

1 AN ACT concerning insurance.

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
5 is amended by changing Section 2005 as follows:

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

7 Sec. 2005. Claims Liabilities.

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

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

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