



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB3153

Introduced 2/22/2005, by Rep. Tom Cross

SYNOPSIS AS INTRODUCED:

215 ILCS 125/2-5

from Ch. 111 1/2, par. 1406.1

Amends the Health Maintenance Organization Act. Makes a technical change in a Section concerning claims liability.

LRB094 07742 LJB 37920 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Health Maintenance Organization Act is
5 amended by changing Section 2-5 as follows:

6 (215 ILCS 125/2-5) (from Ch. 111 1/2, par. 1406.1)

7 Sec. 2-5. Claims Liabilities. Every Health Maintenance
8 Organization shall, at all times, maintain liabilities in an
9 amount estimated in the ~~the~~ aggregate to provide for the
10 payment of all claims incurred and any due and unpaid provider
11 capitation, whether reported or unreported, which are unpaid
12 and for which such organization is or may be liable, and to
13 provide for the expense of adjustment or settlement of such
14 claims. Such liabilities shall be computed in accordance with
15 regulations promulgated by the Director upon reasonable
16 consideration of the ascertained experience and character of
17 such business for the purpose of adequately protecting
18 enrollees and securing the solvency of such organizations.

19 Whenever the claim and claim expense experience of any such
20 organization shows the liabilities calculated in accordance
21 with such regulations to be inadequate, the Director may
22 require such organization to maintain additional liabilities.

23 (Source: P.A. 86-620.)