

1 AN ACT concerning regulation.

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

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 367f as follows:

6 (215 ILCS 5/367f) (from Ch. 73, par. 979f)

7 Sec. 367f. Firefighters' ~~Firemen's~~ continuance privilege.

8 As used in this Section:

9 1. The terms "municipality", "deferred pensioner" and
10 "creditable service" shall have the meaning ascribed to such
11 terms by Sections 4-103, 4-105a and 4-108, respectively, of
12 the Illinois Pension Code, as now or hereafter amended.

13 2. "Firefighter" means a person who is a "firefighter" as
14 defined in Section 4-106 of the Illinois Pension Code, a
15 paramedic who is employed by a unit of local government, or an
16 emergency medical technician, emergency medical
17 technician-basic, emergency medical technician-intermediate,
18 or advanced emergency medical technician who is employed by a
19 unit of local government. ~~The terms "fireman" and "firemen"~~
20 ~~shall have the meaning ascribed to the term "firefighter" by~~
21 ~~Section 4-106 of the Illinois Pension Code, and include those~~
22 ~~persons under the coverage of Article 4 of that Code, as~~
23 ~~heretofore or hereafter amended.~~

1 3. The "retirement or disability period" of a firefighter
2 ~~fireman~~ means the period:

3 a. which begins on the day the firefighter ~~fireman~~ is
4 removed from a municipality's fire department payroll
5 because of the occurrence of any of the following events,
6 to wit: (i) the firefighter ~~fireman~~ retires as a deferred
7 pensioner under Section 4-105a of the Illinois Pension
8 Code, (ii) the firefighter ~~fireman~~ retires from active
9 service as a firefighter ~~fireman~~ with an attained age and
10 accumulated creditable service which together qualify the
11 firefighter ~~fireman~~ for immediate receipt of retirement
12 pension benefits under Section 4-109 of the Illinois
13 Pension Code, or (iii) the firefighter's ~~fireman's~~
14 disability is established under Section 4-112 of the
15 Illinois Pension Code; and

16 b. which ends on the first to occur of any of the
17 following events, to wit: (i) the firefighter's ~~fireman's~~
18 reinstatement or reentry into active service on the
19 municipality's fire department as provided for under
20 Article 4 of the Illinois Pension Code, (ii) the
21 firefighter's ~~fireman's~~ exercise of any refund option
22 available under Section 4-116 of the Illinois Pension
23 Code, (iii) the firefighter's ~~fireman's~~ loss pursuant to
24 Section 4-138 of the Illinois Pension Code of any benefits
25 provided for in Article 4 of that Code, or (iv) the
26 firefighter's ~~fireman's~~ death or -- if at the time of the

1 firefighter's ~~fireman's~~ death the firefighter ~~fireman~~ is
2 survived by a spouse who, in that capacity, is entitled to
3 receive a surviving spouse's monthly pension pursuant to
4 Article 4 of the Illinois Pension Code -- then the death or
5 remarriage of that spouse.

6 No policy of group accident and health insurance under
7 which firefighters ~~firemen~~ employed by a municipality are
8 insured for their individual benefit shall be issued or
9 delivered in this State to any municipality unless such group
10 policy provides for the election of continued group insurance
11 coverage for the retirement or disability period of each
12 firefighter ~~fireman~~ who is insured under the provisions of the
13 group policy on the day immediately preceding the day on which
14 the retirement or disability period of such firefighter
15 ~~fireman~~ begins. So long as any required premiums for continued
16 group insurance coverage are paid in accordance with the
17 provisions of the group policy, an election made pursuant to
18 this Section shall provide continued group insurance coverage
19 for a firefighter ~~fireman~~ throughout the retirement or
20 disability period of the firefighter ~~fireman~~ and, unless the
21 firefighter ~~fireman~~ otherwise elects and subject to any other
22 provisions of the group policy which relate either to the
23 provision or to the termination of dependents' coverage and
24 which are not inconsistent with this Section, for any
25 dependents of the firefighter ~~fireman~~ who are insured under
26 the group policy on the day immediately preceding the day on

1 which the retirement or disability period of the firefighter
2 ~~fireman~~ begins; provided, however, that when such continued
3 group insurance coverage is in effect with respect to a
4 firefighter ~~fireman~~ on the date of the firefighter's ~~fireman's~~
5 death but the retirement or disability period of the
6 firefighter ~~fireman~~ does not end with such firefighter's
7 ~~fireman's~~ death, then the deceased firefighter's ~~fireman's~~
8 surviving spouse upon whose death or remarriage such
9 retirement or disability period will end shall be entitled,
10 without further election and upon payment of any required
11 premiums in accordance with the provisions of the group
12 policy, to maintain such continued group insurance coverage in
13 effect until the end of such retirement or disability period.
14 Continued group insurance coverage shall be provided in
15 accordance with this Section at the same premium rate from
16 time to time charged for equivalent coverage provided under
17 the group policy with respect to covered firefighters ~~firemen~~
18 whose retirement or disability period has not begun, and no
19 distinction or discrimination in the amount or rate of
20 premiums or in any waiver of premium or other benefit
21 provision shall be made between continued group insurance
22 coverage elected pursuant to this Section and equivalent
23 coverage provided to firefighters ~~firemen~~ under the group
24 policy other than pursuant to the provisions of this Section;
25 provided that no municipality shall be required by reason of
26 any provision of this Section to pay any group insurance

1 premium other than one that may be negotiated in a collective
2 bargaining agreement. If a person electing continued coverage
3 under this Section becomes eligible for medicare coverage,
4 benefits under the group policy may continue as a supplement
5 to the medicare coverage upon payment of any required premiums
6 to maintain the benefits of the group policy as supplemental
7 coverage.

8 Within 15 days of the beginning of the retirement or
9 disability period of any firefighter ~~fireman~~ entitled to elect
10 continued group insurance coverage under any group policy
11 affected by this Section, the municipality last employing such
12 firefighter ~~fireman~~ shall give written notice of such
13 beginning by certified mail, return receipt requested to the
14 insurance company issuing such policy. The notice shall
15 include the firefighter's ~~fireman's~~ name and last known place
16 of residence and the beginning date of the firefighter's
17 ~~fireman's~~ retirement or disability period.

18 Within 15 days of the date of receipt of such notice from
19 the municipality, the insurance company by certified mail,
20 return receipt requested, shall give written notice to the
21 firefighter ~~fireman~~ at the firefighter's ~~fireman's~~ last known
22 place of residence that coverage under the group policy may be
23 continued for the retirement or disability period of the
24 firefighter ~~fireman~~ as provided in this Section. Such notice
25 shall set forth: (i) a statement of election to be filed by the
26 firefighter ~~fireman~~ if the firefighter ~~fireman~~ wishes to

1 continue such group insurance coverage, (ii) the amount of
2 monthly premium, including a statement of the portion of such
3 monthly premium attributable to any dependents' coverage which
4 the firefighter ~~fireman~~ may elect, and (iii) instructions as
5 to the return of the election form to the insurance company
6 issuing such policy. Election shall be made, if at all, by
7 returning the statement of election to the insurance company
8 by certified mail, return receipt requested within 15 days
9 after having received it.

10 If the firefighter ~~fireman~~ elects to continue coverage, it
11 shall be the obligation of the firefighter ~~fireman~~ to pay the
12 monthly premium directly to the municipality which shall
13 forward it to the insurance company issuing the group
14 insurance policy, or as otherwise directed by the insurance
15 company; provided, however, that the firefighter ~~fireman~~ shall
16 be entitled to designate on the statement of election required
17 to be filed with the insurance company that the total monthly
18 premium, or such portion thereof as is not contributed by a
19 municipality, be deducted by a Firefighter's Pension Fund from
20 any monthly pension payment otherwise payable to or on behalf
21 of the firefighter ~~fireman~~ pursuant to Article 4 of the
22 Illinois Pension Code, and be remitted by such Pension Fund to
23 the insurance company. The portion, if any, of the monthly
24 premium contributed by a municipality for such continued group
25 insurance coverage shall be paid by the municipality directly
26 to the insurance company issuing the group insurance policy,

1 or as otherwise directed by the insurance company. Such
2 continued group insurance coverage shall relate back to the
3 beginning of the firefighter's ~~fireman's~~ retirement or
4 disability period.

5 The amendment, renewal or extension of any group insurance
6 policy affected by this Section shall be deemed to be the
7 issuance of a new policy of insurance for purposes of this
8 Section.

9 In the event that a municipality makes a program of
10 accident, health, hospital or medical benefits available to
11 its firefighters ~~firemen~~ through self-insurance, or by
12 participation in a pool or reciprocal insurer, or by contract
13 in a form other than a policy of group insurance with one or
14 more medical service plans, health care service corporations,
15 health maintenance organizations, or any other professional
16 corporations or plans under which health care or reimbursement
17 for the costs thereof is provided, whether the cost of such
18 benefits is borne by the municipality or the firefighters
19 ~~firemen~~ or both, such firefighters ~~firemen~~ and their surviving
20 spouses shall have the same right to elect continued coverage
21 under such program of benefits as they would have if such
22 benefits were provided by a policy of group accident and
23 health insurance. In such cases, the notice of right to elect
24 continued coverage shall be sent by the municipality; the
25 statement of election shall be sent to the municipality; and
26 references to the required premium shall refer to that portion

1 of the cost of such benefits which is not borne by the
2 municipality, either voluntarily or pursuant to the provisions
3 of a collective bargaining agreement. In the case of a
4 municipality providing such benefits through self-insurance or
5 participation in a pool or reciprocal insurer, the right to
6 elect continued coverage which is provided by this paragraph
7 shall be implemented and made available to the firefighters
8 ~~firemen~~ of the municipality and qualifying surviving spouses
9 not later than July 1, 1985.

10 The amendment, renewal or extension of any such contract
11 in a form other than a policy of group insurance policy shall
12 be deemed the formation of a new contract for the purposes of
13 this Section.

14 This Section shall not limit the exercise of any
15 conversion privileges available under Section 367e.

16 Pursuant to paragraphs (h) and (i) of Section 6 of Article
17 VII of the Illinois Constitution, this Section specifically
18 denies and limits the exercise by a home rule unit of any power
19 which is inconsistent with this Section and all existing laws
20 and ordinances which are inconsistent with this Section are
21 hereby superseded. This Section does not preempt the
22 concurrent exercise by home rule units of powers consistent
23 herewith.

24 The Division of Insurance of the Department of Financial
25 and Professional Regulation shall enforce the provisions of
26 this Section, including provisions relating to municipality

1 self-insured benefit plans.

2 (Source: P.A. 94-858, eff. 6-15-06.)