

Illinois Comprehensive Health Insurance Plan

2020 Annual Report

For the year ending December 31, 2020

This is the 31st year of insuring Illinois residents



JB Pritzker, Governor

Kwame Raoul, Attorney General

Dana Popish Severinghaus, Chairman of Board

Brodie Taylor, Interim Acting Executive Director

Illinois Public Act 102-0159 was signed by the Governor on July 23, 2021. With the implementation of this legislation, the Comprehensive Health Insurance Plan (CHIP) shall discontinue as the alternative market for health insurance for certain Illinois residents and shall discontinue as the alternative mechanism, as described in the federal Health Insurance Portability and Accountability Act of 1996, effective no later than January 1, 2022. All powers, duties, rights, and responsibilities of CHIP and the CHIP board shall be transferred to and vested in the Director of Insurance as rehabilitator or liquidator to oversee the wind-down and dissolution of CHIP.

The Mission and History of CHIP

The Comprehensive Health Insurance Plan Act, 215 ILCS 105/1 *et seq.*, became law in 1987 with first coverage provided on May 1, 1989. Illinois was the fifteenth state to enact such a mechanism, known as a “high risk pool,” and the first to use state general revenue funds.

The CHIP program has a two-fold mission:

- To provide health coverage for Illinois residents who cannot obtain health insurance due to health reasons or have substantially similar coverage that costs more than the individual Traditional pool premium rate; and
- To provide coverage to Illinois residents who recently lost group coverage and have exhausted COBRA or other continuation coverage.

The original purpose of the CHIP program was to provide coverage to individuals who were “uninsurable”. This part of CHIP is known as the Traditional CHIP pool. There were two plans available under the Traditional pool. The Traditional Non-Medicare Plan is for individuals who are either unable to obtain private coverage because of a medical condition or able to find coverage but at a rate exceeding the applicable CHIP rate. The Traditional Medicare Plan was for individuals under age 65 who were covered by Medicare Parts A and B because of end-stage renal disease or other disability. In 2013 the Board made the decision to discontinue the Traditional Medicare Plan effective December 31, 2013. In 2013, the Board made the policy decision not to enroll or renew individuals into the Traditional pool after April 30, 2014 due to the availability of guaranteed issue under the Patient Protection and Affordable Care Act (ACA).

Following the passage of the federal Health Insurance Portability and Accountability Act (HIPAA) in 1996, CHIP also became responsible for providing health coverage to individuals who have had, but subsequently lost, group insurance. On the state level, legislation was enacted creating the HIPAA-CHIP Pool, and coverage in it was first provided to eligible individuals on July 1, 1997. The pool is funded primarily by an assessment on health insurers and members’ premiums.

Additional responsibility came in 2003 with the designation of CHIP as a “qualified health plan” as established in the federal Trade Act of 2002. Qualified Illinois residents could use coverage in the HIPAA-CHIP pool to claim the Health Coverage Tax Credit (HCTC) if they were Trade Adjustment Act (TAA) certified or were receiving a pension from the Pension Benefit Guaranty Corporation (PBGC). Pursuant to federal law, the HCTC ended December 31, 2013.

In 2008 coverage changes were implemented in response to the Medicare Reform Act to provide High Deductible Health Plan (HDHP) options to CHIP members in either the Traditional or the HIPAA pool. HDHP plans can be used in conjunction with Health Savings Accounts to allow enrollees to take advantage of federal income tax provisions that allow payment for out-of-pocket medical expenses from pretax dollars. These plans were discontinued December 31, 2014.

On March 23, 2010 the President signed into law the ACA that in part prohibits health insurers from denying coverage due to pre-existing conditions. At its peak, CHIP was insuring over 21,000 Illinois residents. In 2014 a large number of CHIP members transitioned into the ACA marketplace resulting in a December 31, 2014 enrollment of 885 members. Enrollment has continued to decline each year and by the end of 2020 the CHIP membership enrollment was 88.

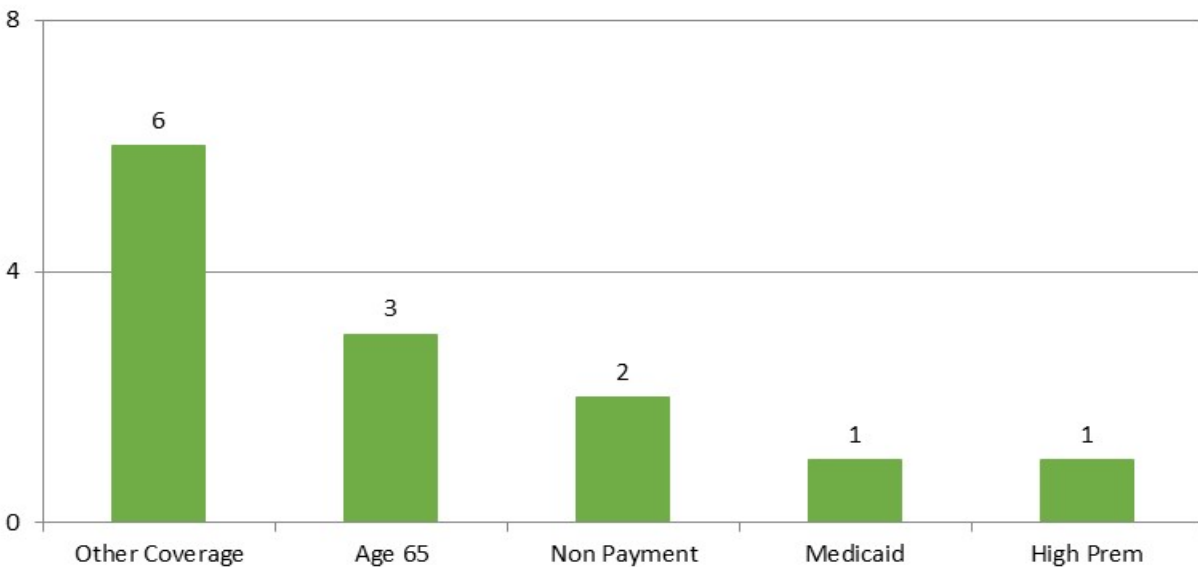
Member Profile for 2020

94 members January 1
 +7 enrollees added during calendar year
 - 13 members terminated during calendar year
 88 members December 31

Regarding the 7 that were added during 2020:

- 2 were later terminated during 2020 due to other coverage and age 65
- 5 continue to be active members into 2021

Reason the coverage terminated for the 13 members:



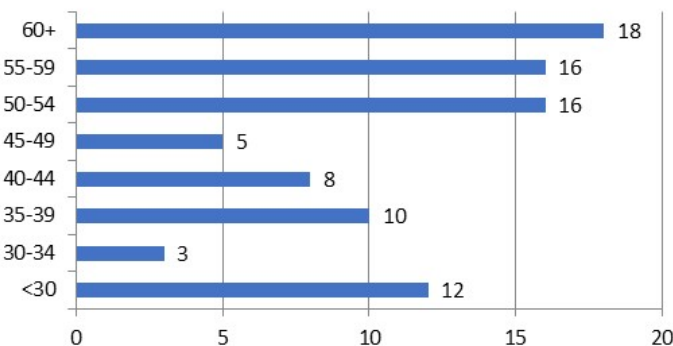
Further breakdown of the 88 December 31st members:

<u>Deductible</u>	\$2,500	79	90%	four did not meet their \$2,500 deductible during 2020
	\$5,000	9	10%	all met their \$5,000 deductible during 2020

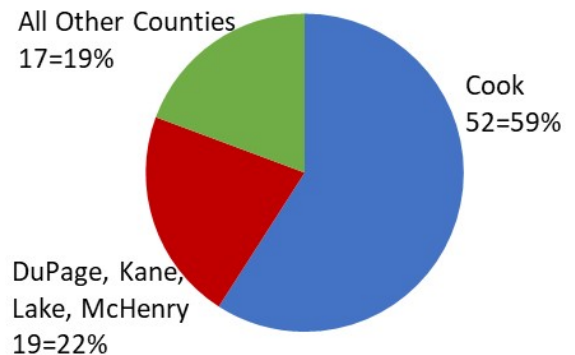
There was one \$2,500 deductible member that had no claims during 2020.

CHIP provides family plan coverage at 80% of premium and 17 members participated during 2020.

Age distribution as of 12/31/2020

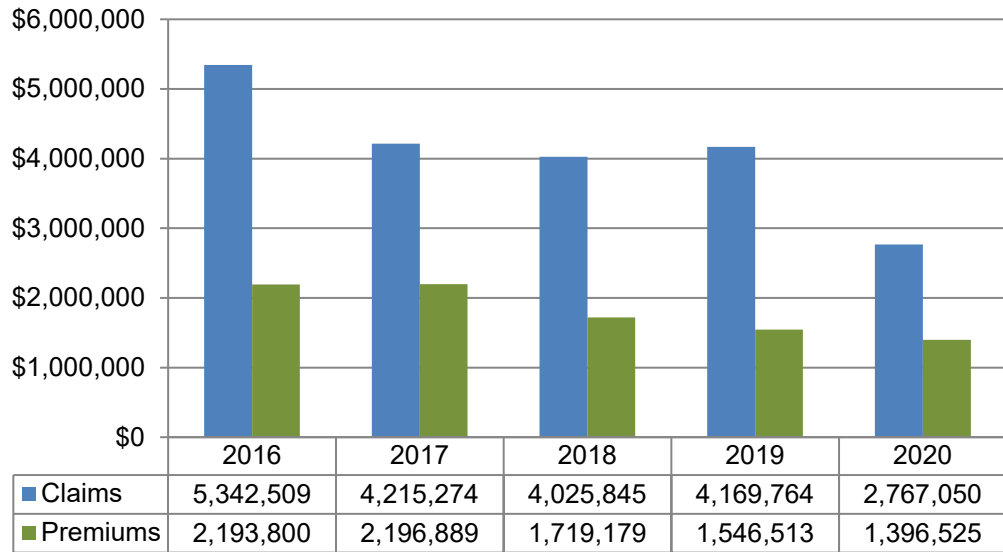


County distribution:

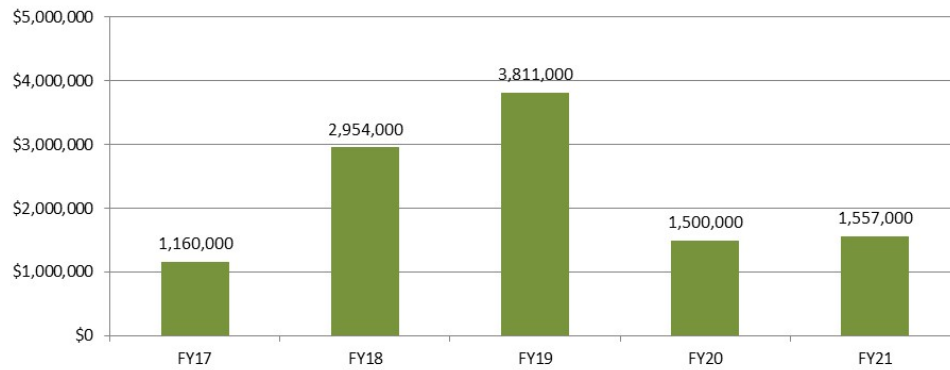


Financial Profile

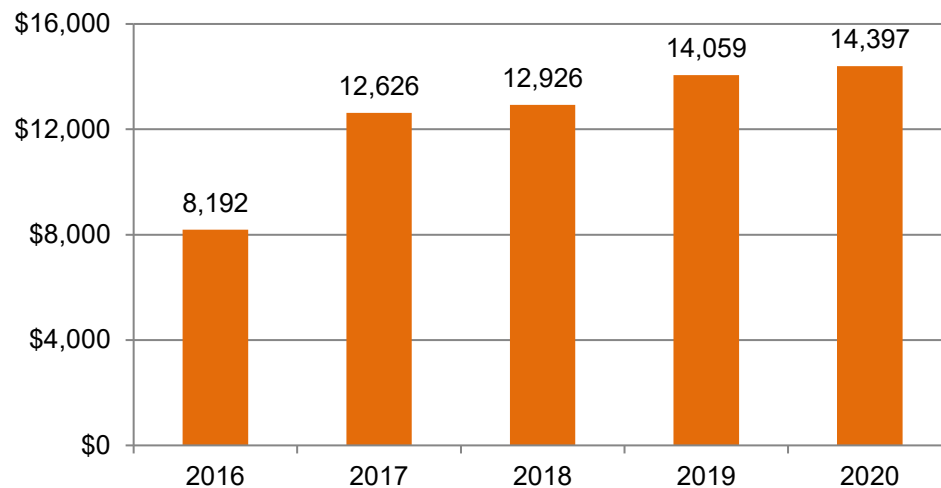
Total Claims Paid and Premiums Earned



Assessment to the Health Insurance Industry by Fiscal Year



Average Annual Premium



Claim Analysis for those Paid during calendar year 2020

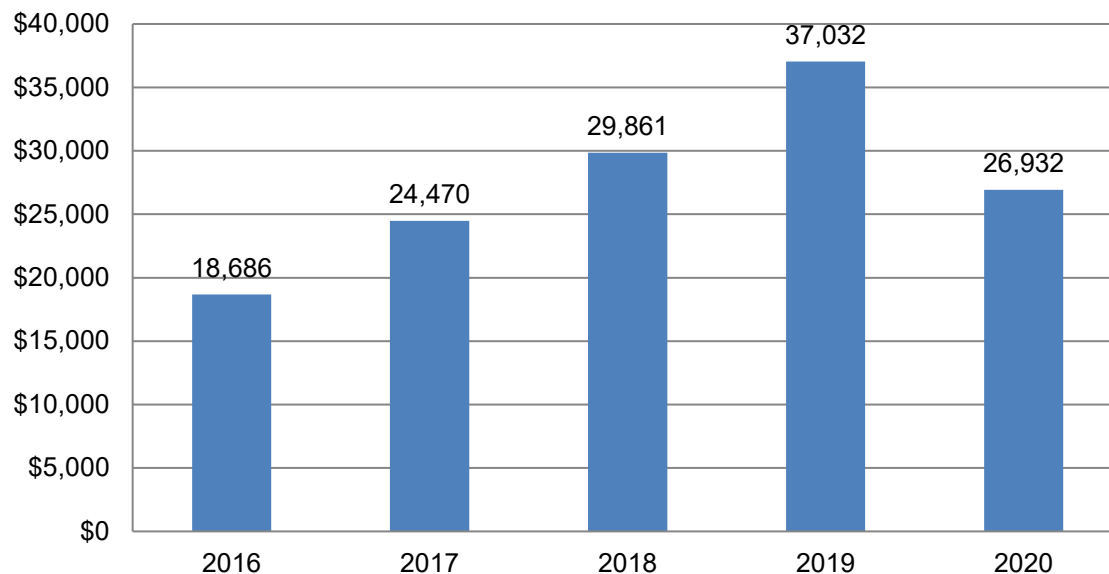
Description	2020			2019
	Traditional Total	HIPAA Total	Grand Total	Grand Total
Inpatient	\$ -	\$ 275,294	\$ 275,294	\$ 1,003,212
Outpatient		\$ 605,373	\$ 605,373	\$ 1,096,779
ECF/SNF	\$ -	\$ 29,712	\$ 29,712	\$ 39,017
Coordinated Home Care	\$ -	\$ 17,266	\$ 17,266	\$ 20,130
Medicare Deductible	\$ -	\$ -	\$ -	\$ -
Physician Services	\$ (4,043)	\$ 767,421	\$ 763,378	\$ 806,421
Major Medical	\$ -	\$ 1,014	\$ 1,014	\$ 1,131
Subtotal	\$ (4,043)	\$ 1,696,080	\$ 1,692,037	\$ 2,966,690
Adjustments*	\$ (1,485)	\$ (95,359)	\$ (96,844)	\$ (41,693)
Total Blue Cross Medical	\$ (5,528)	\$ 1,600,721	\$ 1,595,193	\$ 2,924,997
Total Prescriptions		\$ 1,171,857	\$ 1,171,857	\$ 1,244,767
Total Paid Claims	\$ (5,528)	\$ 2,772,578	\$ 2,767,050	\$ 4,169,764
Prescription Rebates	\$ -	\$ (19,240)	\$ (19,240)	\$ (21,622)
Prescription Claim Refunds	\$ -	\$ -	\$ -	\$ (2,408)
Medical Claim Refunds	\$ -	\$ -	\$ -	\$ (9)
Change in Claim Reserves	\$ -	\$ (141,000)	\$ (141,000)	\$ (75,000)
Net Incurred Losses	\$ (5,528)	\$ 2,612,338	\$ 2,606,810	\$ 4,070,725

* includes Subrogation Reimbursements, Claim Recoveries and Discount Offsets

Average HIPAA Plan Claim Cost Per Member

Enrollment	97
Prescription Cost	\$ 11,883
Non-Prescription Cost	\$ 15,049
Total Plan Claim Cost	<u>\$ 26,932</u>

Average Annual HIPAA Plan Claim Cost Per Member



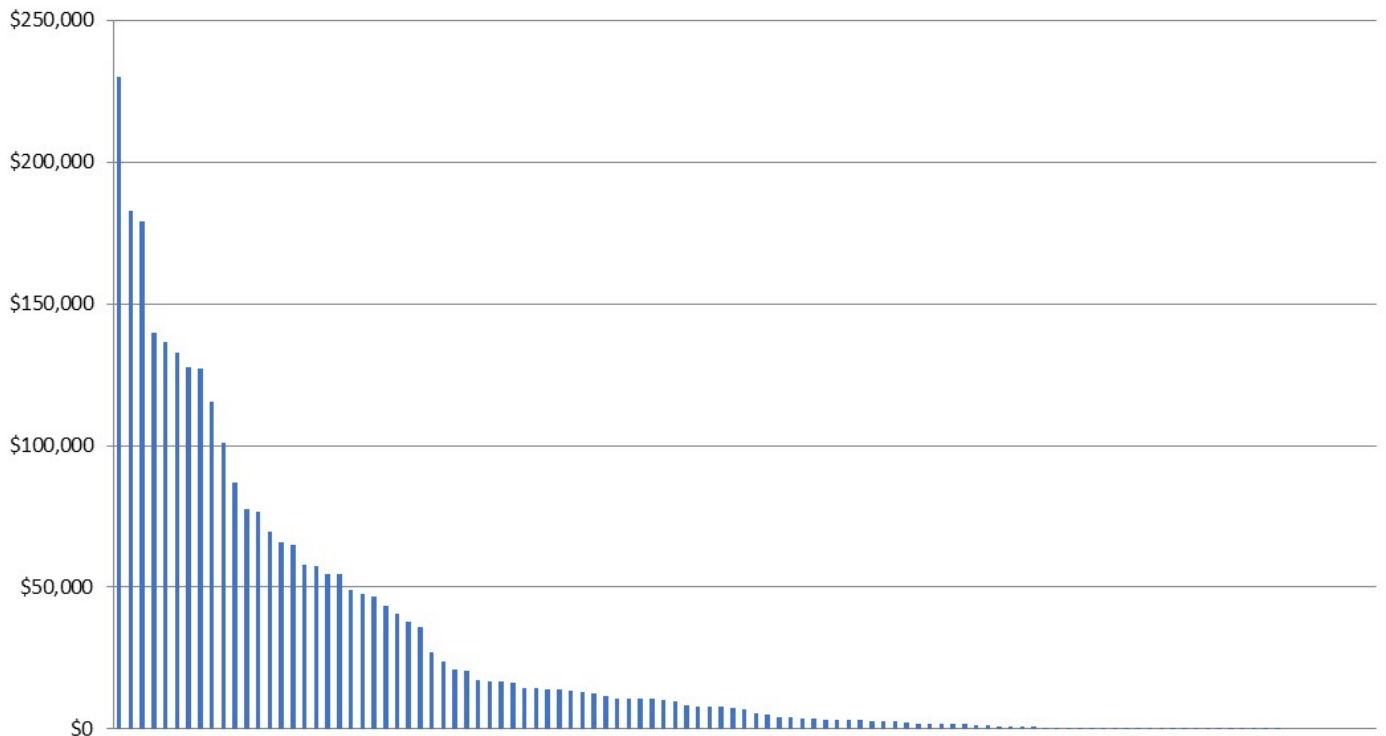
Claim Analysis for those Paid during calendar year 2020

Claims Paid by Month:

	Medical	Drug	Total
January	\$220,653	\$105,655	\$326,308
February	\$97,431	\$68,698	\$166,129
March	\$147,442	\$91,300	\$238,742
April	\$89,512	\$79,581	\$169,093
May	\$27,580	\$127,475	\$155,055
June	\$102,677	\$79,242	\$181,919
July	\$180,256	\$91,928	\$272,184
August	\$100,256	\$81,759	\$182,015
September	\$161,750	\$95,695	\$257,445
October	\$156,618	\$123,051	\$279,669
November	\$116,298	\$104,687	\$220,985
December	\$194,720	\$122,786	\$317,506
Total	\$1,595,193	\$1,171,857	\$2,767,050

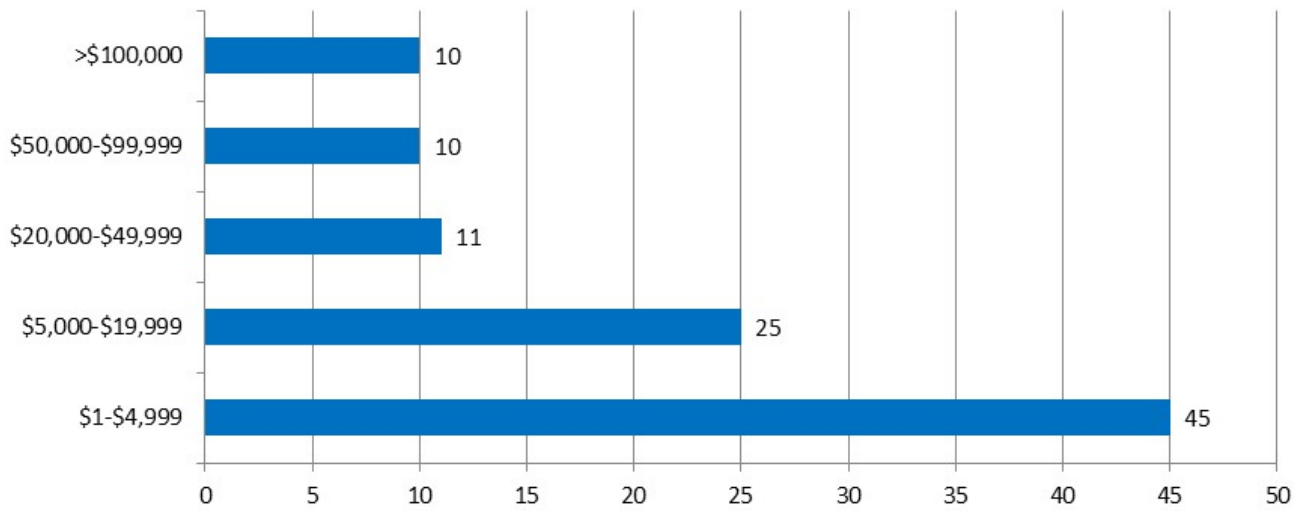
During 2020 claims were paid for 116 current and prior years Members.

Below is a bar chart that provides total amount paid for each Member from highest to lowest.

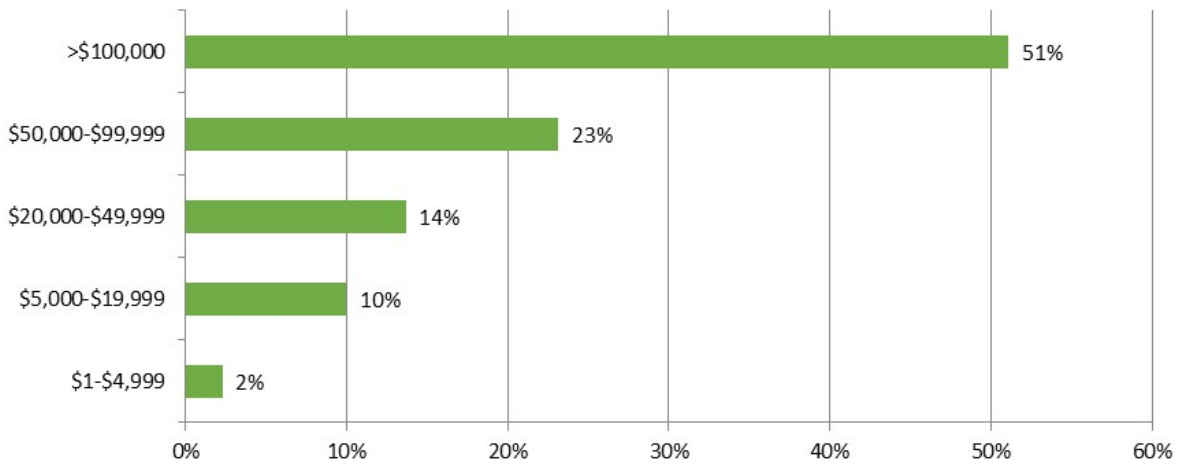


Claim Analysis for those Paid during calendar year 2020

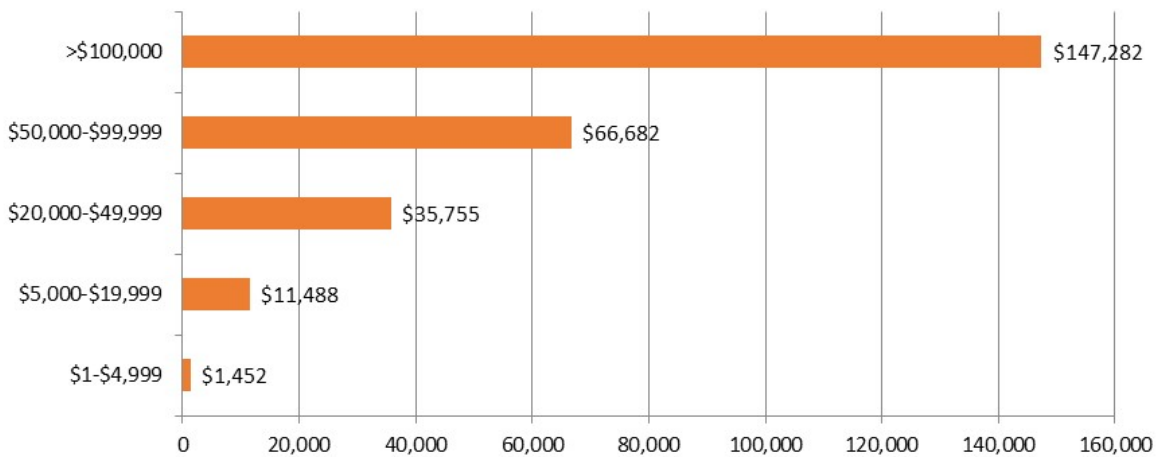
Number of Members in each Range



Percent of Total 2020 Claims in each Range



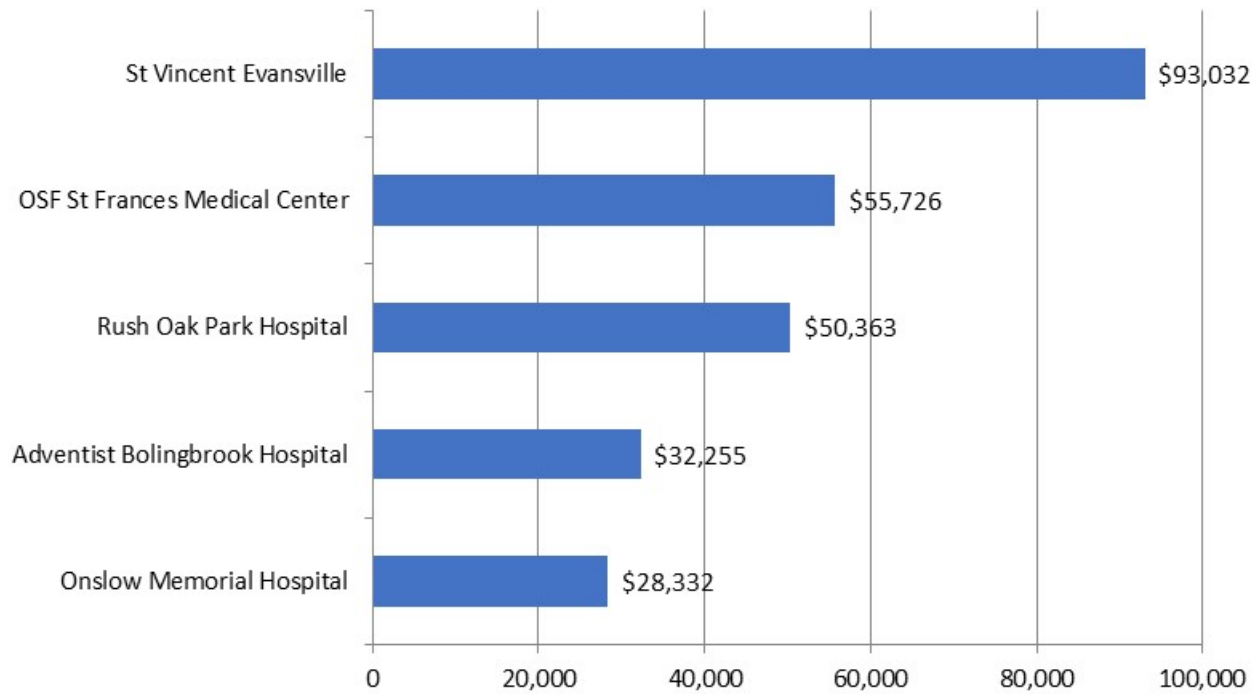
Average Total Per Member in each Range



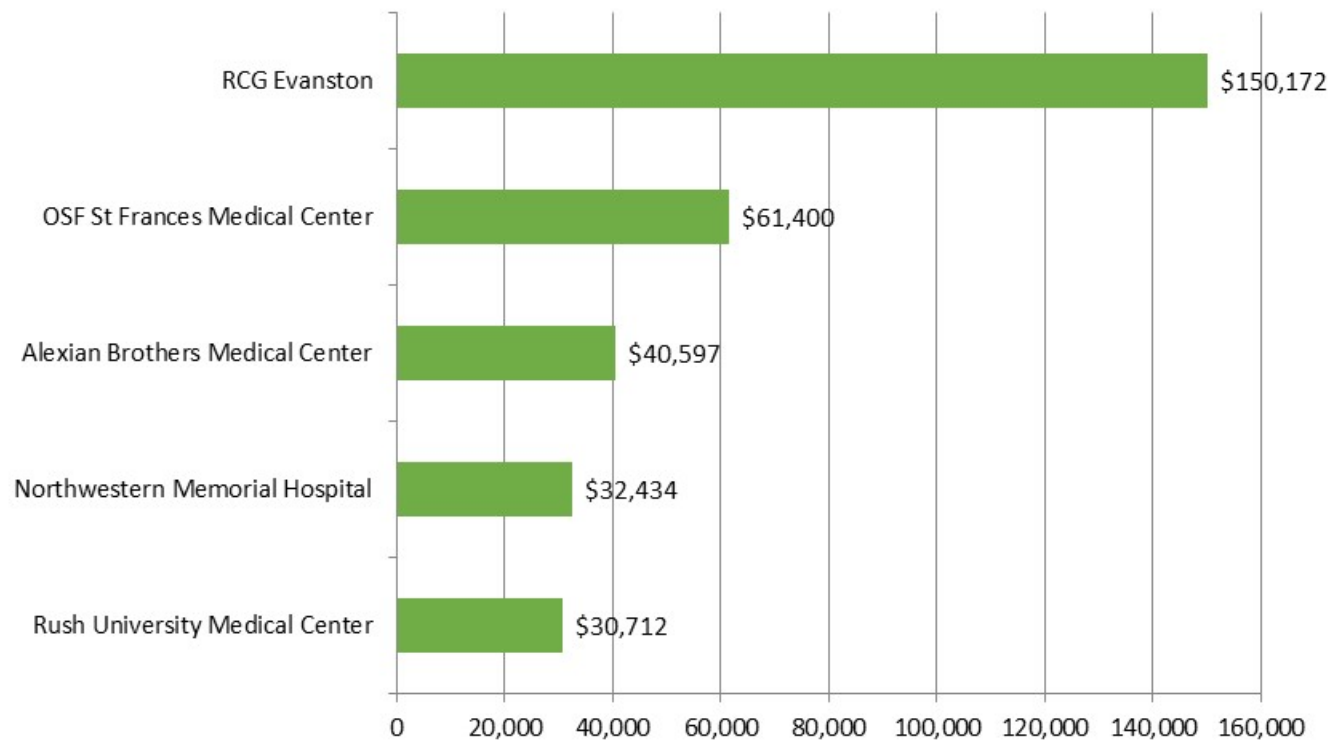
During 2020 there were 7 Members that had only adjustment claims with a total dollar amount of -4,275.

Claim Analysis for those Paid during calendar year 2020

Top 5 Inpatient Providers – total paid for all Inpatient = \$275,294

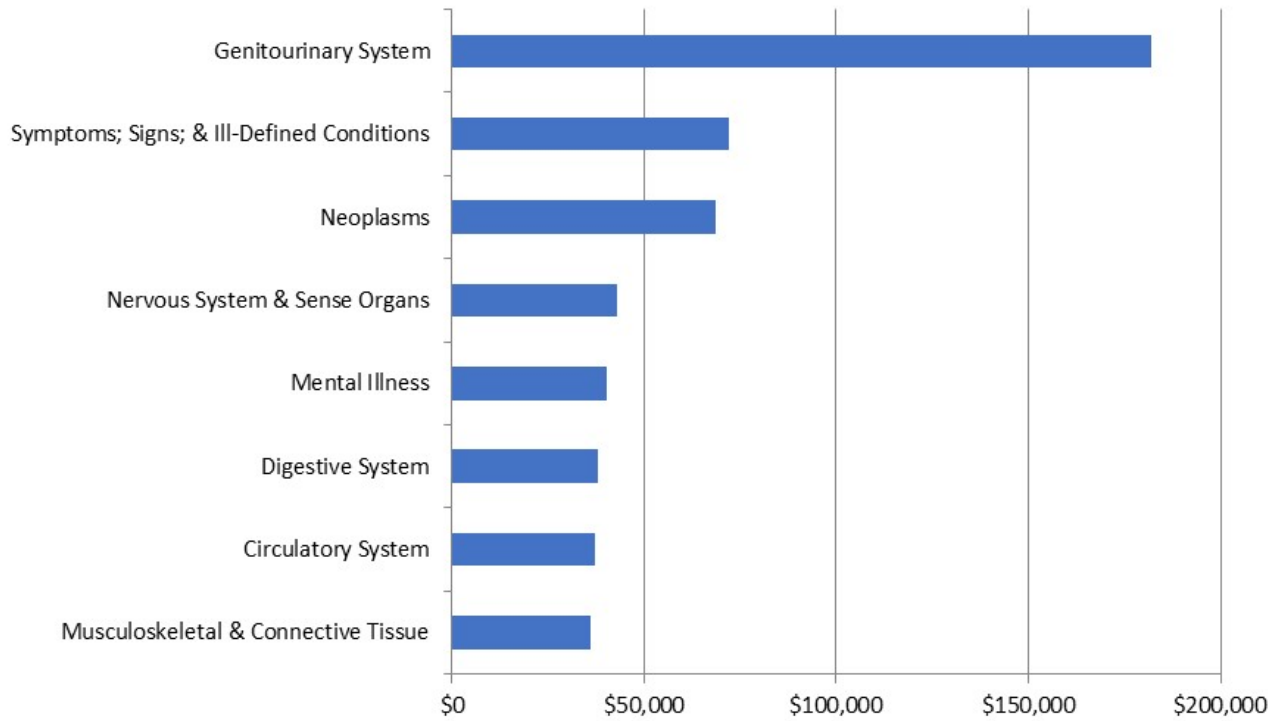


Top 5 Outpatient Providers – total paid for all Outpatient = \$605,373

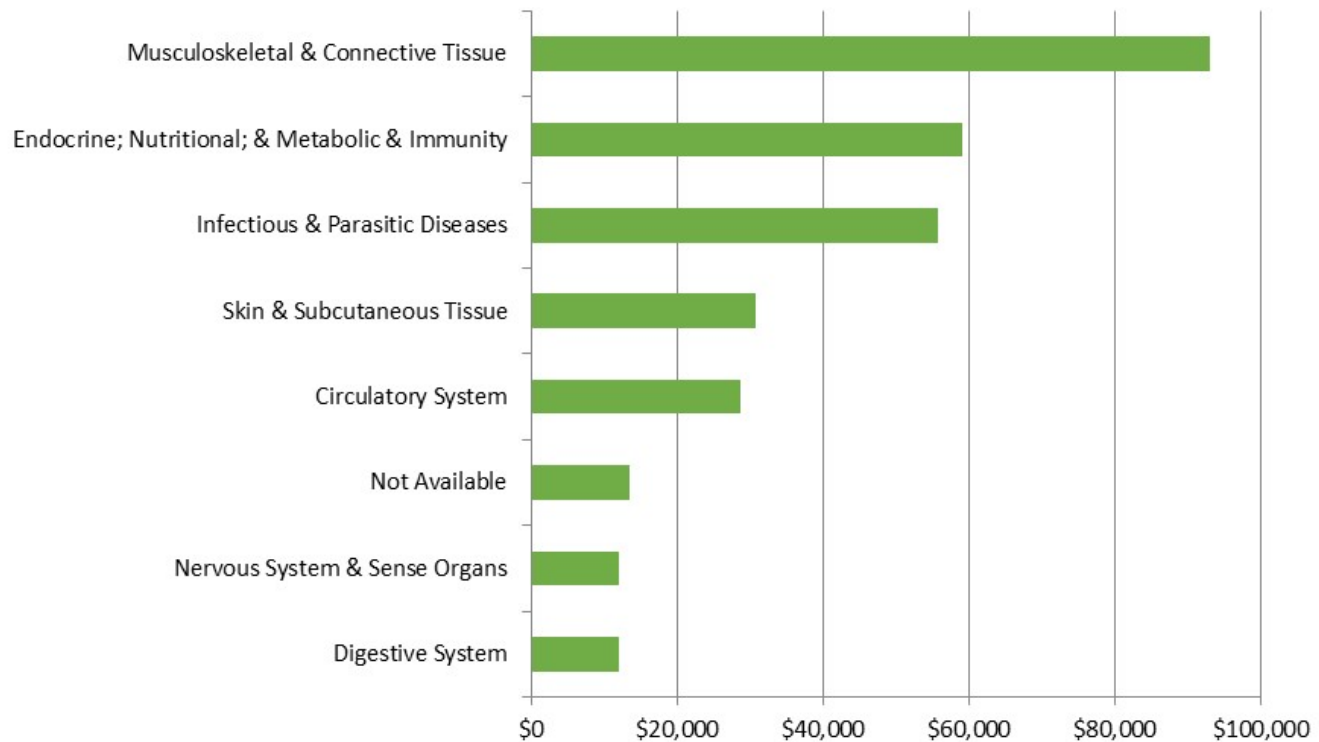


Claim Analysis for those Paid during calendar year 2020

Top 8 Medical Outpatient Claims by Diagnosis

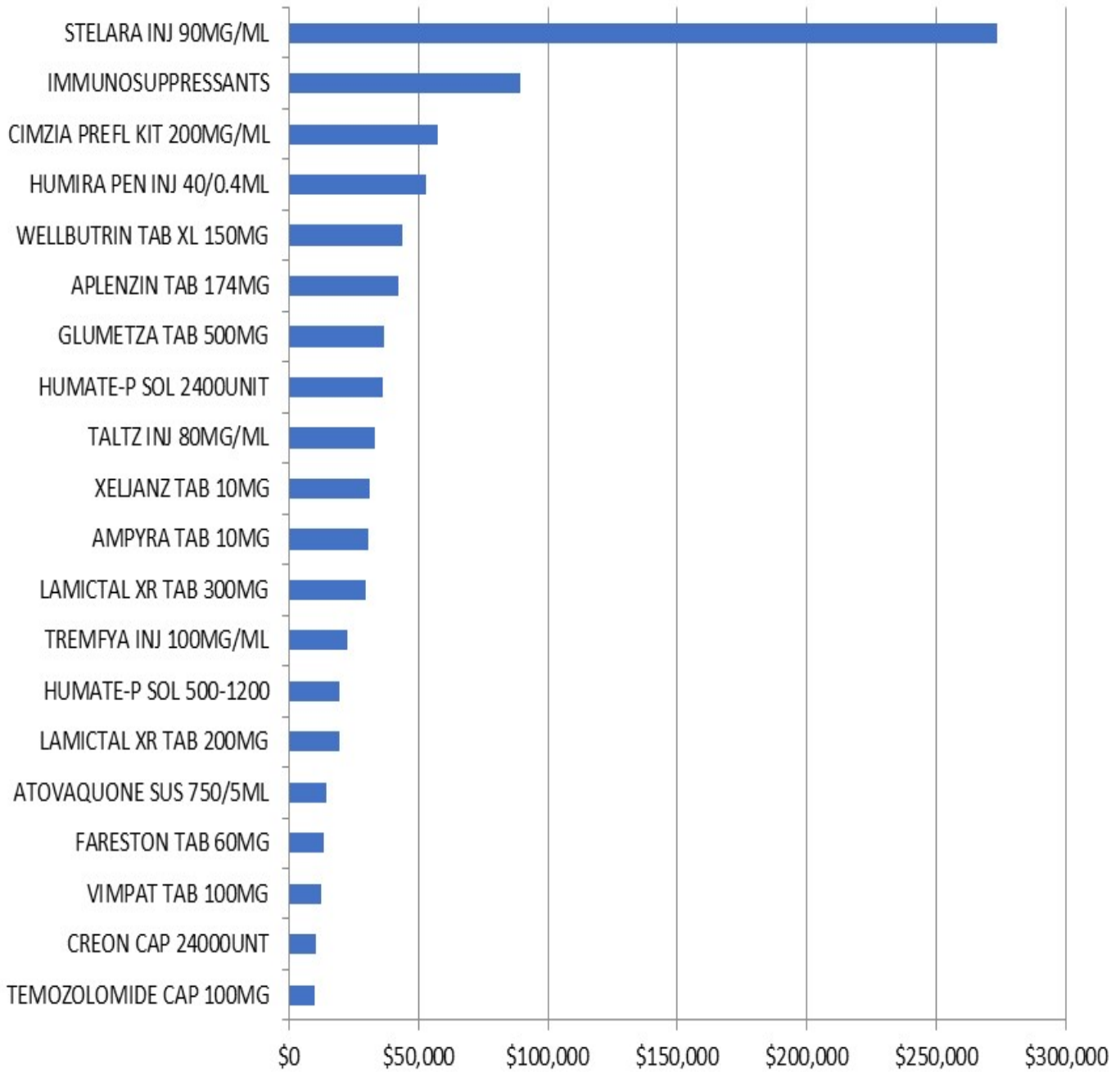


Top 8 Medical Inpatient Claims by Diagnosis



Claim Analysis for those Paid during calendar year 2020

Top 20 Prescription Drugs



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