**Section 4500.220 Illinois Exchange User Fee**

a) Pursuant to Section 5-21 of the IHBE Law, a health insurance issuer offering a QHP, including an SADP, through the Illinois Exchange must remit a monthly user fee directly to the Department that equals the product of:

1) the total of monthly premiums charged by the issuer for every policy under every QHP to the extent that enrollment is through the Illinois Exchange; and

2) the user fee rate, which is:

A) for benefit months in calendar year 2025, 0.5%; and

B) for benefit months beginning January 2026, 2.75%.

b) The total of monthly premiums charged in subsection (a) must be calculated before the application of any APTCs, CSRs, rebates, or other subsidies or reductions in premiums filed with the Exchange that affect the amount the issuer actually bills to, or is directly owed by, any of its enrollees or qualified employers.

c) The Department will issue a monthly invoice to each issuer for the user fee in subsection (a) based on:

1) effectuated enrollment in the issuer's plans through the Exchange as of the end of the current month; and

2) adjustments to one or more prior months' invoices due to changes or errors in effectuated enrollment.

d) A QHP issuer must pay the invoice within 30 days of the date the Department issues the invoice.

e) A QHP issuer may report an overpayment and request an adjustment or other refund under Section 412 of the Code as implemented by 50 Ill. Adm. Code 2500.120 if the issuer believes it has made an overpayment of its monthly user fee and either:

1) the following month's invoice does not adjust for the overpayment; or

2) the Department does not issue an invoice for the following month.

f) The Department will not collect any portion of a user fee that HHS assesses under 45 CFR 156.50(c) and (d) (May 6, 2022) (no later editions or amendments). A QHP issuer must remit directly to HHS any user fee that HHS assesses separately from the user fee collected by the Department under Section 5-21 of the IHBE Law.

AGENCY NOTE: The user fee rate of 0.5% in subsection (a)(2)(A) does not include any of the Federal Platform User Fee rate of 1.2% owed to the Federal Government under 89 Fed. Reg. 26218 (April 15, 2024), which HHS will collect directly from the issuer.

(Source: Added at 49 Ill. Reg. 420, effective December 26, 2024)