



Sen. Jeffrey M. Schoenberg

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1 AMENDMENT TO SENATE BILL 175

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 175 by replacing  
3 everything after the enacting clause with the following:

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

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

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

1 participation that would otherwise apply to that dependent or  
2 survivor if he or she were the dependent or survivor of an  
3 annuitant under the State Universities Retirement System.

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

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

1 cost for each full year of the deceased employee's or deceased  
2 annuitant's creditable service in the State Employees'  
3 Retirement System of Illinois on the date of death, up to a  
4 maximum of 100% for a survivor of an employee or annuitant with  
5 20 or more years of creditable service. The remainder of the  
6 cost of the new SERS survivor's coverage under the basic  
7 program of group health benefits shall be the responsibility of  
8 the survivor. In the case of a new SERS survivor who was the  
9 dependent of an annuitant who elected to receive an alternative  
10 retirement cancellation payment under Section 14-108.5 of the  
11 Illinois Pension Code in lieu of an annuity, for the purposes  
12 of this subsection the deceased annuitant's creditable service  
13 shall be determined as of the date of termination of service  
14 rather than the date of death.

15 (a-3) Beginning January 1, 1998, for each person who  
16 becomes a new SURS 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 SURS annuitant's  
24 coverage under the basic program of group health benefits shall  
25 be the responsibility of the annuitant.

26 (a-4) (Blank).

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

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

1 responsibility of the annuitant.

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

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

1 not re-enroll in the program.

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

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

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

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

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

12 (a-10) Notwithstanding any provision of this Act to the  
13 contrary, beginning January 1, 2012, annuitants and survivors  
14 must pay premiums in order to obtain coverage for themselves  
15 and any dependents under the program of group health benefits  
16 provided under this Act. The Director shall determine the  
17 amount of the premium to be paid by each annuitant and  
18 survivor, based upon a system that takes into account (i)  
19 points, which are calculated by summing the retiree's age when  
20 benefits commenced and his or her total years of service, and  
21 (ii) annual household annual income, according to the following  
22 schedule:

23 (1) For retirees with 78 or fewer points and:

24 (A) An estimated household income of less than  
25 \$30,000, 0% of the applicable premium.

26 (B) An estimated household income of at least



1       \$30,000 but less than \$60,000, 55% of the applicable  
2       premium.

3       (C) An estimated household income of at least  
4       \$60,000 but less than \$100,000, 65% of the applicable  
5       premium.

6       (D) An estimated household income of at least  
7       \$100,000 but less than \$200,000, 75% of the applicable  
8       premium.

9       (E) An estimated household income of at least  
10       \$200,000 but less than \$250,000, 100% of the applicable  
11       premium.

12       (F) An estimated household income of \$250,000 or  
13       more, 100% of the applicable premium.

14       (2) For retirees with 79 to 85 points and:

15       (A) An estimated household income of less than  
16       \$30,000, 0% of the applicable premium.

17       (B) An estimated household income of at least  
18       \$30,000 but less than \$60,000, 50% of the applicable  
19       premium.

20       (C) An estimated household income of at least  
21       \$60,000 but less than \$100,000, 60% of the applicable  
22       premium.

23       (D) An estimated household income of at least  
24       \$100,000 but less than \$200,000, 70% of the applicable  
25       premium.

26       (E) An estimated household income of at least

1       \$200,000 but less than \$250,000, 100% of the applicable  
2       premium.

3       (F) An estimated household income of \$250,000 or  
4       more, 100% of the applicable premium.

5       (3) For retirees with 86 to 92 points and:

6       (A) An estimated household income of less than  
7       \$30,000, 0% of the applicable premium.

8       (B) An estimated household income of at least  
9       \$30,000 but less than \$60,000, 45% of the applicable  
10      premium.

11      (C) An estimated household income of at least  
12      \$60,000 but less than \$100,000, 55% of the applicable  
13      premium.

14      (D) An estimated household income of at least  
15      \$100,000 but less than \$200,000, 65% of the applicable  
16      premium.

17      (E) An estimated household income of at least  
18      \$200,000 but less than \$250,000, 100% of the applicable  
19      premium.

20      (F) An estimated household income of \$250,000 or  
21      more, 100% of the applicable premium.

22      (4) For retirees with 93 or more points and:

23      (A) An estimated household income of less than  
24      \$30,000, 0% of the applicable premium.

25      (B) An estimated household income of at least  
26      \$30,000 but less than \$60,000, 35% of the applicable

1           premium.

2           (C) An estimated household income of at least  
3           \$60,000 but less than \$100,000, 45% of the applicable  
4           premium.

5           (D) An estimated household income of at least  
6           \$100,000 but less than \$200,000, 55% of the applicable  
7           premium.

8           (E) An estimated household income of at least  
9           \$200,000 but less than \$250,000, 100% of the applicable  
10          premium.

11          (F) An estimated household income of \$250,000 or  
12          more, 100% of the applicable premium.

13          The Director shall establish a process for determining a  
14          retiree's household income by administrative rule. This  
15          income-verification process must use a retiree's pension  
16          income as the basis for determining his or her household  
17          income. The Director shall also establish by rule a process for  
18          retirees to appeal determinations of household income.

19          The obligation of each annuitant and survivor to pay the  
20          required premium applies only to the extent that the obligation  
21          is consistent with any contractual obligations existing in any  
22          collective bargaining agreement in effect on the effective date  
23          of this amendatory Act of the 97th General Assembly.

24          Beginning July 1, 2012, the Director may alter the schedule  
25          above to ensure that 49% of the costs associated with the basic  
26          program of group health benefits are covered by participating

1 annuitants, survivors, and dependents.

2 (b) State employees who become eligible for this program on  
3 or after January 1, 1980 in positions normally requiring actual  
4 performance of duty not less than 1/2 of a normal work period  
5 but not equal to that of a normal work period, shall be given  
6 the option of participating in the available program. If the  
7 employee elects coverage, the State shall contribute on behalf  
8 of such employee to the cost of the employee's benefit and any  
9 applicable dependent supplement, that sum which bears the same  
10 percentage as that percentage of time the employee regularly  
11 works when compared to normal work period.

12 (c) The basic non-contributory coverage from the basic  
13 program of group health benefits shall be continued for each  
14 employee not in pay status or on active service by reason of  
15 (1) leave of absence due to illness or injury, (2) authorized  
16 educational leave of absence or sabbatical leave, or (3)  
17 military leave. This coverage shall continue until expiration  
18 of authorized leave and return to active service, but not to  
19 exceed 24 months for leaves under item (1) or (2). This  
20 24-month limitation and the requirement of returning to active  
21 service shall not apply to persons receiving ordinary or  
22 accidental disability benefits or retirement benefits through  
23 the appropriate State retirement system or benefits under the  
24 Workers' Compensation or Occupational Disease Act.

25 (d) The basic group life insurance coverage shall continue,  
26 with full State contribution, where such person is (1) absent

1 from active service by reason of disability arising from any  
2 cause other than self-inflicted, (2) on authorized educational  
3 leave of absence or sabbatical leave, or (3) on military leave.

4 (e) Where the person is in non-pay status for a period in  
5 excess of 30 days or on leave of absence, other than by reason  
6 of disability, educational or sabbatical leave, or military  
7 leave, such person may continue coverage only by making  
8 personal payment equal to the amount normally contributed by  
9 the State on such person's behalf. Such payments and coverage  
10 may be continued: (1) until such time as the person returns to  
11 a status eligible for coverage at State expense, but not to  
12 exceed 24 months or (2) until such person's employment or  
13 annuitant status with the State is terminated (exclusive of any  
14 additional service imposed pursuant to law).

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

18 (g) The State shall not pay the cost of the basic  
19 non-contributory group life insurance, program of health  
20 benefits and other employee benefits for members who are  
21 survivors as defined by paragraphs (1) and (2) of subsection  
22 (q) of Section 3 of this Act. The costs of benefits for these  
23 survivors shall be paid by the survivors or by the University  
24 of Illinois Cooperative Extension Service, or any combination  
25 thereof. However, the State shall pay the amount of the  
26 reduction in the cost of participation, if any, resulting from

1 the amendment to subsection (a) made by this amendatory Act of  
2 the 91st General Assembly.

3 (h) Those persons occupying positions with any department  
4 as a result of emergency appointments pursuant to Section 8b.8  
5 of the Personnel Code who are not considered employees under  
6 this Act shall be given the option of participating in the  
7 programs of group life insurance, health benefits and other  
8 employee benefits. Such persons electing coverage may  
9 participate only by making payment equal to the amount normally  
10 contributed by the State for similarly situated employees. Such  
11 amounts shall be determined by the Director. Such payments and  
12 coverage may be continued until such time as the person becomes  
13 an employee pursuant to this Act or such person's appointment  
14 is terminated.

15 (i) Any unit of local government within the State of  
16 Illinois may apply to the Director to have its employees,  
17 annuitants, and their dependents provided group health  
18 coverage under this Act on a non-insured basis. To participate,  
19 a unit of local government must agree to enroll all of its  
20 employees, who may select coverage under either the State group  
21 health benefits plan or a health maintenance organization that  
22 has contracted with the State to be available as a health care  
23 provider for employees as defined in this Act. A unit of local  
24 government must remit the entire cost of providing coverage  
25 under the State group health benefits plan or, for coverage  
26 under a health maintenance organization, an amount determined

1 by the Director based on an analysis of the sex, age,  
2 geographic location, or other relevant demographic variables  
3 for its employees, except that the unit of local government  
4 shall not be required to enroll those of its employees who are  
5 covered spouses or dependents under this plan or another group  
6 policy or plan providing health benefits as long as (1) an  
7 appropriate official from the unit of local government attests  
8 that each employee not enrolled is a covered spouse or  
9 dependent under this plan or another group policy or plan, and  
10 (2) at least 50% of the employees are enrolled and the unit of  
11 local government remits the entire cost of providing coverage  
12 to those employees, except that a participating school district  
13 must have enrolled at least 50% of its full-time employees who  
14 have not waived coverage under the district's group health plan  
15 by participating in a component of the district's cafeteria  
16 plan. A participating school district is not required to enroll  
17 a full-time employee who has waived coverage under the  
18 district's health plan, provided that an appropriate official  
19 from the participating school district attests that the  
20 full-time employee has waived coverage by participating in a  
21 component of the district's cafeteria plan. For the purposes of  
22 this subsection, "participating school district" includes a  
23 unit of local government whose primary purpose is education as  
24 defined by the Department's rules.

25 Employees of a participating unit of local government who  
26 are not enrolled due to coverage under another group health

1 policy or plan may enroll in the event of a qualifying change  
2 in status, special enrollment, special circumstance as defined  
3 by the Director, or during the annual Benefit Choice Period. A  
4 participating unit of local government may also elect to cover  
5 its annuitants. Dependent coverage shall be offered on an  
6 optional basis, with the costs paid by the unit of local  
7 government, its employees, or some combination of the two as  
8 determined by the unit of local government. The unit of local  
9 government shall be responsible for timely collection and  
10 transmission of dependent premiums.

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

13 (1) In the first year of coverage, the rates shall be  
14 equal to the amount normally charged to State employees for  
15 elected optional coverages or for enrolled dependents  
16 coverages or other contributory coverages, or contributed  
17 by the State for basic insurance coverages on behalf of its  
18 employees, adjusted for differences between State  
19 employees and employees of the local government in age,  
20 sex, geographic location or other relevant demographic  
21 variables, plus an amount sufficient to pay for the  
22 additional administrative costs of providing coverage to  
23 employees of the unit of local government and their  
24 dependents.

25 (2) In subsequent years, a further adjustment shall be  
26 made to reflect the actual prior years' claims experience



1 of the employees of the unit of local government.

2 In the case of coverage of local government employees under  
3 a health maintenance organization, the Director shall annually  
4 determine for each participating unit of local government the  
5 maximum monthly amount the unit may contribute toward that  
6 coverage, based on an analysis of (i) the age, sex, geographic  
7 location, and other relevant demographic variables of the  
8 unit's employees and (ii) the cost to cover those employees  
9 under the State group health benefits plan. The Director may  
10 similarly determine the maximum monthly amount each unit of  
11 local government may contribute toward coverage of its  
12 employees' dependents under a health maintenance organization.

13 Monthly payments by the unit of local government or its  
14 employees for group health benefits plan or health maintenance  
15 organization coverage shall be deposited in the Local  
16 Government Health Insurance Reserve Fund.

17 The Local Government Health Insurance Reserve Fund is  
18 hereby created as a nonappropriated trust fund to be held  
19 outside the State Treasury, with the State Treasurer as  
20 custodian. The Local Government Health Insurance Reserve Fund  
21 shall be a continuing fund not subject to fiscal year  
22 limitations. The Local Government Health Insurance Reserve  
23 Fund is not subject to administrative charges or charge-backs,  
24 including but not limited to those authorized under Section 8h  
25 of the State Finance Act. All revenues arising from the  
26 administration of the health benefits program established

1 under this Section shall be deposited into the Local Government  
2 Health Insurance Reserve Fund. Any interest earned on moneys in  
3 the Local Government Health Insurance Reserve Fund shall be  
4 deposited into the Fund. All expenditures from this Fund shall  
5 be used for payments for health care benefits for local  
6 government and rehabilitation facility employees, annuitants,  
7 and dependents, and to reimburse the Department or its  
8 administrative service organization for all expenses incurred  
9 in the administration of benefits. No other State funds may be  
10 used for these purposes.

11 A local government employer's participation or desire to  
12 participate in a program created under this subsection shall  
13 not limit that employer's duty to bargain with the  
14 representative of any collective bargaining unit of its  
15 employees.

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

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

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

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

1 the additional administrative costs of providing coverage  
2 to employees of the rehabilitation facility and their  
3 dependents.

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

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

10 (k) Any domestic violence shelter or service within the  
11 State of Illinois may apply to the Director to have its  
12 employees, annuitants, and their dependents provided group  
13 health coverage under this Act on a non-insured basis. To  
14 participate, a domestic violence shelter or service must agree  
15 to enroll all of its employees and pay the entire cost of  
16 providing such coverage for its employees. The domestic  
17 violence shelter shall not be required to enroll those of its  
18 employees who are covered spouses or dependents under this plan  
19 or another group policy or plan providing health benefits as  
20 long as (1) an appropriate official from the domestic violence  
21 shelter attests that each employee not enrolled is a covered  
22 spouse or dependent under this plan or another group policy or  
23 plan and (2) at least 50% of the employees are enrolled and the  
24 domestic violence shelter remits the entire cost of providing  
25 coverage to those employees. Employees of a participating  
26 domestic violence shelter who are not enrolled due to coverage

1 under another group health policy or plan may enroll in the  
2 event of a qualifying change in status, special enrollment, or  
3 special circumstance as defined by the Director or during the  
4 annual Benefit Choice Period. A participating domestic  
5 violence shelter may also elect to cover its annuitants.  
6 Dependent coverage shall be offered on an optional basis, with  
7 employees, or some combination of the 2 as determined by the  
8 domestic violence shelter or service. The domestic violence  
9 shelter or service shall be responsible for timely collection  
10 and transmission of dependent premiums.

11 The Director shall annually determine rates of payment,  
12 subject to the following constraints:

13 (1) In the first year of coverage, the rates shall be  
14 equal to the amount normally charged to State employees for  
15 elected optional coverages or for enrolled dependents  
16 coverages or other contributory coverages on behalf of its  
17 employees, adjusted for differences between State  
18 employees and employees of the domestic violence shelter or  
19 service in age, sex, geographic location or other relevant  
20 demographic variables, plus an amount sufficient to pay for  
21 the additional administrative costs of providing coverage  
22 to employees of the domestic violence shelter or service  
23 and their dependents.

24 (2) In subsequent years, a further adjustment shall be  
25 made to reflect the actual prior years' claims experience  
26 of the employees of the domestic violence shelter or

1 service.

2 Monthly payments by the domestic violence shelter or  
3 service or its employees for group health insurance shall be  
4 deposited in the Local Government Health Insurance Reserve  
5 Fund.

6 (1) A public community college or entity organized pursuant  
7 to the Public Community College Act may apply to the Director  
8 initially to have only annuitants not covered prior to July 1,  
9 1992 by the district's health plan provided health coverage  
10 under this Act on a non-insured basis. The community college  
11 must execute a 2-year contract to participate in the Local  
12 Government Health Plan. Any annuitant may enroll in the event  
13 of a qualifying change in status, special enrollment, special  
14 circumstance as defined by the Director, or during the annual  
15 Benefit Choice Period.

16 The Director shall annually determine monthly rates of  
17 payment subject to the following constraints: for those  
18 community colleges with annuitants only enrolled, first year  
19 rates shall be equal to the average cost to cover claims for a  
20 State member adjusted for demographics, Medicare  
21 participation, and other factors; and in the second year, a  
22 further adjustment of rates shall be made to reflect the actual  
23 first year's claims experience of the covered annuitants.

24 (1-5) The provisions of subsection (1) become inoperative  
25 on July 1, 1999.

26 (m) The Director shall adopt any rules deemed necessary for

1 implementation of this amendatory Act of 1989 (Public Act  
2 86-978).

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

1 advocacy center shall be responsible for timely collection and  
2 transmission of dependent premiums.

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

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

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

22 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;  
23 95-707, eff. 1-11-08; 96-756, eff. 1-1-10; 96-1232, eff.  
24 7-23-10; 96-1519, eff. 2-4-11.)

25 Section 99. Effective date. This Act takes effect January



1 1, 2012.".