

**SB3308**



**96TH GENERAL ASSEMBLY**

**State of Illinois**

**2009 and 2010**

**SB3308**

Introduced 2/10/2010, by Sen. Deanna Demuzio

**SYNOPSIS AS INTRODUCED:**

5 ILCS 375/10

from Ch. 127, par. 530

Amends the State Employees Group Insurance Act of 1971. Prohibits charging retirees under the State employee and university retirement systems, or their survivors, premiums for dental and vision benefits under the group health benefits program. Effective July 1, 2010.

LRB096 17741 JAM 33106 b

FISCAL NOTE ACT  
MAY APPLY

**A BILL FOR**

1 AN ACT concerning government.

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

4 Section 5. The State Employees Group Insurance Act of 1971  
5 is amended by changing Section 10 as follows:

6 (5 ILCS 375/10) (from Ch. 127, par. 530)

7 Sec. 10. Payments by State; premiums.

8 (a) The State shall pay the cost of basic non-contributory  
9 group life insurance and, subject to member paid contributions  
10 set by the Department or required by this Section, the basic  
11 program of group health benefits on each eligible member,  
12 except a member, not otherwise covered by this Act, who has  
13 retired as a participating member under Article 2 of the  
14 Illinois Pension Code but is ineligible for the retirement  
15 annuity under Section 2-119 of the Illinois Pension Code, and  
16 part of each eligible member's and retired member's premiums  
17 for health insurance coverage for enrolled dependents as  
18 provided by Section 9. No SERS or SURS annuitant or survivor  
19 who participates in the basic program of group health benefits  
20 shall be charged for, or be responsible for the payment of, any  
21 portion of any premium for any dental or vision benefits  
22 component of the basic program of group health benefits. The  
23 State shall pay the cost of the basic program of group health

1 benefits only after benefits are reduced by the amount of  
2 benefits covered by Medicare for all members and dependents who  
3 are eligible for benefits under Social Security or the Railroad  
4 Retirement system or who had sufficient Medicare-covered  
5 government employment, except that such reduction in benefits  
6 shall apply only to those members and dependents who (1) first  
7 become eligible for such Medicare coverage on or after July 1,  
8 1992; or (2) are Medicare-eligible members or dependents of a  
9 local government unit which began participation in the program  
10 on or after July 1, 1992; or (3) remain eligible for, but no  
11 longer receive Medicare coverage which they had been receiving  
12 on or after July 1, 1992. The Department may determine the  
13 aggregate level of the State's contribution on the basis of  
14 actual cost of medical services adjusted for age, sex or  
15 geographic or other demographic characteristics which affect  
16 the costs of such programs.

17 The cost of participation in the basic program of group  
18 health benefits for the dependent or survivor of a living or  
19 deceased retired employee who was formerly employed by the  
20 University of Illinois in the Cooperative Extension Service and  
21 would be an annuitant but for the fact that he or she was made  
22 ineligible to participate in the State Universities Retirement  
23 System by clause (4) of subsection (a) of Section 15-107 of the  
24 Illinois Pension Code shall not be greater than the cost of  
25 participation that would otherwise apply to that dependent or  
26 survivor if he or she were the dependent or survivor of an

1 annuitant under the State Universities Retirement System.

2 (a-1) Beginning January 1, 1998, for each person who  
3 becomes a new SERS annuitant and participates in the basic  
4 program of group health benefits, the State shall contribute  
5 toward the cost of the annuitant's coverage under the basic  
6 program of group health benefits an amount equal to 5% of that  
7 cost for each full year of creditable service upon which the  
8 annuitant's retirement annuity is based, up to a maximum of  
9 100% for an annuitant with 20 or more years of creditable  
10 service. The remainder of the cost of a new SERS annuitant's  
11 coverage under the basic program of group health benefits shall  
12 be the responsibility of the annuitant, except as otherwise  
13 provided in subsection (a). In the case of a new SERS annuitant  
14 who has elected to receive an alternative retirement  
15 cancellation payment under Section 14-108.5 of the Illinois  
16 Pension Code in lieu of an annuity, for the purposes of this  
17 subsection the annuitant shall be deemed to be receiving a  
18 retirement annuity based on the number of years of creditable  
19 service that the annuitant had established at the time of his  
20 or her termination of service under SERS.

21 (a-2) Beginning January 1, 1998, for each person who  
22 becomes a new SERS survivor and participates in the basic  
23 program of group health benefits, the State shall contribute  
24 toward the cost of the survivor's coverage under the basic  
25 program of group health benefits an amount equal to 5% of that  
26 cost for each full year of the deceased employee's or deceased

1 annuitant's creditable service in the State Employees'  
2 Retirement System of Illinois on the date of death, up to a  
3 maximum of 100% for a survivor of an employee or annuitant with  
4 20 or more years of creditable service. The remainder of the  
5 cost of the new SERS survivor's coverage under the basic  
6 program of group health benefits shall be the responsibility of  
7 the survivor, except as otherwise provided in subsection (a).

8 In the case of a new SERS survivor who was the dependent of an  
9 annuitant who elected to receive an alternative retirement  
10 cancellation payment under Section 14-108.5 of the Illinois  
11 Pension Code in lieu of an annuity, for the purposes of this  
12 subsection the deceased annuitant's creditable service shall  
13 be determined as of the date of termination of service rather  
14 than the date of death.

15 (a-3) Beginning January 1, 1998, for each person who  
16 becomes a new SERS annuitant and participates in the basic  
17 program of group health benefits, the State shall contribute  
18 toward the cost of the annuitant's coverage under the basic  
19 program of group health benefits an amount equal to 5% of that  
20 cost for each full year of creditable service upon which the  
21 annuitant's retirement annuity is based, up to a maximum of  
22 100% for an annuitant with 20 or more years of creditable  
23 service. The remainder of the cost of a new SERS annuitant's  
24 coverage under the basic program of group health benefits shall  
25 be the responsibility of the annuitant, except as otherwise  
26 provided in subsection (a).

1 (a-4) (Blank).

2 (a-5) Beginning January 1, 1998, for each person who  
3 becomes a new SURS survivor and participates in the basic  
4 program of group health benefits, the State shall contribute  
5 toward the cost of the survivor's coverage under the basic  
6 program of group health benefits an amount equal to 5% of that  
7 cost for each full year of the deceased employee's or deceased  
8 annuitant's creditable service in the State Universities  
9 Retirement System on the date of death, up to a maximum of 100%  
10 for a survivor of an employee or annuitant with 20 or more  
11 years of creditable service. The remainder of the cost of the  
12 new SURS survivor's coverage under the basic program of group  
13 health benefits shall be the responsibility of the survivor,  
14 except as otherwise provided in subsection (a).

15 (a-6) Beginning July 1, 1998, for each person who becomes a  
16 new TRS State annuitant and participates in the basic program  
17 of group health benefits, the State shall contribute toward the  
18 cost of the annuitant's coverage under the basic program of  
19 group health benefits an amount equal to 5% of that cost for  
20 each full year of creditable service as a teacher as defined in  
21 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
22 Pension Code upon which the annuitant's retirement annuity is  
23 based, up to a maximum of 100%; except that the State  
24 contribution shall be 12.5% per year (rather than 5%) for each  
25 full year of creditable service as a regional superintendent or  
26 assistant regional superintendent of schools. The remainder of

1 the cost of a new TRS State annuitant's coverage under the  
2 basic program of group health benefits shall be the  
3 responsibility of the annuitant.

4 (a-7) Beginning July 1, 1998, for each person who becomes a  
5 new TRS State survivor and participates in the basic program of  
6 group health benefits, the State shall contribute toward the  
7 cost of the survivor's coverage under the basic program of  
8 group health benefits an amount equal to 5% of that cost for  
9 each full year of the deceased employee's or deceased  
10 annuitant's creditable service as a teacher as defined in  
11 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
12 Pension Code on the date of death, up to a maximum of 100%;  
13 except that the State contribution shall be 12.5% per year  
14 (rather than 5%) for each full year of the deceased employee's  
15 or deceased annuitant's creditable service as a regional  
16 superintendent or assistant regional superintendent of  
17 schools. The remainder of the cost of the new TRS State  
18 survivor's coverage under the basic program of group health  
19 benefits shall be the responsibility of the survivor.

20 (a-8) A new SERS annuitant, new SERS survivor, new SURS  
21 annuitant, new SURS survivor, new TRS State annuitant, or new  
22 TRS State survivor may waive or terminate coverage in the  
23 program of group health benefits. Any such annuitant or  
24 survivor who has waived or terminated coverage may enroll or  
25 re-enroll in the program of group health benefits only during  
26 the annual benefit choice period, as determined by the

1 Director; except that in the event of termination of coverage  
2 due to nonpayment of premiums, the annuitant or survivor may  
3 not re-enroll in the program.

4 (a-9) No later than May 1 of each calendar year, the  
5 Director of Central Management Services shall certify in  
6 writing to the Executive Secretary of the State Employees'  
7 Retirement System of Illinois the amounts of the Medicare  
8 supplement health care premiums and the amounts of the health  
9 care premiums for all other retirees who are not Medicare  
10 eligible.

11 A separate calculation of the premiums based upon the  
12 actual cost of each health care plan shall be so certified.

13 The Director of Central Management Services shall provide  
14 to the Executive Secretary of the State Employees' Retirement  
15 System of Illinois such information, statistics, and other data  
16 as he or she may require to review the premium amounts  
17 certified by the Director of Central Management Services.

18 The Department of Healthcare and Family Services, or any  
19 successor agency designated to procure healthcare contracts  
20 pursuant to this Act, is authorized to establish funds,  
21 separate accounts provided by any bank or banks as defined by  
22 the Illinois Banking Act, or separate accounts provided by any  
23 savings and loan association or associations as defined by the  
24 Illinois Savings and Loan Act of 1985 to be held by the  
25 Director, outside the State treasury, for the purpose of  
26 receiving the transfer of moneys from the Local Government

1 Health Insurance Reserve Fund. The Department may promulgate  
2 rules further defining the methodology for the transfers. Any  
3 interest earned by moneys in the funds or accounts shall inure  
4 to the Local Government Health Insurance Reserve Fund. The  
5 transferred moneys, and interest accrued thereon, shall be used  
6 exclusively for transfers to administrative service  
7 organizations or their financial institutions for payments of  
8 claims to claimants and providers under the self-insurance  
9 health plan. The transferred moneys, and interest accrued  
10 thereon, shall not be used for any other purpose including, but  
11 not limited to, reimbursement of administration fees due the  
12 administrative service organization pursuant to its contract  
13 or contracts with the Department.

14 (b) State employees who become eligible for this program on  
15 or after January 1, 1980 in positions normally requiring actual  
16 performance of duty not less than 1/2 of a normal work period  
17 but not equal to that of a normal work period, shall be given  
18 the option of participating in the available program. If the  
19 employee elects coverage, the State shall contribute on behalf  
20 of such employee to the cost of the employee's benefit and any  
21 applicable dependent supplement, that sum which bears the same  
22 percentage as that percentage of time the employee regularly  
23 works when compared to normal work period.

24 (c) The basic non-contributory coverage from the basic  
25 program of group health benefits shall be continued for each  
26 employee not in pay status or on active service by reason of

1 (1) leave of absence due to illness or injury, (2) authorized  
2 educational leave of absence or sabbatical leave, or (3)  
3 military leave with pay and benefits. This coverage shall  
4 continue until expiration of authorized leave and return to  
5 active service, but not to exceed 24 months for leaves under  
6 item (1) or (2). This 24-month limitation and the requirement  
7 of returning to active service shall not apply to persons  
8 receiving ordinary or accidental disability benefits or  
9 retirement benefits through the appropriate State retirement  
10 system or benefits under the Workers' Compensation or  
11 Occupational Disease Act.

12 (d) The basic group life insurance coverage shall continue,  
13 with full State contribution, where such person is (1) absent  
14 from active service by reason of disability arising from any  
15 cause other than self-inflicted, (2) on authorized educational  
16 leave of absence or sabbatical leave, or (3) on military leave  
17 with pay and benefits.

18 (e) Where the person is in non-pay status for a period in  
19 excess of 30 days or on leave of absence, other than by reason  
20 of disability, educational or sabbatical leave, or military  
21 leave with pay and benefits, such person may continue coverage  
22 only by making personal payment equal to the amount normally  
23 contributed by the State on such person's behalf. Such payments  
24 and coverage may be continued: (1) until such time as the  
25 person returns to a status eligible for coverage at State  
26 expense, but not to exceed 24 months, (2) until such person's

1 employment or annuitant status with the State is terminated, or  
2 (3) for a maximum period of 4 years for members on military  
3 leave with pay and benefits and military leave without pay and  
4 benefits (exclusive of any additional service imposed pursuant  
5 to law).

6 (f) The Department shall establish by rule the extent to  
7 which other employee benefits will continue for persons in  
8 non-pay status or who are not in active service.

9 (g) The State shall not pay the cost of the basic  
10 non-contributory group life insurance, program of health  
11 benefits and other employee benefits for members who are  
12 survivors as defined by paragraphs (1) and (2) of subsection  
13 (q) of Section 3 of this Act. The costs of benefits for these  
14 survivors shall be paid by the survivors or by the University  
15 of Illinois Cooperative Extension Service, or any combination  
16 thereof. However, the State shall pay the amount of the  
17 reduction in the cost of participation, if any, resulting from  
18 the amendment to subsection (a) made by this amendatory Act of  
19 the 91st General Assembly.

20 (h) Those persons occupying positions with any department  
21 as a result of emergency appointments pursuant to Section 8b.8  
22 of the Personnel Code who are not considered employees under  
23 this Act shall be given the option of participating in the  
24 programs of group life insurance, health benefits and other  
25 employee benefits. Such persons electing coverage may  
26 participate only by making payment equal to the amount normally

1 contributed by the State for similarly situated employees. Such  
2 amounts shall be determined by the Director. Such payments and  
3 coverage may be continued until such time as the person becomes  
4 an employee pursuant to this Act or such person's appointment  
5 is terminated.

6 (i) Any unit of local government within the State of  
7 Illinois may apply to the Director to have its employees,  
8 annuitants, and their dependents provided group health  
9 coverage under this Act on a non-insured basis. To participate,  
10 a unit of local government must agree to enroll all of its  
11 employees, who may select coverage under either the State group  
12 health benefits plan or a health maintenance organization that  
13 has contracted with the State to be available as a health care  
14 provider for employees as defined in this Act. A unit of local  
15 government must remit the entire cost of providing coverage  
16 under the State group health benefits plan or, for coverage  
17 under a health maintenance organization, an amount determined  
18 by the Director based on an analysis of the sex, age,  
19 geographic location, or other relevant demographic variables  
20 for its employees, except that the unit of local government  
21 shall not be required to enroll those of its employees who are  
22 covered spouses or dependents under this plan or another group  
23 policy or plan providing health benefits as long as (1) an  
24 appropriate official from the unit of local government attests  
25 that each employee not enrolled is a covered spouse or  
26 dependent under this plan or another group policy or plan, and

1 (2) at least 50% of the employees are enrolled and the unit of  
2 local government remits the entire cost of providing coverage  
3 to those employees, except that a participating school district  
4 must have enrolled at least 50% of its full-time employees who  
5 have not waived coverage under the district's group health plan  
6 by participating in a component of the district's cafeteria  
7 plan. A participating school district is not required to enroll  
8 a full-time employee who has waived coverage under the  
9 district's health plan, provided that an appropriate official  
10 from the participating school district attests that the  
11 full-time employee has waived coverage by participating in a  
12 component of the district's cafeteria plan. For the purposes of  
13 this subsection, "participating school district" includes a  
14 unit of local government whose primary purpose is education as  
15 defined by the Department's rules.

16 Employees of a participating unit of local government who  
17 are not enrolled due to coverage under another group health  
18 policy or plan may enroll in the event of a qualifying change  
19 in status, special enrollment, special circumstance as defined  
20 by the Director, or during the annual Benefit Choice Period. A  
21 participating unit of local government may also elect to cover  
22 its annuitants. Dependent coverage shall be offered on an  
23 optional basis, with the costs paid by the unit of local  
24 government, its employees, or some combination of the two as  
25 determined by the unit of local government. The unit of local  
26 government shall be responsible for timely collection and

1 transmission of dependent premiums.

2 The Director shall annually determine monthly rates of  
3 payment, subject to the following constraints:

4 (1) In the first year of coverage, the rates shall be  
5 equal to the amount normally charged to State employees for  
6 elected optional coverages or for enrolled dependents  
7 coverages or other contributory coverages, or contributed  
8 by the State for basic insurance coverages on behalf of its  
9 employees, adjusted for differences between State  
10 employees and employees of the local government in age,  
11 sex, geographic location or other relevant demographic  
12 variables, plus an amount sufficient to pay for the  
13 additional administrative costs of providing coverage to  
14 employees of the unit of local government and their  
15 dependents.

16 (2) In subsequent years, a further adjustment shall be  
17 made to reflect the actual prior years' claims experience  
18 of the employees of the unit of local government.

19 In the case of coverage of local government employees under  
20 a health maintenance organization, the Director shall annually  
21 determine for each participating unit of local government the  
22 maximum monthly amount the unit may contribute toward that  
23 coverage, based on an analysis of (i) the age, sex, geographic  
24 location, and other relevant demographic variables of the  
25 unit's employees and (ii) the cost to cover those employees  
26 under the State group health benefits plan. The Director may

1 similarly determine the maximum monthly amount each unit of  
2 local government may contribute toward coverage of its  
3 employees' dependents under a health maintenance organization.

4 Monthly payments by the unit of local government or its  
5 employees for group health benefits plan or health maintenance  
6 organization coverage shall be deposited in the Local  
7 Government Health Insurance Reserve Fund.

8 The Local Government Health Insurance Reserve Fund is  
9 hereby created as a nonappropriated trust fund to be held  
10 outside the State Treasury, with the State Treasurer as  
11 custodian. The Local Government Health Insurance Reserve Fund  
12 shall be a continuing fund not subject to fiscal year  
13 limitations. All revenues arising from the administration of  
14 the health benefits program established under this Section  
15 shall be deposited into the Local Government Health Insurance  
16 Reserve Fund. Any interest earned on moneys in the Local  
17 Government Health Insurance Reserve Fund shall be deposited  
18 into the Fund. All expenditures from this Fund shall be used  
19 for payments for health care benefits for local government and  
20 rehabilitation facility employees, annuitants, and dependents,  
21 and to reimburse the Department or its administrative service  
22 organization for all expenses incurred in the administration of  
23 benefits. No other State funds may be used for these purposes.

24 A local government employer's participation or desire to  
25 participate in a program created under this subsection shall  
26 not limit that employer's duty to bargain with the

1 representative of any collective bargaining unit of its  
2 employees.

3 (j) Any rehabilitation facility within the State of  
4 Illinois may apply to the Director to have its employees,  
5 annuitants, and their eligible dependents provided group  
6 health coverage under this Act on a non-insured basis. To  
7 participate, a rehabilitation facility must agree to enroll all  
8 of its employees and remit the entire cost of providing such  
9 coverage for its employees, except that the rehabilitation  
10 facility shall not be required to enroll those of its employees  
11 who are covered spouses or dependents under this plan or  
12 another group policy or plan providing health benefits as long  
13 as (1) an appropriate official from the rehabilitation facility  
14 attests that each employee not enrolled is a covered spouse or  
15 dependent under this plan or another group policy or plan, and  
16 (2) at least 50% of the employees are enrolled and the  
17 rehabilitation facility remits the entire cost of providing  
18 coverage to those employees. Employees of a participating  
19 rehabilitation facility who are not enrolled due to coverage  
20 under another group health policy or plan may enroll in the  
21 event of a qualifying change in status, special enrollment,  
22 special circumstance as defined by the Director, or during the  
23 annual Benefit Choice Period. A participating rehabilitation  
24 facility may also elect to cover its annuitants. Dependent  
25 coverage shall be offered on an optional basis, with the costs  
26 paid by the rehabilitation facility, its employees, or some

1 combination of the 2 as determined by the rehabilitation  
2 facility. The rehabilitation facility shall be responsible for  
3 timely collection and transmission of dependent premiums.

4 The Director shall annually determine quarterly rates of  
5 payment, subject to the following constraints:

6 (1) In the first year of coverage, the rates shall be  
7 equal to the amount normally charged to State employees for  
8 elected optional coverages or for enrolled dependents  
9 coverages or other contributory coverages on behalf of its  
10 employees, adjusted for differences between State  
11 employees and employees of the rehabilitation facility in  
12 age, sex, geographic location or other relevant  
13 demographic variables, plus an amount sufficient to pay for  
14 the additional administrative costs of providing coverage  
15 to employees of the rehabilitation facility and their  
16 dependents.

17 (2) In subsequent years, a further adjustment shall be  
18 made to reflect the actual prior years' claims experience  
19 of the employees of the rehabilitation facility.

20 Monthly payments by the rehabilitation facility or its  
21 employees for group health benefits shall be deposited in the  
22 Local Government Health Insurance Reserve Fund.

23 (k) Any domestic violence shelter or service within the  
24 State of Illinois may apply to the Director to have its  
25 employees, annuitants, and their dependents provided group  
26 health coverage under this Act on a non-insured basis. To

1 participate, a domestic violence shelter or service must agree  
2 to enroll all of its employees and pay the entire cost of  
3 providing such coverage for its employees. The domestic  
4 violence shelter shall not be required to enroll those of its  
5 employees who are covered spouses or dependents under this plan  
6 or another group policy or plan providing health benefits as  
7 long as (1) an appropriate official from the domestic violence  
8 shelter attests that each employee not enrolled is a covered  
9 spouse or dependent under this plan or another group policy or  
10 plan and (2) at least 50% of the employees are enrolled and the  
11 domestic violence shelter remits the entire cost of providing  
12 coverage to those employees. Employees of a participating  
13 domestic violence shelter who are not enrolled due to coverage  
14 under another group health policy or plan may enroll in the  
15 event of a qualifying change in status, special enrollment, or  
16 special circumstance as defined by the Director or during the  
17 annual Benefit Choice Period. A participating domestic  
18 violence shelter may also elect to cover its annuitants.  
19 Dependent coverage shall be offered on an optional basis, with  
20 employees, or some combination of the 2 as determined by the  
21 domestic violence shelter or service. The domestic violence  
22 shelter or service shall be responsible for timely collection  
23 and transmission of dependent premiums.

24 The Director shall annually determine rates of payment,  
25 subject to the following constraints:

26 (1) In the first year of coverage, the rates shall be

1 equal to the amount normally charged to State employees for  
2 elected optional coverages or for enrolled dependents  
3 coverages or other contributory coverages on behalf of its  
4 employees, adjusted for differences between State  
5 employees and employees of the domestic violence shelter or  
6 service in age, sex, geographic location or other relevant  
7 demographic variables, plus an amount sufficient to pay for  
8 the additional administrative costs of providing coverage  
9 to employees of the domestic violence shelter or service  
10 and their dependents.

11 (2) In subsequent years, a further adjustment shall be  
12 made to reflect the actual prior years' claims experience  
13 of the employees of the domestic violence shelter or  
14 service.

15 Monthly payments by the domestic violence shelter or  
16 service or its employees for group health insurance shall be  
17 deposited in the Local Government Health Insurance Reserve  
18 Fund.

19 (1) A public community college or entity organized pursuant  
20 to the Public Community College Act may apply to the Director  
21 initially to have only annuitants not covered prior to July 1,  
22 1992 by the district's health plan provided health coverage  
23 under this Act on a non-insured basis. The community college  
24 must execute a 2-year contract to participate in the Local  
25 Government Health Plan. Any annuitant may enroll in the event  
26 of a qualifying change in status, special enrollment, special

1 circumstance as defined by the Director, or during the annual  
2 Benefit Choice Period.

3 The Director shall annually determine monthly rates of  
4 payment subject to the following constraints: for those  
5 community colleges with annuitants only enrolled, first year  
6 rates shall be equal to the average cost to cover claims for a  
7 State member adjusted for demographics, Medicare  
8 participation, and other factors; and in the second year, a  
9 further adjustment of rates shall be made to reflect the actual  
10 first year's claims experience of the covered annuitants.

11 (l-5) The provisions of subsection (l) become inoperative  
12 on July 1, 1999.

13 (m) The Director shall adopt any rules deemed necessary for  
14 implementation of this amendatory Act of 1989 (Public Act  
15 86-978).

16 (n) Any child advocacy center within the State of Illinois  
17 may apply to the Director to have its employees, annuitants,  
18 and their dependents provided group health coverage under this  
19 Act on a non-insured basis. To participate, a child advocacy  
20 center must agree to enroll all of its employees and pay the  
21 entire cost of providing coverage for its employees. The child  
22 advocacy center shall not be required to enroll those of its  
23 employees who are covered spouses or dependents under this plan  
24 or another group policy or plan providing health benefits as  
25 long as (1) an appropriate official from the child advocacy  
26 center attests that each employee not enrolled is a covered

1 spouse or dependent under this plan or another group policy or  
2 plan and (2) at least 50% of the employees are enrolled and the  
3 child advocacy center remits the entire cost of providing  
4 coverage to those employees. Employees of a participating child  
5 advocacy center who are not enrolled due to coverage under  
6 another group health policy or plan may enroll in the event of  
7 a qualifying change in status, special enrollment, or special  
8 circumstance as defined by the Director or during the annual  
9 Benefit Choice Period. A participating child advocacy center  
10 may also elect to cover its annuitants. Dependent coverage  
11 shall be offered on an optional basis, with the costs paid by  
12 the child advocacy center, its employees, or some combination  
13 of the 2 as determined by the child advocacy center. The child  
14 advocacy center shall be responsible for timely collection and  
15 transmission of dependent premiums.

16 The Director shall annually determine rates of payment,  
17 subject to the following constraints:

18 (1) In the first year of coverage, the rates shall be  
19 equal to the amount normally charged to State employees for  
20 elected optional coverages or for enrolled dependents  
21 coverages or other contributory coverages on behalf of its  
22 employees, adjusted for differences between State  
23 employees and employees of the child advocacy center in  
24 age, sex, geographic location, or other relevant  
25 demographic variables, plus an amount sufficient to pay for  
26 the additional administrative costs of providing coverage

1 to employees of the child advocacy center and their  
2 dependents.

3 (2) In subsequent years, a further adjustment shall be  
4 made to reflect the actual prior years' claims experience  
5 of the employees of the child advocacy center.

6 Monthly payments by the child advocacy center or its  
7 employees for group health insurance shall be deposited into  
8 the Local Government Health Insurance Reserve Fund.

9 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;  
10 95-707, eff. 1-11-08; 96-756, eff. 1-1-10.)

11 Section 99. Effective date. This Act takes effect July 1,  
12 2010.