



# Illinois Department of Insurance

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**JB PRITZKER**  
Governor

**ANN GILLESPIE**  
Acting Director

Date April 30, 2024

RE: Public Act 103-0094 - Disability Income Data Call

To the Honorable Members of the General Assembly:

Public Act 103-0094 required the Department of Insurance (the Department) to collect and present to the General Assembly certain information related to disability income policies offered in Illinois.

I am pleased to release the results of this data call, which encompasses policy counts, average defined benefit periods, and average premiums in the individual and group disability income insurance market in Illinois.

Sincerely,

A handwritten signature in cursive script that reads "Ann Gillespie".

Ann Gillespie, Acting Director  
Illinois Department of Insurance

# **Disability Income Insurance Plans Data Call**

**Illinois Department of Insurance**

**April 2024**

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## **Introduction**

Public Act 103-0094 requires the Department to collect certain information regarding Disability Income Insurance policies in the state of Illinois. This report includes data as of December 31, 2023, and is to be presented to the General Assembly no later than April 30, 2024. This report includes only data and should not be construed to interpret any data (or lack thereof) referenced below in any manner.

The information required to be collected is shown in Appendix A.

Appendix B shows the data call that was sent to companies to collect the information. As Public Act 103-0094 contained several undefined terms that could be open to various interpretations, guidance was included in Company Bulletin 2024-03 that was intended to improve the consistency of the insurers' responses (such as defining the difference between short-term and long-term disability income policies and that companies should respond based on their in-force block of business as of December 31, 2023).

## **Limitations**

- This report is unique and is not a follow up to any previous reports or requests.
- Data may contain anomalies. The Department makes every possible effort to ensure the accuracy, consistency, and completeness of the data. The Department provides all insurers with the same set of instructions and filing requirements, and Department personnel attempt to follow up on incomplete reports or anomalies in data. The accuracy of the report still depends largely on the accuracy of the data reported by insurers. Individual insurers and individual data entry personnel employed by those insurers may interpret data fields differently.
- As a result of these potential anomalies, errors and inconsistencies may still occur. Due to time constraints and limited resources, the Department cannot verify the accuracy of certain data reported and must rely solely on the accuracy of the reporting insurer.
- In particular, some anomalies were noted in section (j-5)(7). This section asks for average premiums. It appears that some companies provided average premiums per certificate while others likely provided average premium by employer group. If this study is performed again at a future date, some additional clarification on this item could be made either via statute or the Department's guidance.
- Other anomalies were noted after comparing policy counts reported for this data call against what companies actually reported in their 2023 annual statements. One possible reason for this discrepancy is that companies were asked to provide their responses prior to the annual statement information being due, and several companies indicated that considerable judgment was required in order to complete the template by the time the data call was due. Large discrepancies were investigated but complete reconciliation was considered beyond the scope of this report.

## Results

As a result of the data call, templates were submitted by 83 companies. Eight (8) of these had policy counts which were blank so a total of 75 submitted templates were used in this analysis.

The following are the aggregated results of the templates received.

### Section 1

The number of employment disability insurance plans offered in Illinois:

<b>Table 1 – Number of Employment Disability Insurance Plans</b>		
<b>Line</b>		<b>Number of Policies/Certs</b>
<b>(1)(A)</b>	<b>Individual Short-Term</b>	<b>85,877</b>
<b>(1)(B)</b>	<b>Individual Long-Term</b>	<b>134,513</b>
<b>(1)(C)</b>	<b>Group Short-Term</b>	<b>252,634</b>
<b>(1)(D)</b>	<b>Group Long-Term</b>	<b>509,634</b>
	<b>Total</b>	<b>982,687</b>

### Section 2

The number of employment disability insurance plans in Section 1 offered in Illinois that limit mental health and substance use disorder (MH/SUD) benefits:

<b>Table 2 – Number of Employment Disability Insurance Plans With MH/SUD Limits</b>			
<b>Line</b>	<b>With MH/SUD Limits</b>	<b>Total</b>	<b>Policies with MH/SUD Limits as % of Total</b>
<b>Individual Short-Term</b>	<b>70,193</b>	<b>82,757</b>	<b>84.8%</b>
<b>Individual Long-Term</b>	<b>93,489</b>	<b>134,433</b>	<b>69.5%</b>
<b>Group Short-Term</b>	<b>18,046</b>	<b>259,471</b>	<b>7.0%</b>
<b>Group Long-Term</b>	<b>496,692</b>	<b>509,945</b>	<b>97.4%</b>
<b>Total</b>	<b>678,420</b>	<b>986,606</b>	<b>68.8%</b>

It should be noted that the Total column in Table 2 is very close to the Total in Table 1 but does not exactly align due to variations or anomalies in the companies' responses.

### Section 3

This section includes the average defined benefit period for the policies referenced in Table 1 both for policies that limit and policies that have no limitation on MH/SUD.

In order to calculate average defined benefit periods, it was necessary to request separate totals for policies with unlimited benefit periods from policies with limited benefit periods. Table 3 shows the number of policies with unlimited benefit periods, whereas Table 4 shows the number of policies with limited benefit periods:

<b>Table 3 – Number of Policies in Table 1 with Unlimited Benefit Periods</b>			
	<b>With MH/SUD Limits</b>	<b>Without MH/SUD Limits</b>	<b>Total</b>
<b>Individual Short-Term</b>	49	915	964
<b>Individual Long-Term</b>	4,762	17,901	22,663
<b>Group Short-Term</b>	0	2,063	2,063
<b>Group Long-Term</b>	442,710	2,627	445,337
<b>Total</b>	447,521	23,506	471,027

<b>Table 4 – Number of Policies in Table 1 with Limited Benefit Periods</b>			
	<b>With MH/SUD Limits</b>	<b>Without MH/SUD Limits</b>	<b>Total</b>
<b>Individual Short-Term</b>	70,495	11,296	81,791
<b>Individual Long-Term</b>	90,824	20,646	111,470
<b>Group Short-Term</b>	19,897	240,433	260,330
<b>Group Long-Term</b>	55,300	10,623	65,923
<b>Total</b>	236,516	282,998	519,514

Table 5 shows the average defined benefit period in months for those policies with limited benefit periods. Note that these averages exclude the results of five (5) companies that responded and noted their defined benefit period was limited by attainment of retirement age (65-67) rather than by a fixed number of months:

<b>Table 5 – Average Defined Benefit Period (in Months)</b>			
	<b>With MH/SUD Limits</b>	<b>Without MH/SUD Limits</b>	<b>Total</b>
<b>Individual Short-Term</b>	15.4	22.3	16.4
<b>Individual Long-Term</b>	74.6	153.1	89.1

<b>Group Short-Term</b>	<b>4.6</b>	<b>4.4</b>	<b>4.4</b>
<b>Group Long-Term</b>	<b>56.1</b>	<b>23.5</b>	<b>50.9</b>
<b>Total</b>	<b>46.8</b>	<b>16.7</b>	<b>30.4</b>

#### Section 4

The number of employment disability insurance plans in Section 1 offered in Illinois that are purchased on a voluntary or non-voluntary basis:

<b>Table 6 – Number of Policies Purchased on a Voluntary vs. Non-Voluntary Basis</b>			
<b>Line</b>	<b>Voluntary</b>	<b>Non-Voluntary</b>	<b>Total</b>
<b>Individual Short-Term</b>	<b>77,430</b>	<b>8,447</b>	<b>85,877</b>
<b>Individual Long-Term</b>	<b>72,528</b>	<b>56,596</b>	<b>129,124</b>
<b>Group Short-Term</b>	<b>67,804</b>	<b>193,788</b>	<b>261,592</b>
<b>Group Long-Term</b>	<b>96,084</b>	<b>413,865</b>	<b>509,949</b>
<b>Total</b>	<b>313,846</b>	<b>672,696</b>	<b>986,542</b>

#### Section 5

The number of employment disability insurance plans in Section 1 offered in Illinois according to the identities of the individuals, entities, or a combination of the two that assume the cost associated with covering the policies referenced in paragraph (1) of this subsection:

<b>Table 7 – Number of Policies by Payor</b>					
<b>Line</b>	<b>Self</b>	<b>Employer</b>	<b>Combination</b>	<b>Unknown/No Data</b>	<b>Total</b>
<b>Individual Short-Term</b>	<b>69,811</b>	<b>1,391</b>	<b>786</b>	<b>13,889</b>	<b>85,877</b>
<b>Individual Long-Term</b>	<b>62,941</b>	<b>11,889</b>	<b>205</b>	<b>59,431</b>	<b>134,466</b>
<b>Group Short-Term</b>	<b>75,529</b>	<b>152,037</b>	<b>32,368</b>	<b>1,658</b>	<b>261,592</b>
<b>Group Long-Term</b>	<b>135,186</b>	<b>229,168</b>	<b>144,666</b>	<b>929</b>	<b>509,949</b>
<b>Total</b>	<b>343,467</b>	<b>394,485</b>	<b>178,025</b>	<b>75,907</b>	<b>991,884</b>

#### Section 6

Section 6 is similar to Section 3. However, instead of separate average defined benefit periods for policies with limits on mental health and substance use disorder services, the average defined benefit period is requested for policies that cover physical disabilities as well as mental health and substance abuse (PD/MH/SA) benefits without limitation.

Insurers were requested to calculate their average defined benefit period after separating their policies into whether they cover PD/MH/SA benefits without limitation, cover PD/MH/SA benefits with limitation, or do not cover PD/MH/SA benefits.



<b>Table 8 – Number of Policies in Table 1 with Unlimited Benefit Periods</b>				
	<b>Covers PD/MH/SA without Limits</b>	<b>Covers PD/MH/SA with Limits</b>	<b>Does Not Cover PD/MH/SA</b>	<b>Total</b>
<b>Individual Short-Term</b>	1,268	50	0	1,318
<b>Individual Long-Term</b>	20,291	4,779	0	25,070
<b>Group Short-Term</b>	0	22	774	796
<b>Group Long-Term</b>	63,969	380,103	234	444,306
<b>Total</b>	<b>85,528</b>	<b>384,954</b>	<b>1,008</b>	<b>471,490</b>

<b>Table 9 – Number of Policies in Table 1 with Limited Benefit Periods</b>				
	<b>Covers PD/MH/SA without Limits</b>	<b>Covers PD/MH/SA with Limits</b>	<b>Does Not Cover PD/MH/SA</b>	<b>Total</b>
<b>Individual Short-Term</b>	8,245	62,851	9,748	80,844
<b>Individual Long-Term</b>	15,183	91,391	29	106,603
<b>Group Short-Term</b>	131,143	119,132	10,766	261,041
<b>Group Long-Term</b>	11,665	53,571	235	65,471
<b>Total</b>	<b>166,236</b>	<b>326,945</b>	<b>20,778</b>	<b>513,959</b>

Table 10 shows the average defined benefit period in months for policies with limited benefit periods. Note these averages exclude the results of five (5) companies that responded and noted their defined benefit period was limited by attainment of retirement age (65-67) rather than by a fixed number of months.

<b>Table 10 – Average Defined Benefit Period (in Months)</b>				
	<b>Covers PD/MH/SA without Limits</b>	<b>Covers PD/MH/SA with Limits</b>	<b>Does Not Cover PD/MH/SA</b>	<b>Total</b>
<b>Individual Short-Term</b>	27.4	16.2	6.9	16.2
<b>Individual Long-Term</b>	169.7	115.4	62.7	123.1
<b>Group Short-Term</b>	3.8	5.1	4.2	4.4
<b>Group Long-Term</b>	19.9	23.3	12.0	22.6
<b>Total</b>	<b>21.3</b>	<b>41.0</b>	<b>5.7</b>	<b>33.2</b>

## Section 7

The average premiums for the policies referenced in Table 1. The premiums are for both those policies which limit mental health and substance use disorder benefits and those policies which cover MH/SUD benefits without limitation. Note that several companies were excluded from this average premium calculation due to reporting very high levels of average premium:

<b>Table 11 – Average annualized premiums</b>			
	<b>With MH/SUD Limits</b>	<b>Without MH/SUD Limits</b>	<b>Total</b>
<b>Individual Short-Term</b>	<b>\$902</b>	<b>\$1,178</b>	<b>\$944</b>
<b>Individual Long-Term</b>	<b>1,626</b>	<b>1,939</b>	<b>1,721</b>
<b>Group Short-Term</b>	<b>1,892</b>	<b>5,938</b>	<b>5,657</b>
<b>Group Long-Term</b>	<b>3,765</b>	<b>1,099</b>	<b>3,695</b>
<b>Total</b>	<b>\$3,124</b>	<b>\$5,005</b>	<b>\$3,711</b>

## Appendix A

### From Public Act 103-0094

(j-5) The Department of Insurance shall collect the following information:

(1) The number of employment disability insurance plans offered in this State, including, but not limited to:

- (A) individual short-term policies;
- (B) individual long-term policies;
- (C) group short-term policies; and
- (D) group long-term policies.

(2) The number of policies referenced in paragraph (1) of this subsection that limit mental health and substance use disorder benefits.

(3) The average defined benefit period for the policies referenced in paragraph (1) of this subsection, both for those policies that limit and those policies that have no limitation on mental health and substance use disorder benefits.

(4) Whether the policies referenced in paragraph (1) of this subsection are purchased on a voluntary or non-voluntary basis.

(5) The identities of the individuals, entities, or a combination of the 2, that assume the cost associated with covering the policies referenced in paragraph (1) of this subsection.

(6) The average defined benefit period for plans that cover physical disability and mental health and substance abuse without limitation, including, but not limited to:

- (A) individual short-term policies;
- (B) individual long-term policies;
- (C) group short-term policies; and
- (D) group long-term policies.

(7) The average premiums for disability income insurance issued in this State for:

- (A) individual short-term policies that limit mental health and substance use disorder benefits;
- (B) individual long-term policies that limit mental health and substance use disorder benefits;
- (C) group short-term policies that limit mental health and substance use disorder benefits;
- (D) group long-term policies that limit mental health and substance use disorder benefits;
- (E) individual short-term policies that include mental health and substance use disorder benefits without limitation;
- (F) individual long-term policies that include mental health and substance use disorder benefits without limitation;

- (G) group short-term policies that include mental health and substance use disorder benefits without limitation; and
- (H) group long-term policies that include mental health and substance use disorder benefits without limitation.

The Department shall present its findings regarding information collected under this subsection (j-5) to the General Assembly no later than April 30, 2024. Information regarding a specific insurance provider's contributions to the Department's report shall be exempt from disclosure under paragraph (t) of subsection (1) of Section 7 of the Freedom of Information Act. The aggregated information gathered by the Department shall not be exempt from disclosure under paragraph (t) of subsection (1) of Section 7 of the Freedom of Information Act.

## **Appendix B**



# Illinois Department of Insurance

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JB PRITZKER  
Governor

DANA POPISH SEVERINGHAUS  
Director



TO: All Companies Writing Disability Income Insurance in Illinois

FROM: Dana Popish Severinghaus, Director of Insurance *dps*

DATE: February 5, 2024

RE: Company Bulletin 2024-03  
Public Act 103-0094 – Disability Income Insurance Data Call

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This Company Bulletin is issued by the Department to collect data required by Public Act 103-0094. Please complete the template associated with this Company Bulletin and email the completed template to [DOI.HealthActuarial@illinois.gov](mailto:DOI.HealthActuarial@illinois.gov).

The data will be used to complete the report required by Public Act 103-0094.

The completed template for policies covered by this data call is due **Thursday, February 29, 2024**.

All inquiries related to this data call should also be sent to the [DOI.HealthActuarial@illinois.gov](mailto:DOI.HealthActuarial@illinois.gov) email address.

Springfield Office  
320 W. Washington Street  
Springfield, Illinois 62767  
(217) 782-4515

Chicago Office  
122 S. Michigan Ave., 19<sup>th</sup> Floor  
Chicago, Illinois 60603  
(312) 814-2420

Please provide the requested figures below on a direct basis for Disability Income policies that were in effect in Illinois on December 31, 2023. Reported amounts should be on the same basis as the Accident and Health Policy Experience Exhibit. Include all policies that are reported as "Disability Income" policies in this Exhibit (and no other policies).

Disability Income - Long-Term: Policies that provide a weekly or monthly income benefit for more than five years for individual coverage and more than one year for group coverage for full or partial disability arising from accident and/or sickness. Include policies that provide Overhead Expense Benefits. Does not include credit disability.

Disability Income - Short-Term: Policies that provide a weekly or monthly income benefit for up to five years for individual coverage and up to one year for group coverage for full or partial disability arising from accident and/or sickness. Include policies that provide Overhead Expense Benefits. Does not include credit disability.

Please only enter information in areas that are shaded yellow.

Company Name:

NAIC Company Code:

Contact Person Name:

Contact Person Email:

370c(j-5)(1) - Number of Employment disability insurance plans offered in Illinois

The numbers entered here should agree with Column 12 (Number of Policies or Certificates as of Dec. 31) of the Accident and Health Policy Experience Exhibit. See the NAIC Annual Statement Instructions for the Accident and Health Policy Experience Exhibit for further guidance.

		Number of Policies or Certificates
(1)(A)	Individual Short-term Policies	<input type="text"/>
(1)(B)	Individual Long-term Policies	<input type="text"/>
(1)(C)	Group Short-term Policies	<input type="text"/>
(1)(D)	Group Long-term Policies	<input type="text"/>
		-

370c(j-5)(2) - Number of policies in subsection (1) above that limit mental health and substance use disorder benefits

		With MH/SUD Limit	Without MH/SUD Limit	
(2)(A)	Individual Short-term Policies	<input type="text"/>	<input type="text"/>	-
(2)(B)	Individual Long-term Policies	<input type="text"/>	<input type="text"/>	-
(2)(C)	Group Short-term Policies	<input type="text"/>	<input type="text"/>	-
(2)(D)	Group Long-term Policies	<input type="text"/>	<input type="text"/>	-
		-	-	-

370c(j-5)(3) - Average defined benefit period

Number of policies in subsection (1) above that have unlimited contractual benefit periods.

		With MH/SUD Limit	Without MH/SUD Limit	
(3)(A)	Individual Short-term Policies			-
(3)(B)	Individual Long-term Policies			-
(3)(C)	Group Short-term Policies			-
(3)(D)	Group Long-term Policies			-
		-	-	-

Number of policies in subsection (1) above that have limited contractual benefit periods.

		With MH/SUD Limit	Without MH/SUD Limit	
(3)(A)	Individual Short-term Policies			-
(3)(B)	Individual Long-term Policies			-
(3)(C)	Group Short-term Policies			-
(3)(D)	Group Long-term Policies			-
		-	-	-

For policies that have limited contractual benefit periods, please provide the average contractual benefit period in months (weighted by policy count, not premium).

		With MH/SUD Limit	Without MH/SUD Limit	
(3)(A)	Individual Short-term Policies			-
(3)(B)	Individual Long-term Policies			-
(3)(C)	Group Short-term Policies			-
(3)(D)	Group Long-term Policies			-
		-	-	-



370c(j-5)(4) - Policies in subsection (1) purchased on voluntary vs. non-voluntary basis.

		Voluntary	Non-voluntary	
(4)(A)	Individual Short-term Policies			-
(4)(B)	Individual Long-term Policies			-
(4)(C)	Group Short-term Policies			-
(4)(D)	Group Long-term Policies			-
		-	-	-

370c(j-5)(5) - Whether the the premium associated with coverage is contributed by exclusively the insured/employee, exclusively by the employer, or a combination thereof for policies referenced in subsection (1). Please provide the number of policies by type of payor.

		Self	Employer	Combination	Unknown/No Data	
(5)(A)	Individual Short-term Policies					-
(5)(B)	Individual Long-term Policies					-
(5)(C)	Group Short-term Policies					-
(5)(D)	Group Long-term Policies					-
		-	-	-	-	-

370c(j-5)(6) - Average defined benefit period for policies that cover physical disability and mental health and substance abuse without limitation

Number of policies in subsection (1) above that have unlimited contractual benefit periods.

		Covers PD/MH/SA without limitation	Covers PD/MH/SA with limitation	Does not cover PD/MH/SA	
(6)(A)	Individual Short-term Policies				-
(6)(B)	Individual Long-term Policies				-
(6)(C)	Group Short-term Policies				-
(6)(D)	Group Long-term Policies				-
		-	-	-	-

Number of policies in subsection (1) above that have limited contractual benefit periods.

		Covers PD/MH/SA without limitation	Covers PD/MH/SA with limitation	Does not cover PD/MH/SA	
(6)(A)	Individual Short-term Policies				-
(6)(B)	Individual Long-term Policies				-
(6)(C)	Group Short-term Policies				-
(6)(D)	Group Long-term Policies				-
		-	-	-	-

For policies that have limited contractual benefit periods, please provide the average contractual benefit period in months (weighted by policy count, not premium).

		Covers PD/MH/SA without limitation	Covers PD/MH/SA with limitation	Does not cover PD/MH/SA	
(6)(A)	Individual Short-term Policies				-
(6)(B)	Individual Long-term Policies				-
(6)(C)	Group Short-term Policies				-
(6)(D)	Group Long-term Policies				-
		-	-	-	-

370c(j-5)(7) - Average annualized premiums for disability income policies that limit mental health and substance use disorder benefits vs. those that don't

If the company is unable to calculate the average premium for policies without MH/SUD Limits, please estimate it and include a Note describing the method used.

		With MH/SUD Limit	Without MH/SUD Limit	
(7)(A) & (7)(E)	Individual Short-term Policies			\$ -
(7)(B) & (7)(F)	Individual Long-term Policies			\$ -
(7)(C) & (7)(G)	Group Short-term Policies			\$ -
(7)(D) & (7)(H)	Group Long-term Policies			\$ -
		\$ -	\$ -	\$ -

Notes: