



# Illinois Department of Insurance

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**To:** JB Pritzker, Governor  
Dana Popish Severinghaus, Acting Director  
Honorable Members of the General Assembly

**From:** The Office of Consumer Health Insurance

**Re:** The Office of Consumer Health Insurance 2020 Annual Report

**Date:** January 31, 2021

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The Office of Consumer Health Insurance (OCHI) is pleased to submit its 2020 Annual Report as required by the Managed Care Reform and Patient Rights Act (215 ILCS 134/90).

OCHI is a consumer assistance office within IDOI dedicated to responding to consumer questions about health insurance issues and assisting consumers with complaints against insurers. Staff are familiar with relevant insurance regulations and laws, including the Illinois Insurance Code and Illinois Administrative Code, to provide accurate information to consumers.

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

## **Executive Summary**

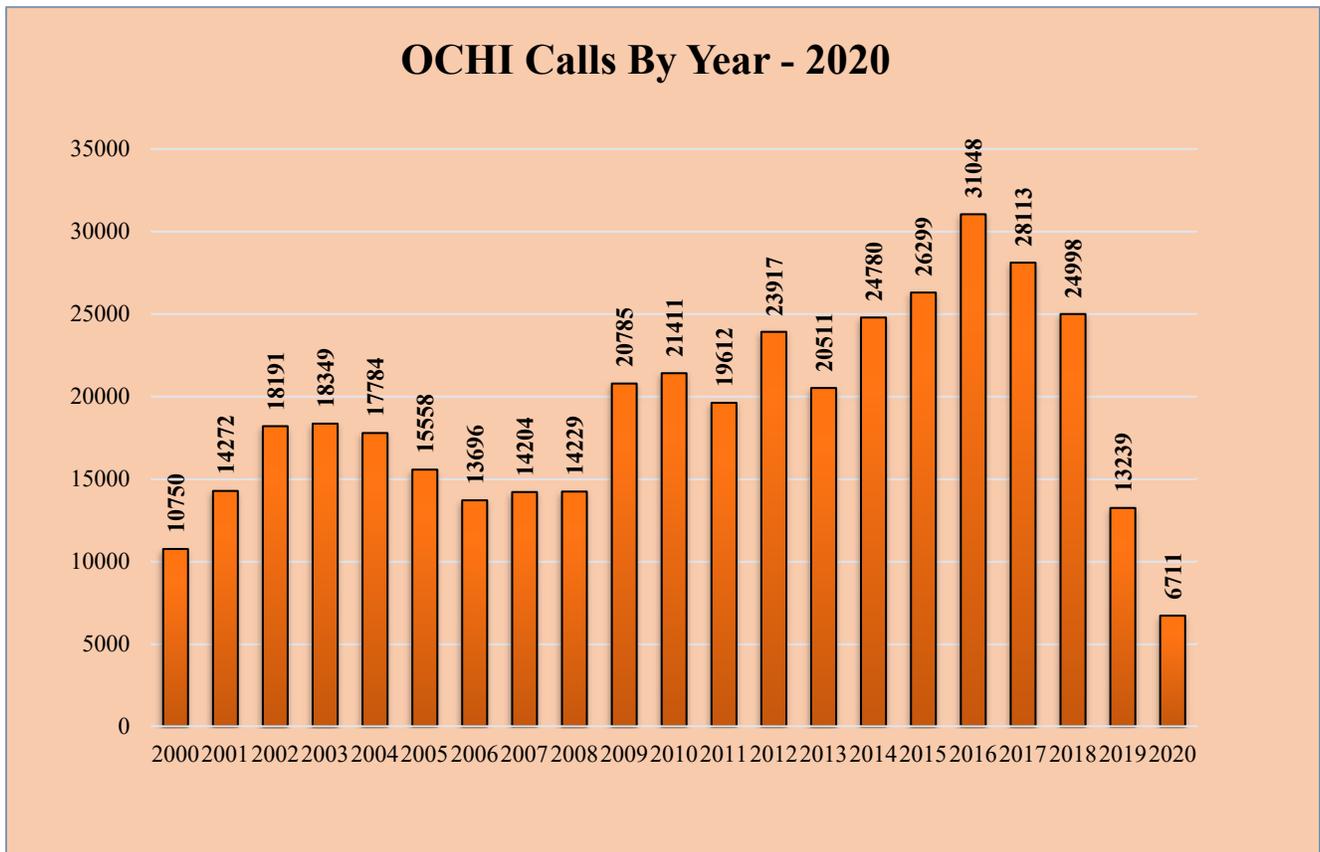
The Managed Care Reform and Patient Rights Act (215 ILCS 134/1 *et seq.*) established the Office of Consumer Health Insurance (OCHI), effective January 1, 2000. OCHI which operates within IDOI, receives, reviews and responds questions, complaints and inquiries from Illinois residents concerning health insurance related issues. As of December 31, 2020, consumers have contacted the Department on over 393,961 occasions through the established OCHI and External Review Hotline toll-free numbers.

OCHI analysts provide general information in the form of brochures, consumer FAQ's, and IDOI's website. The unit also informs consumers of their options and rights under their policies, state and federal 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, federal, 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 helps 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 FAQ's. These efforts help consumers understand their insurance coverage; informs consumers of their rights under insurance policies; helps consumers file complaints, internal appeals and requests for external reviews for denied claims; and connects 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 6,711 telephone calls in 2020. With the assistance of language interpretation services, staff assisted approximately 93 Spanish speaking callers.



## **Section 1 - Educating Consumers about Health Insurance Rights and Options**

IDOI buildings were closed to the public in March 2020 to mitigate the spread of COVID-19 and maintain the health and safety of the public and state employees. IDOI recognizing the critical role that health insurance coverage plays in the ability to access health care services to mitigate the spread of the virus worked closely with health plans across the state to ensure access and care for Illinois residents and

Through remote communication, OCHI focused on keeping consumers informed of available benefits during the COVID-19 pandemic. Staff provided support to consumers through phone, FAQ's, email and written correspondence, including the online Message Center.

In 2020, OCHI staff responded to questions from a variety of individuals and groups, including consumers, employers, agents, associations, attorneys, health care providers, and advocates. 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 ACA 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.

Throughout 2020, OCHI responded to Illinois consumers who needed assistance or had questions regarding the ACA 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 ACA Health Insurance Marketplace ([www.healthcare.gov](http://www.healthcare.gov); (800) 318-2596). OCHI also coordinated communication with insurance issuers directly and provided Medicare and Medicaid related resources where appropriate.

During 2020, 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 ACA Marketplace to Illinois consumers:

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](#):

The Department is pleased to announce that eight issuers are offering individual QHPs for 2021, including three new ACA Marketplace entrants. The Department released the Plan Analysis for 2021 coverage, identifying the eight 2021 issuers:

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

An analysis of 2021 plan information is available [here](#):

OCHI connected consumers with ACA Marketplace and/or Illinois HFS staff who could help, 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 ACA 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:

- COVID-19 related inquiries
- 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 a complaint with the Department
- How and when to send 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 about rate increase

OCHI staff helped consumers understand their insurance coverage, provided information and education to Illinois consumers with complaints and inquiries regarding health insurance issues, and assisted 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, and OCHI is committed to supplying prompt and accurate information during this critical time for consumers. In 2020, OCHI staff received requests for various claim-related topics:

- COVID-19
- 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 called for 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 may 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 proper resource for assistance. Examples of consumer referrals include calls about self-insured plans,

Medicaid questions, ACA Marketplace escalations, other state and federal agencies, licensed Illinois carriers, and other areas within the Department. OCHI helped callers by listening to their needs and guiding them to the appropriate place for help.

### **3. Insurance Law**

OCHI helped consumers regarding 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 Program and Shopping for Coverage**

OCHI spoke to consumers about resources available through the Uninsured Ombudsman Program and shopping for insurance coverage. OCHI used available agency resources to help 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. More information about the activities of the Uninsured Ombudsman Program is included in Section 5 of this report.

### **6. Other topics explored by callers to OCHI during 2020 included:**

- COVID-19 testing, treatment and related care
- Effects of enacted legislation
- Short Term Limited Duration plans – questions and concerns about benefits and consumer rights under these policies
- Marketing issues – questions and concerns about how carriers, producers and the ACA Marketplace marketed coverage
- Confirming status of complaints made against carriers

## **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 available for adverse determinations 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 about the patient's medical situation and counsel callers about 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.

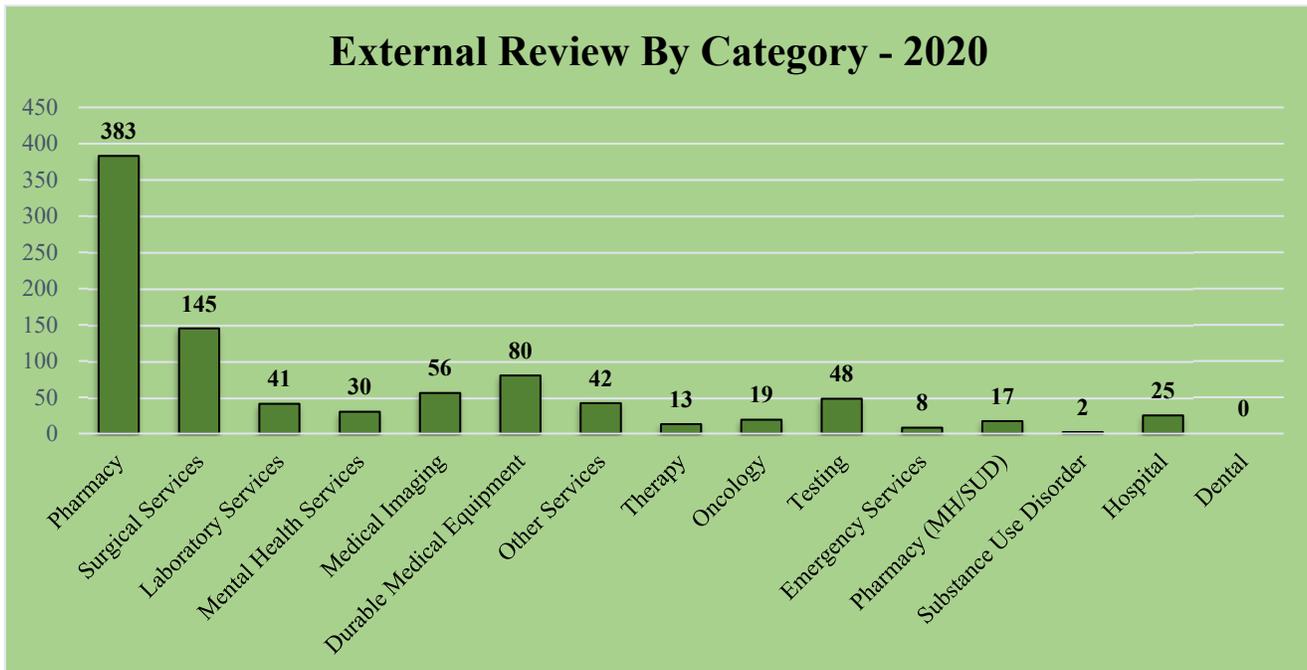
OCHI assisted consumers faced with adverse determinations through internal appeal procedures (mandated by the Managed Care Reform and Patient Rights Act 215 ILCS 134/45) and the external independent review process (mandated by the Health Care External Review Act 215 ILCS 180/et. Al). Under the External 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 2020, 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 online external review form.

Illinois consumers submitted 2,723 external review requests in 2020. Many of these (1,809) 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 submitting requests ineligible for external review pursuant to statutory requirements are the two most common reasons for ineligibility. The 914 external reviews that were eligible under Illinois law in 2020, resulted in the following determinations:

- 415 adverse determinations were overturned in favor of the consumer
- 482 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 help 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. Emails**

OCHI staff members respond to inquiries sent to the Department's general email address ([DOI.InfoDesk@illinois.gov](mailto:DOI.InfoDesk@illinois.gov)) available on the Department's website for the public. In 2020, OCHI staff replied to 348 consumer inquiries sent to the general email address.

## **Section 4 - Expanding Public Awareness of OCHI**

During 2020, OCHI used various methods to expand public knowledge about the services it provides to Illinois consumers.

### **1. Brochures**

In 2020, 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 Assistors and licensed agents who are reliable and available to explain and help explore options for purchasing health care coverage through the ACA Marketplace.

### **2. IDOI Website**

FAQ’s, which explain complex insurance issues important to consumers, are available on the Department website to provide 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 FAQ’s as part of our ongoing mission to provide consumer outreach and education to Illinois consumers. Additionally, the Department created a webpage dedicated to resources related to COVID-19 and loss of employer-based insurance to provide valuable information to Illinois consumers.

### **3. Rapid Response Meetings for Dislocated Workers**

An OCHI staff representative took part in 8 Rapid Response meetings providing in-person assistance for more than 1,194 dislocated workers in 2020. The Illinois Department of Commerce and Economic Opportunity (DCEO) schedules these meetings when an employer reports anticipated lay-offs or business closures.

## **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 start 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 2020, 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, including 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.

### **2020 Rapid Response Workshops for Dislocated Workers**

Ombudsman staff actively participated on the Illinois Department of Commerce & Economic Opportunity 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 ACA Marketplace.

Ombudsman staff connected in person with Illinois dislocated workers by attending the following workshops and outreach events in 2020:

#### Rapid Response Workshops

- 1/21/20: Amsted Rail Granite City 90 employees
- 2/18/20: Dormakaba – Steelville 56 employees
- 2/19/20: WestRock – Edwardsville 68 employees
- 2/21/20: Bakers Square – Springfield 50 employees

- 2/26/20: LSC Communication 726 employees
- 3/10/20: Gordmans Springfield 29 employees
- 3/13/20: Gordmans - Peoria 25 employees
- 3/20/20: LSC Communication Mattoon 150 employees

Due to the ongoing COVID-19 pandemic and IDPH guidelines for large gatherings, Ombudsman staff were not requested for participation after March 2020.

## **Section 6 – Trends, recommendations, and solutions**

OCHI continued to focus on its mission of providing assistance and information to all health insurance 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 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 ACA Marketplace, and the Department of Insurance.

#### *Remedy*

Work closely with other state agencies to better help Illinois consumers by creating a more streamlined approach for sending 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. Consumer Resources

Due to the COVID-19 pandemic and the shift to remote work, the Department had to quickly adapt processes to adequately and efficiently address consumer complaints and external reviews.

### *Remedy*

The Department implemented features on its consumer complaint and external review request forms to allow for the completed documents to be submitted to the Department electronically in lieu of traditional USPS mail submission to streamline these processes during the Public Health Emergency.

## 3. Response to the COVID-19 Pandemic

At the onset of the COVID-19 pandemic, the Department observed an increase in complaints and inquires related to the availability and expansion of benefits available via telehealth platforms.

### *Remedy*

The Department tracked trends and notified other state agencies of the increase volume of complaints and inquiries related to telehealth services. The Department communicated the increasing concerns being observed by Illinois consumers and the provider community to the Governor's Office in order to alert of the barriers to access to care that would traditionally be addressed in an in-person setting. The efforts of the Department and others resulted in the Governor's Office taking swift action to address these issues by issuing Executive Order 2020-09 to expand telehealth services and protect health care providers in response to COVID-19.