

1 AN ACT in relation to insurance.

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 2-6 as follows:

6 (215 ILCS 125/2-6) (from Ch. 111 1/2, par. 1406.2)

7 Sec. 2-6. Statutory Deposits. An Every organization
8 subject to the provisions of this Act shall make and maintain
9 with the Director through December 30, 1993, for the
10 protection of enrollees of the organization, a deposit of
11 securities which are authorized investments under paragraphs
12 (1) and (2) of subsection (h) of Section 3-1 having a fair
13 market value equal to at least \$100,000. Effective December
14 31, 1993 and through December 30, 1994, the deposit shall
15 have a fair market value at least equal to \$200,000.
16 Effective December 31, 1994 and thereafter, the deposit shall
17 have a fair market value at least equal to \$300,000. An
18 organization issued a certificate of authority on or after
19 the effective date of this Amendatory Act of 1993, shall make
20 and maintain with the Director; for the protection of
21 enrollees of the organization, a deposit of securities which
22 are authorized investments under paragraphs (1) and (2) of
23 subsection (h) of Section 3-1 having a fair market value
24 equal to at least \$300,000. The amount on deposit shall
25 remain as an admitted asset of the organization in the
26 determination of its net worth.

27 (Source: P.A. 88-364.)