[215 Ill. Comp. Stat. § 130/3006.]

§ 130/3006. Changes in rate methodology and benefits; material modifications; addition of limited health services: Limited Health Service Organization Act

(a) A limited health service organization shall file with the Director prior to use, a notice of any change in rate methodology, charges or benefits and of any material modification of any matter or document furnished pursuant to Section 2001, together with such supporting documents as are necessary to fully explain the change or modification.

(1) Contract modifications described in paragraphs (5) and (6) of subsection (c) of Section 2001 shall include all agreements between the organization and enrollees, providers, administrators of services and insurers of limited health services; also other material transactions or series of transactions, the total annual value of which exceeds the greater of $100,000 or 5% of net earned subscription revenue for the most current 12 month period as determined from filed financial statements.

(2) Contract modification for reinsurance. Any agreement between the organization and an insurer shall be subject to the provisions of Article XI of the Illinois Insurance Code, as now or hereafter amended. All reinsurance agreements must be filed with the Director. Approval of the Director in required agreements must be filed. Approval of the director is required for all agreements except individual stop loss, aggregate excess, hospitalization benefits or out-of-area of the participating providers, unless 20% or more of the organization's total risk is reinsured, in which case all reinsurance agreements shall require approval.

(b) If a limited health service organization desires to add one or more additional limited health services, it shall file a notice with the Director and, at the same time, submit the information required by Section 2001 if different from that filed with the prepaid limited health service organization's application. Issuance of such an amended certificate of authority shall be subject to the conditions of Section 2002 of this Act.

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