**Section 2026.30 Rates Subject to Review or Prior Approval**

a) All rates and classifications of risks in the individual or small group market, other than for grandfathered health plans, excepted benefits, student health insurance coverage, or short-term, limited-duration health insurance coverage, on or after January 1, 2014, or effective on or after January 1, 2014 and taking effect no later than December 31, 2025, are subject to review under applicable law and Department rules, including, but not limited to, 50 Ill. Adm. Code 916, as well as:

1) the public posting and public comment period described in Section 355(d) and (e) of the Code; and

2) review for unreasonable rate increases through the implementation under Section 355 of the Code of an Effective Rate Review Program described in 45 CFR 154.301 (April 17, 2018) (no later editions or amendments) if:

A) the rate represents a rate increase of 10 percent or more and applies to a 12-month period as calculated under subsection (a)(2)(B).

B) a rate increase meets or exceeds the applicable threshold set forth in subsection (a)(2)(A) if the average increase for all enrollees weighted by premium volume meets or exceeds the applicable threshold.

C) if a rate increase that does not otherwise meet or exceed the threshold under subsection (a)(2)(B) meets or exceeds the threshold when combined with a previous increase or increases during the 12-month period preceding the date on which the rate increase would become effective, then the rate increase must be considered to meet or exceed the threshold and is subject to review. The review shall include a review of the aggregate rate increases during the applicable 12-month period.

b) All rates and classifications of risks effective on or after January 1, 2026 in the individual and small group markets, other than for grandfathered health plans, excepted benefits, student health insurance coverage, or short-term, limited-duration health insurance coverage, are subject to the Director's prior approval under the State's implementation of an Effective Rate Review Program described in 45 CFR 154.301 and State standards for inadequate rates in accordance with Section 355 of the Code.

c) All rates and classifications of risks not described in subsections (a) or (b) must be filed for the Director's review under applicable law and Department rules, including, but not limited to, 50 Ill. Adm. Code 916. The rates and classifications of risks are not subject to the Director's prior approval unless specifically provided by applicable law.

d) For all rates described in subsection (a) or (b), and to the extent applicable to rate filings described in subsection (c):

1) a rate sheet must be filed as a separate document that includes either all finally proposed rates or all finally proposed base rates and all factors used to calculate the final rates, which must be marked for public access in the System for Electronic Rates and Forms Filing (SERFF); and

2) the maximum, overall, and minimum rate changes, overall rate impact, written premium for the program, written premium change for the program, and number of affected policyholders must be specified in SERFF and marked for public access.

(Source: Amended at 48 Ill. Reg. 7239, effective April 30, 2024)