**Section 2120.30 Definitions**

a) Wherever used in the Plan, the following terms have the following meanings:

"Anticipated Payroll" means those payrolls in which the Participant is issued a paycheck during the pay period that the deduction is taken.

"Card" means the stored value card provided by the Plan Administrator that deducts funds electronically from a Participant's medical care assistance account to pay for eligible expenses.

"Change in Family Status" means marriage, divorce, death of spouse or dependent, birth or adoption of child, commencement or termination of employment of spouse, significant change in cost or benefits coverage of the Participant or spouse due to the spouse's employment, switch from full-time to part-time status of spouse, or from part-time to full-time, or unpaid leave of absence of Participant or spouse, or any other events that the Department determines constitute a change in family status.

"Code" means the Internal Revenue Code of 1954 (26 USC 1 et seq.) and applicable regulations, or any successor statute.

"Compensation" for purposes of this Plan is defined under Code section 414. It means wages, salaries and other employee compensation received by a Participant as reported on the Participant's W-2 from this employer. For purposes of discrimination testing, it may include or exclude all amounts not currently includible in the Participant's gross income.

"Delayed Payroll" means those payrolls in which the Participant is issued a paycheck following the pay period that the deduction is taken.

"Department" means the Illinois Department of Central Management Services.

"Dependent" means a Participant's spouse, qualifying child or qualifying relative as defined in Internal Revenue Code sections 152 and 213(d)(5).

"Discriminatory Excess" is the excess of any "Highly Compensated Participant" over the highest permitted benefit.

"Eligible Employee" means any employee working full time or not less than half-time who is eligible to participate in the Health Plan authorized by the State Employees Group Insurance Act of 1971. It includes those employees who have lost eligibility to participate in the Health Plan because of a reduction in hours worked but chosen continuation coverage through payroll deduction as authorized by the Consolidated Omnibus Budget Reconciliation Act (COBRA) (P.L. 99-272) as long as there is no break in coverage or payroll deductions. It also includes those employees who retire, terminate employment or go on an unpaid leave of absence, but choose to continue to make contributions to their MCAP for the balance of the Plan Year. An eligible employee of the employer excludes independent contractors, temporary employees, and retirees who return to work for not longer than 75 days per year after they retire.

"Employer" means the State of Illinois, which includes all officers, boards, commissions, and agencies created by the Illinois Constitution, whether in the executive, legislative or judicial branch, all officers, departments, boards, commissions, agencies, institutions, authorities, universities, bodies politic and corporate of the State; and administrative units or corporate outgrowths of the State government that are created by or pursuant to statute other than units of local government and their officers, school districts and boards of election commissioners, and all administrative units and corporate outgrowths of the above as may be created by executive order of the Governor.

"Enrollment Form" means the form provided by the Department for the purpose of filing an election and compensation reduction agreement and for making changes authorized by the Plan.

"Grace Period" means the period following the close of the Plan Year in which the Participant can incur a medical care expense eligible for reimbursement from his or her medical care assistance account from the just completed Plan Year. The grace period goes from July 1 until September 15 of each calendar year.

"Health Plan" means health, dental and vision coverage offered by the Department to eligible persons.

"Highly Compensated Participant" means any Participant who was in either of the following categories at any time during the current Plan Year:

an employee of the State or its administrative units or corporate outgrowths who has annual total compensation greater than $75,000 or any other amount established by the Internal Revenue Service; or

an employee of the State who receives compensation in excess of $50,000 or any other amount established by the Internal Revenue Service and is in the top 20% of all State employee salaries.

"Medical Care Expense" means any expense incurred by a Participant or dependent of the Participant that was paid for as a medical service expense eligible under Internal Revenue Code section 213(d). Expenses that result in a double deduction for tax purposes are not eligible. For example:

Premiums for health insurance coverage carried by the eligible employee, spouse or dependent; and

Premiums for other health coverage carried by the Participant.

"Participant" means each eligible employee who participates in the Plan in accordance with Section 2120.210 of this Part.

"Pay Period" means a regular accounting period established by the State of Illinois for measuring and paying compensation earned by employees. A pay period may be monthly, semi-monthly or biweekly.

"Plan" means the State of Illinois Medical Care Assistance Plan as set forth in this Part, and as may be amended from time to time in compliance with the Illinois Administrative Procedure Act [5 ILCS 100].

"Plan Administrator" means an organization, company or other entity designated by the Director to perform certain duties related to the administration of a specific plan in accordance with the terms of the contract between the organization and the Department.

"Plan Year" means the 12-consecutive-month period beginning July 1 comprising the State fiscal year.

"Qualifying Child" means an individual 26 years old or younger at the end of the taxable year who has a specified family-type relationship to the Participant, lives in the Participant's household for more than half of the taxable year and has not provided more than one-half of his or her own support during the taxable year. There is no age requirement if the individual is physically and/or mentally incapable of self care.

"Qualifying Relative" means an individual who has a specified family-type relationship with the Participant, is not someone else's qualifying child and receives more than one-half of his or her support from the Participant during the taxable year or, if no specified family-type relationship to the Participant exists, is a member of and lives in the Participant's household (without violating local law) for the entire taxable year and receives more than one-half of his or her support from the Participant during the taxable year.

"Reimbursement" means to pay a Participant in this Plan for medical care expenses from his or her medical care assistance account.

"Spouse" means the person to whom the Participant is married. Spouse does not include a person separated from the Participant under a decree of divorce.

"Termination" means the permanent severance of the Participant's employment relationship with the employer as provided by the appropriate rules of the employer.

"Unsubstantiated Expenses" are expenses for medical care paid for with the Card for which the Plan Administrator requires additional documentation to substantiate the expense.

b) A pronoun or adjective in the masculine gender includes the feminine gender and the singular includes the plural, unless the context clearly indicates otherwise.

(Source: Amended at 37 Ill. Reg. 4241, effective March 22, 2013)