

**[215 Ill. Comp. Stat. §§ 5/1201 through 5/1203.]**

**§§ 5/1201 through 5/1203: Illinois Insurance Cost Containment Act**

**§ 1201. Purpose of Article.**

The purpose of this Article is to promote the public welfare by studying the relationship of insurance premium and related income as compared to insurance costs and expenses. The General Assembly finds and declares that stabilizing the cost of insurance is a vital concern to the people of this State.

It is the legislative intent, pursuant to this declared public concern, to develop measures which will stabilize prices while continuing to provide quality insurance products to all sectors of the citizenry. It is the express intent of this Article to permit and encourage competition between companies on a sound financial basis to the fullest extent possible and to establish a mechanism to ensure the provision of adequate insurance at reasonable rates to the citizens of this State.

The General Assembly finds that while the gathering of insurance cost data has been attempted on a voluntary basis in the past, the lack of a uniform system for the collection and analysis of data and the lack of full participation by insurers has led to inadequate and unusable data. In order to remedy this problem, the General Assembly find it necessary to create a mandated uniform system in Illinois for the collection, analysis and distribution of insurance cost data.

**§ 1202. Duties.**

The Director shall:

(a) determine the relationship of insurance premiums and related income as compared to insurance costs and expenses and provide such information to the General Assembly and the general public;

(b) study the insurance system in the State of Illinois, and recommend to the General Assembly what it deems to be the most appropriate and comprehensive cost containment system for the State;

(c) respond to the requests by agencies of government and the General Assembly for special studies and analysis of data collected pursuant to this Article. Such reports shall be made available in a form prescribed by the Director. The Director may also determine a fee to be charged to the requesting agency to cover the direct and indirect costs for producing such a report, and shall permit affected insurers the right to review the accuracy of the report before it is released. The fees shall be deposited into the Technology Management Revolving Fund and credited to the account of the Department of Insurance;

(d) make an interim report to the General Assembly no later than August 15, 1987, and an annual report to the General Assembly no later than July 1 every year thereafter which shall include the Director's findings and recommendations regarding its duties as provided under subsections (a), (b), and (c) of this Section.

**§ 1203. Powers and Additional Duties.**

(a) The Director may enter into any agreement with any corporation, association or other entity he or she deems appropriate to undertake the process described in this Article for the compilation and analysis of data collected by the Department and may conduct or contract for studies on insurance-related questions carried out in pursuance of the purposes of this Article. The agreement may provide for the corporation, association or entity to prepare and distribute or make available data to insurers, government and the general public.

(b) The Director shall require, and the designated corporation, association or entity shall prepare, semi-annual basic reports in the aggregate on insurance cost trends in Illinois. The Director shall provide these reports to the General Assembly, and upon request, to the public.

(c) Prior to the release or dissemination of these reports, the Director or the designated corporation, association or entity, shall permit insurers the opportunity to verify the accuracy of any information pertaining to the insurer. The insurer may submit to the Director any corrections or errors in the compilation of the data together with any supporting evidence and documents the insurer may provide.