



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**HB5448**

Introduced 01/27/06, by Rep. Tom Cross

**SYNOPSIS AS INTRODUCED:**

215 ILCS 130/2005

from Ch. 73, par. 1502-5

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

LRB094 17626 LJB 52924 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 Limited Health Service Organization Act is  
5 amended by changing Section 2005 as follows:

6 (215 ILCS 130/2005) (from Ch. 73, par. 1502-5)

7 Sec. 2005. Claims Liabilities. (a) Every limited health  
8 service organization shall, at all times, maintain liabilities  
9 in an 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 (b) Whenever the claim and claim expense experience of any  
20 such organization shows the liabilities calculated in  
21 accordance with such regulations to be inadequate, the Director  
22 may require such organization to maintain additional  
23 liabilities.

24 (Source: P.A. 86-600.)