

98TH GENERAL ASSEMBLY State of Illinois 2013 and 2014 HB2031

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.

LRB098 06300 RPM 36341 b

1 AN ACT concerning regulation.

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

- Section 5. The Health Maintenance Organization Act is amended by changing Section 2-5 as follows:
- 6 (215 ILCS 125/2-5) (from Ch. 111 1/2, par. 1406.1)
 - Sec. 2-5. Claims Liabilities. Every Health Maintenance Organization shall, at all times, maintain liabilities in an amount estimated in the the aggregate to provide for the payment of all claims incurred and any due and unpaid provider capitation, whether reported or unreported, which are unpaid and for which such organization is or may be liable, and to provide for the expense of adjustment or settlement of such claims. Such liabilities shall be computed in accordance with regulations promulgated by the Director upon reasonable consideration of the ascertained experience and character of such business for the purpose of adequately protecting enrollees and securing the solvency of such organizations.
 - Whenever the claim and claim expense experience of any such organization shows the liabilities calculated in accordance with such regulations to be inadequate, the Director may require such organization to maintain additional liabilities.
- 23 (Source: P.A. 86-620.)