

**Illinois Department of Insurance  
Point of Service Form**

**This form is required to be filed by all companies licensed as HMO's and LHSO's transacting Point of Service (POS) business in the State of Illinois for year-ended 2020, and for future quarters in 2021.**

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Email: \_\_\_\_\_

NAIC Company Code: \_\_\_\_\_

Annual/Quarterly Reporting Date: \_\_\_\_\_

Current Date: \_\_\_\_\_

POS Projected claims for most recent year-end: \_\_\_\_\_

POS Actual Claims for current quarter: \_\_\_\_\_

POS Actual Claims for current year to date: \_\_\_\_\_

Total Medical and Hospital Expenses current quarter: \_\_\_\_\_

POS Total Medical and Hospital Expenses current quarter: \_\_\_\_\_

HMO:

**Net Worth Requirements:** (215 ILCS 125/2-4) (d-5) A health maintenance organization that offers a point-of-service product must maintain minimum net worth of not less than:

- (1) the greater of 300% of the "authorized control level" as defined by Article IIA of the Illinois Insurance Code; or
- (2) \$3,500,000 if the health maintenance organization's annual projected out-of-plan claims are less than \$500,000; or
- (3) \$4,500,000 if the health maintenance organization's annual projected out-of-plan claims are equal to or greater than \$500,000 but less than \$1,000,000; or (4) \$6,000,000 if the health maintenance organization's annual projected out-of-plan claims are \$1,000,000 or greater.

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**Statutory Requirements:** (215 ILCS 125/2-6) (b) An organization that offers a point-of-service product, as permitted by Article 4.5, must maintain an additional deposit in an amount that is not less than the greater of 125% of the organization's annual projected point-of-service claims or \$300,000.

**LHSO:**

**Net Worth Requirements:** (215 ILCS 130/2004) (a) A limited health service organization issued a certificate of authority shall have and at all times maintain net worth of not less than the greater of:

- (1) \$50,000; or
- (2) 2% of the organization's annual gross premium income, up to a maximum of \$500,000.

... (c) A limited health service organization that has been approved by the Director to offer a POS contract shall have and at all times maintain net worth of not less than the greater of:

- (1) \$100,000 if the LHSO's expenditures for out-of-plan covered services do not exceed 10% of its total limited health expenditure in any calendar

quarter; or

- (2) \$100,000 plus an additional \$10,000 for each percentage point that the LHSO's expenditures for out-of-plan covered services exceeds 10% of

its total limited health service expenditure in any calendar quarter up to \$200,000; or

- (3) the amount set forth in item (2) of subsection (a).

**Statutory Requirements:** (215 ILCS 130/2006) (b) An LHSO that offers a POS contract shall, in addition to the deposit required by subsection (a), deposit and maintain with the Director cash or securities that are authorized investments under Section 1003 having a fair market value equal to the greater of:

(1) \$50,000 if the LHSO's expenditures for out-of-plan covered services do not exceed 10% of its total limited health expenditures in any calendar quarter; or

(2) \$100,000 if the LHSO's expenditures for out-of-plan covered services exceeds 10% but are less than 20% of its total limited health services expenditure in any calendar quarter; or

(3) 120% of its current actual monthly out-of-plan covered service claims expense plus incurred but not reported balances for out-of-plan covered services.

(c) The combined deposit amount required in subsections (a) and (b) shall not exceed \$200,000.