addition to discussing issues with consumers by phone and in person, OCHI refers consumers to information available on the Department's website (<http://www.insurance.illinois.gov>) and other appropriate websites. When necessary, OCHI staff directed consumers to the appropriate resource to obtain coverage, such as, the Federal Marketplace, the Illinois Department of Health Care and Family Services (HFS) for Medicaid and All Kids, or the Department on Aging Senior Health Insurance Program for Medicare.

OCHI provided information and education to help consumers understand their health insurance needs and benefits, the differences between those benefits (individual, small group, and large group insurance products), and related rights guaranteed by federal and state laws.

OCHI staff continued to track the call topics via the Phone Inquiry and Response Tracking System (PIRT). The system also tracked resources used by OCHI staff, referrals to other entities for assistance, and the action taken to resolve the call. Resources such as the Uninsured Ombudsman Service Finder Database, Fact Sheets, websites, telephone numbers and company-specific information were maintained for easy access by the OCHI staff.

Throughout 2019, OCHI responded to Illinois residents who needed assistance or had questions regarding the Health Insurance Marketplace. OCHI informed consumers about 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 the federal Health Insurance Marketplace (www.healthcare.gov; (800) 318-2596). OCHI also coordinated communication with insurance issuers directly and provided Medicare and Medicaid related resources where appropriate.

During 2019, 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. The following five carriers offered individual qualified health plans (QHPs) through the federal marketplace to Illinois consumers:

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

An analysis of 2019 plan information is provided at:

<http://insurance.illinois.gov/newsrsls/2018/10/2019ILRatePlanAnalysis.pdf>

The Department is pleased to announce that five issuers will continue to offer individual QHPs for 2020. Illinois released the Plan Analysis for 2020 coverage, identifying the five 2020 issuers:

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

An analysis of 2020 plan information is available here:

<http://insurance.illinois.gov/Newsrsls/2019/10/2020ILRatePlanAnalysis.pdf>

OCHI connected consumers with Marketplace and/or Illinois HFS staff who could assist, depending on the consumer's 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, Illinois HFS and/or the carrier and then followed up with the consumer to ensure resolution.

In addition to the Affordable Care Act (ACA) related calls, OCHI continued to receive calls requesting information on many other topics including:

- Health carrier compliance with Illinois statutes, regulations and policy requirements
- Information on how to file an Internal appeal/grievance with the insurance carrier
- How and when to file formal complaint with the Department
- How and when to submit external review requests
- Continuation of coverage rights under state and federal laws
- Mental health and substance use disorder coverage, including parity requirements
- Contact information for appropriate agency for plans not regulated by the Department
- Network adequacy requirements and how to navigate provider network changes
- Questions regarding rate increases

OCHI staff helped consumers understand their insurance coverage and provided awareness and education to Illinois consumers with complaints and inquiries regarding health insurance issues and assisting the consumer in determining the appropriate course of action to resolve their issue.

1. Claim-Related Appeals & Grievances

Filing an appeal/grievance can be a complex process for a consumer to navigate, OCHI is committed to providing prompt and accurate information during this critical time for consumers. In 2019, OCHI staff received requests for various claim-related topics:

- Claim denial and delay
- Unsatisfactory claim payments
- Out of network payments
- Contract exclusions
- Usual and Customary payments
- Emergency Care
- Medical necessity
- Experimental and/or investigational services
- Rescission of coverage
- Pre-existing conditions
- Drug Formulary issues

OCHI provided guidance to consumers by explaining their consumer rights and responsibilities under Illinois law and the specific provisions of their policy. Staff provided guidance to consumers by researching and resolving concerns with their health plans including appeals/grievances, external review requests, and situations that warranted filing a complaint with the Department.

Consumers with questions regarding denials of coverage based on medical necessity, rescission of coverage, pre-existing conditions, or denials for experimental and/or investigational services are advised that their claim denials might warrant filing an external review request with the Department.

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 regarding self-insured plans, Medicaid questions, Marketplace escalations, other state and federal agencies, licensed Illinois carriers, and other areas within the Department.

OCHI assisted callers by listening to their needs and guiding them to the appropriate place for assistance.

3. Insurance Law

OCHI assisted consumers about various state and federal insurance laws. As in past years, most of the questions are about federal and state continuation coverage laws. The Department continues to provide specialized training for OCHI staff on Illinois mandates, as well as federal mental health and substance use disorder parity laws.

4. General Company Information

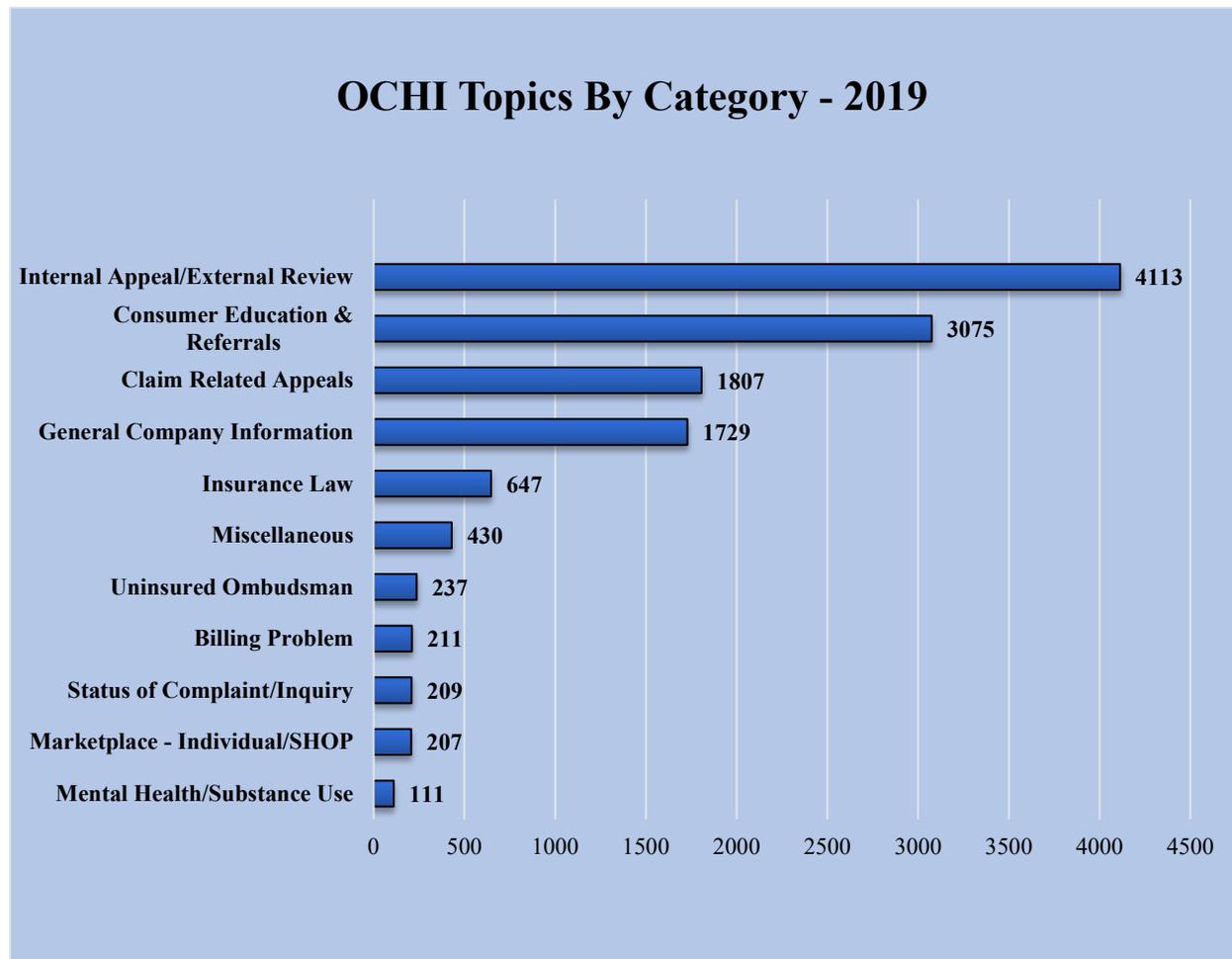
OCHI received questions from consumers seeking general information about issuers. Many of the callers requested address and phone numbers for insurance companies. OCHI also provided callers with the complaint history of specific carriers and rating information accessed at A.M. Best Rating Services which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

5. Uninsured Ombudsman and Shopping for Coverage

OCHI spoke to consumers regarding resources available through the Uninsured Ombudsman Program and shopping for insurance coverage. OCHI used available agency resources to assist uninsured callers and direct them to medical clinics, pharmaceutical companies, and other entities that provide medical care for a discounted rate. For those looking for other types of coverage, OCHI provided complaint history information and answered questions about available options. Additional information regarding the activities of the Uninsured Ombudsman is included in Section 5 of this report.

6. Other topics explored by callers to OCHI during 2019 included:

- Impacts of enacted legislation
- Short Term Limited Duration plans – questions and concerns regarding benefits and consumer rights under these policies
- Marketing issues – questions and concerns regarding how carriers, producers and the Marketplace marketed coverage
- Confirming status of complaints made against carriers



**margin of error due to multiple services on same external review*

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

Internal Appeals

Under Illinois law, two classifications of health claim denials exist: adverse determinations and administrative determinations. 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 appeal procedures in place for both adverse and administrative determinations. Consumers, or their authorized representatives, may file an internal appeal with the carrier for reconsideration. Depending on the type of appeal (pre-service, concurrent service or post-service), the time frames 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 options available to them. OCHI analysts work closely with the Complaints unit to monitor cases where 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/et. Al). 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 Independent Review Organization (IRO) to review the request.

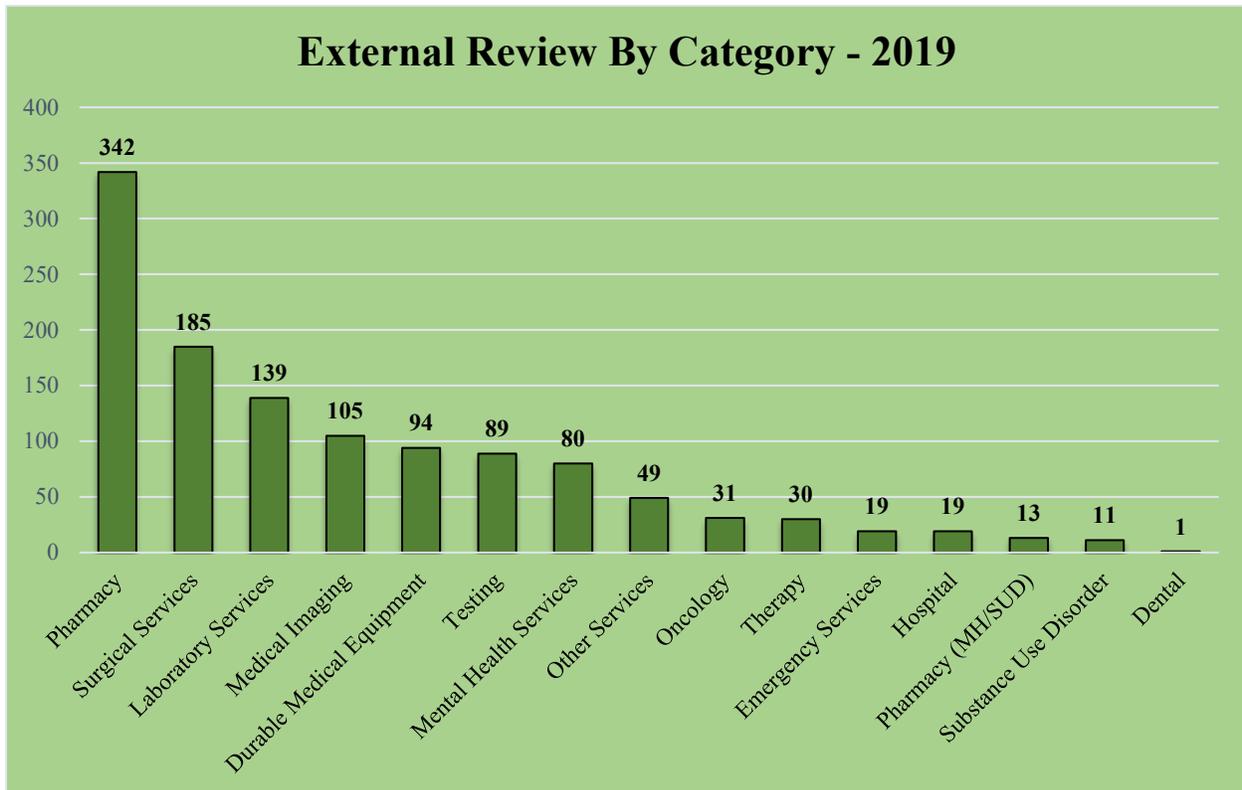
In 2019, OCHI staff spoke to consumers, health care providers, authorized representatives, insurance carriers, and IROs regarding external reviews. OCHI staff explained the information needed for the request, the relevant time periods, and the patient's health care provider's role in the process. OCHI staff also directed individuals to the on-line external review form.

Illinois consumers submitted approximately 3,067 external review requests in 2019. Many of these (2,300) were not eligible for external review for a variety of reasons – consumer failure to exhaust internal appeal rights prior to the external review request, and the submitted requests were ineligible for external review pursuant to statutory requirements are the two most common reasons for ineligibility. The 1135 external reviews that were eligible under Illinois law in 2019, resulted in the following determinations:

- 493 adverse determinations were overturned in favor of the consumer
- 625 adverse determinations upheld the carriers' original adverse determinations
- 17 adverse determinations were partially overturned in favor of the consumer

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





**margin of error due to multiple services on same external review*

Section 3 - Services Provided By OCHI

OCHI staff also responded to consumer concerns and inquiries received in writing to ensure consumers received the guidance and assistance necessary to navigate the increasingly complex realm of health insurance. OCHI provided a brief evaluation of all incoming complaints and inquiries to effectively address requests of an urgent nature and promptly provide information to consumers to resolve their issue.

1. Written Inquiries

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 (Internal Appeals)

In 2019, 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. In 2019, OCHI staff replied to approximately 298 consumer inquiries sent to the general email address.

Section 4 - Expanding Public Awareness of OCHI

During 2019, OCHI used various methods to expand public knowledge about the services it provides to Illinois consumers.

1. Brochures

In 2019, OCHI distributed the following brochures to provide information to Illinois consumers, providers, other agencies and agents/brokers:

- a. **We Are Here for You** – Reflects the Department's mission and provides important health insurance telephone numbers and websites for state resources;
- b. **Uninsured Ombudsman Brochure** – Provides information for uninsured Illinoisans including websites and telephone numbers for state and federal agencies, programs that provide services to help consumers find qualified health plans, discounts on out-of-pocket costs, low cost or free health coverage through Medicaid, and information on finding Navigators or Assisters and licensed agents who are reliable and available to explain and help explore options for purchasing health care coverage through the Marketplace.

2. FACT Sheets

FACT sheets, which explain complex insurance issues important to consumers, are available on the Department website to provide in response to questions received from Illinois consumers. For callers who are unable to access this information via the website, OCHI staff mails the requested material.

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 42 Rapid Response meetings providing in-person assistance for more than 2,535 dislocated workers in 2019. The Illinois Department of Commerce and Economic Opportunity (DCEO) schedules these meetings when an employer reports anticipated lay-offs or business closures. 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. These efforts provided in-person assistance to thousands of 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, callers include uninsured persons, advocates, organizations that aid the uninsured, other state agencies, legislators, insurance agents, and families. Since the inception of the program, 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 2019, 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) 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 website, 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.

2019 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 in a spouse's employer group health plan or through the federal Marketplace. The Rapid Response Team distributed printed OCHI materials to help consumers through the period of transition after job loss. Ombudsman staff personally connected with Illinois dislocated workers by attending the following workshops and outreach events in 2019:

Rapid Response Workshops

Date	Employer	Workshop Location	Employees Impacted
1/8/19	Burlington Coat Factory	Peoria	25
2/5/19	DuPont	El Paso	33
2/20/19	Ardagh Group	Lincoln	75
2/21/19	Ardagh Group	Lincoln	75
2/28/19	Airtex	Fairfield	10
3/11/19	Amsted Rail	Granite City	145
3/21/19	Western Illinois University	Macomb	138
4/9/19	Shopko	Tuscola	10
4/17/19	Warranty Group (Assurant)	Champaign	13
4/22/19	Shopko	Monticello	14
4/29/19	Hodgson Mill	Effingham	55
5/1/19	FedEx	Effingham	9
5/8/19	HD Smith	Springfield	130
5/14/19	HydroChem	Wood River	25
6/5/19	Center Ethanol Co.	Sauget/Belleville	47
6/12/19	Rockwell Automotive	Champaign	65
6/13/19	Rockwell Automotive	Champaign	65
7/8/19	Sun Basket	Valmeyer	69
7/9/19	Sun Basket	Valmeyer	68
7/10/19	Sun Basket	Valmeyer	68
7/11/19	Sun Basket	Valmeyer	69
7/30/19	LME, Inc.	Rock Island	57
8/2/19	Midstate College	Peoria	43
8/7/19	Conifer Health Solutions	Springfield	45
8/12/19	Fibrebond	Edelstein	35
9/17/19	Watco Co.	Wood River	88
9/26/19	News Gazette	Champaign	130
9/30/19	John Deere Harvester	Rock Island	50
10/15/19	Gander Outdoors	Peoria	19
10/16/19	Vistra Energy	Coffeen	99
10/17/19	Vistra Energy	Havana	37
10/18/19	Vistra Energy	Havana	36
10/25/19	Ardagh Group	Lincoln	150
11/6/19	Peabody Energy/Wildcat Hills	Equality	226
11/14/19	Vistra Energy	Bartonville	25
11/15/19	Horace Mann Co.	Springfield	29
12/3/19	Vistra Energy	Canton	31
12/4/19	Vistra Energy	Canton	30
12/11/19	Sears	Peoria	57
12/17/19	GSI Group	Flora	40
12/18/19	GSI Group	Flora	40
12/19/19	AECOM	Peoria	60

Outreach Events

Date	Event	Location
3/27/19	Green County Health Fair	Carrollton
3/28/19	Richland Community College Fair	Decatur
5/21/19	LLCU Taylorville Career Fair	Taylorville
5/29/19	LLCU Litchfield Career Fair	Litchfield
7/29/19	Seminar for District Office Staff	Springfield
8/27/19	Farm Progress Show	Decatur
8/28/19	Farm Progress Show	Decatur
8/29/19	Farm Progress Show	Decatur
9/11/19	Job Fair Workforce Investment Solutions	Decatur
10/23/19	Workforce Alliance and IDES	Beardstown

Section 6 - Trends and Recommendations

OCHI continued to focus on its mission of providing assistance and information to all health care consumers within the State and the mission of the Department of Insurance: ***“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 cost of coverage and low health insurance literacy continued to remain a significant barrier to enrollment for many consumers. It is critical that the OCHI team continues educating consumers about the benefits of obtaining health insurance coverage and providing valuable information to help consumers better evaluate their coverage options.

For many consumers health insurance is a complicated subject, and many are challenged with understanding how to resolve issues and how the regulatory process for insurance works. The OCHI staff has several resources to help consumers understand their health insurance, and our primary goal is to be a trusted source of insurance information for Illinois consumers.

OCHI staff is continuously working to improve the consumer assistance they provide based on the changing landscape of the health insurance market. OCHI has the invaluable opportunity of providing recommendations for improvement in regulation and consumer assistance based on the frequent interactions with consumers.

1. Consumer Education and Outreach for Department of Insurance Jurisdiction

OCHI receives thousands of calls each year that are outside of the jurisdiction of Department of Insurance. 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

Work closely with other state agencies to better facilitate Illinois consumers by creating a more streamlined approach for forwarding information that is out of our jurisdiction to the appropriate regulatory agency. An ongoing, cooperative educational campaign for consumers would increase awareness of OCHI and differentiate the role of Medicaid within the State of Illinois.

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

Providers and advocacy groups have reached out to the Department with concerns that many carriers are not covering medically necessary treatment; however, many providers are unaware or not educated about the option to request an external review with the Department.

Possible Remedy

The Department will pursue an avenue for communication and education on a statewide scale to encourage health care providers to file external review requests on behalf of their patients when services are denied or reduced. The Department of Insurance will remain actively engaged with consumer advocacy groups to assess the rights and needs of Illinoisans as related to Mental Health and Substance Use Disorders, to ensure health care providers and consumers understand their rights under the laws, and to act as a trusted advisor.

3. Improved trend data analysis

The Department has identified potential opportunity for further regulation regarding “in operation” practices that may create a barrier to care.

Possible Remedy

The Department will continue to provide frequent, formal training to staff to ensure awareness in identifying practices that create a barrier to care, including but not limited to mental health parity. The Department will create an enhanced data trend tracking report to capture real-time data to inform regulatory decisions.

4. Consumer Resources

The Department has resources available to educate and assist consumers in navigating health insurance issues and questions.

Possible Remedy

The Department will expand all available consumer health insurance resources to better reach the diverse needs of Illinois consumers.