



Sen. Jeffrey M. Schoenberg

**Filed: 5/28/2011**

09700SB0175sam003

LRB097 04017 JDS 56449 a

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 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.

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

23 (1) For a retired employee, annuitant, or survivor with  
24 78 or fewer points and:

25 (A) An annual State pension income of less than  
26 \$15,000, 50% of the applicable premium.



1           (B) An annual State pension income of at least  
2           \$15,000 but less than \$30,000, 60% of the applicable  
3           premium.

4           (C) An annual State pension income of at least  
5           \$30,000 but less than \$50,000, 70% of the applicable  
6           premium.

7           (D) An annual State pension income of at least  
8           \$50,000 but less than \$100,000, 80% of the applicable  
9           premium.

10           (E) An annual State pension income of at least  
11           \$100,000 but less than \$125,000, 90% of the applicable  
12           premium.

13           (F) An annual State pension income of \$125,000 or  
14           more, 100% of the applicable premium.

15           (2) For a retired employee, annuitant, or survivor with  
16           79 to 85 points and:

17           (A) An annual State pension income of less than  
18           \$15,000, 35% of the applicable premium.

19           (B) An annual State pension income of at least  
20           \$15,000 but less than \$30,000, 45% of the applicable  
21           premium.

22           (C) An annual State pension income of at least  
23           \$30,000 but less than \$50,000, 55% of the applicable  
24           premium.

25           (D) An annual State pension income of at least  
26           \$50,000 but less than \$100,000, 65% of the applicable

1           premium.

2           (E) An annual State pension income of at least  
3           \$100,000 but less than \$125,000, 75% of the applicable  
4           premium.

5           (F) An annual State pension income of \$125,000 or  
6           more, 100% of the applicable premium.

7           (3) For a retired employee, annuitant, or survivor with  
8           86 to 92 points and:

9           (A) An annual State pension income of less than  
10           \$15,000, 20% of the applicable premium.

11           (B) An annual State pension income of at least  
12           \$15,000 but less than \$30,000, 30% of the applicable  
13           premium.

14           (C) An annual State pension income of at least  
15           \$30,000 but less than \$50,000, 40% of the applicable  
16           premium.

17           (D) An annual State pension income of at least  
18           \$50,000 but less than \$100,000, 50% of the applicable  
19           premium.

20           (E) An annual State pension income of at least  
21           \$100,000 but less than \$125,000, 60% of the applicable  
22           premium.

23           (F) An annual State pension income of \$125,000 or  
24           more, 100% of the applicable premium.

25           (4) For a retired employee, annuitant, or survivor with  
26           93 or more points and:

1           (A) An annual State pension income of less than  
2           \$15,000, 5% of the applicable premium.

3           (B) An annual State pension income of at least  
4           \$15,000 but less than \$30,000, 15% of the applicable  
5           premium.

6           (C) An annual State pension income of at least  
7           \$30,000 but less than \$50,000, 25% of the applicable  
8           premium.

9           (D) An annual State pension income of at least  
10           \$50,000 but less than \$100,000, 35% of the applicable  
11           premium.

12           (E) An annual State pension income of at least  
13           \$100,000 but less than \$125,000, 45% of the applicable  
14           premium.

15           (F) An annual State pension income of \$125,000 or  
16           more, 85% of the applicable premium.

17           The schedule of premium contributions for annuitants,  
18           retired employees, and survivors that is set forth in this  
19           subsection (a-10) shall also be used for the purpose of  
20           calculating the portion of premiums that is to be paid by those  
21           persons for dependent coverage.

22           The Director shall establish by rule a process for retired  
23           employees, annuitants, and survivors to appeal determinations  
24           of annual State pension income.

25           With respect to any annuitant, retired employee, or  
26           survivor covered by a collective bargaining agreement in effect

1 on the effective date of this amendatory Act of the 97th  
2 General Assembly and until that collective bargaining  
3 agreement terminates, the obligation of each retired employee,  
4 annuitant, or survivor to pay the required premium applies only  
5 to the extent that the obligation is consistent with any  
6 contractual obligations existing in any collective bargaining  
7 agreement.

8 Upon the expiration of any collective bargaining agreement  
9 in effect on the effective date of this amendatory Act of the  
10 97th General Assembly, the Director may alter the schedule  
11 above to ensure that 49% of the costs associated with the basic  
12 program of group health benefits are covered by retired  
13 employees, annuitants, and survivors.

14 For the purposes of this subsection (a-10), "State pension  
15 income" means income paid or payable to an individual from a  
16 retirement system created under Article 2, 14, 15, 16, or 18 of  
17 the Illinois Pension Code.

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

1 works when compared to normal work period.

2 (c) The basic non-contributory coverage from the basic  
3 program of group health benefits shall be continued for each  
4 employee not in pay status or on active service by reason of  
5 (1) leave of absence due to illness or injury, (2) authorized  
6 educational leave of absence or sabbatical leave, or (3)  
7 military leave. This coverage shall continue until expiration  
8 of authorized leave and return to active service, but not to  
9 exceed 24 months for leaves under item (1) or (2). This  
10 24-month limitation and the requirement of returning to active  
11 service shall not apply to persons receiving ordinary or  
12 accidental disability benefits or retirement benefits through  
13 the appropriate State retirement system or benefits under the  
14 Workers' Compensation or Occupational Disease Act.

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

20 (e) Where the person is in non-pay status for a period in  
21 excess of 30 days or on leave of absence, other than by reason  
22 of disability, educational or sabbatical leave, or military  
23 leave, such person may continue coverage only by making  
24 personal payment equal to the amount normally contributed by  
25 the State on such person's behalf. Such payments and coverage  
26 may be continued: (1) until such time as the person returns to

1 a status eligible for coverage at State expense, but not to  
2 exceed 24 months or (2) until such person's employment or  
3 annuitant status with the State is terminated (exclusive of any  
4 additional service imposed pursuant to law).

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

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

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

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

5 (i) Any unit of local government within the State of  
6 Illinois may apply to the Director to have its employees,  
7 annuitants, and their dependents provided group health  
8 coverage under this Act on a non-insured basis. To participate,  
9 a unit of local government must agree to enroll all of its  
10 employees, who may select coverage under either the State group  
11 health benefits plan or a health maintenance organization that  
12 has contracted with the State to be available as a health care  
13 provider for employees as defined in this Act. A unit of local  
14 government must remit the entire cost of providing coverage  
15 under the State group health benefits plan or, for coverage  
16 under a health maintenance organization, an amount determined  
17 by the Director based on an analysis of the sex, age,  
18 geographic location, or other relevant demographic variables  
19 for its employees, except that the unit of local government  
20 shall not be required to enroll those of its employees who are  
21 covered spouses or dependents under this plan or another group  
22 policy or plan providing health benefits as long as (1) an  
23 appropriate official from the unit of local government attests  
24 that each employee not enrolled is a covered spouse or  
25 dependent under this plan or another group policy or plan, and  
26 (2) at least 50% of the employees are enrolled and the unit of

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

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



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

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

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

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

1 local government may contribute toward coverage of its  
2 employees' dependents under a health maintenance organization.

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

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

1           A local government employer's participation or desire to  
2 participate in a program created under this subsection shall  
3 not limit that employer's duty to bargain with the  
4 representative of any collective bargaining unit of its  
5 employees.

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

1 facility may also elect to cover its annuitants. Dependent  
2 coverage shall be offered on an optional basis, with the costs  
3 paid by the rehabilitation facility, its employees, or some  
4 combination of the 2 as determined by the rehabilitation  
5 facility. The rehabilitation facility shall be responsible for  
6 timely collection and transmission of dependent premiums.

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

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

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

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

26 (k) Any domestic violence shelter or service within the

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

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

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

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

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

22           (1) A public community college or entity organized pursuant  
23 to the Public Community College Act may apply to the Director  
24 initially to have only annuitants not covered prior to July 1,  
25 1992 by the district's health plan provided health coverage  
26 under this Act on a non-insured basis. The community college

1 must execute a 2-year contract to participate in the Local  
2 Government Health Plan. Any annuitant may enroll in the event  
3 of a qualifying change in status, special enrollment, special  
4 circumstance as defined by the Director, or during the annual  
5 Benefit Choice Period.

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

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

16 (m) The Director shall adopt any rules deemed necessary for  
17 implementation of this amendatory Act of 1989 (Public Act  
18 86-978).

19 (n) Any child advocacy center within the State of Illinois  
20 may apply to the Director to have its employees, annuitants,  
21 and their dependents provided group health coverage under this  
22 Act on a non-insured basis. To participate, a child advocacy  
23 center must agree to enroll all of its employees and pay the  
24 entire cost of providing coverage for its employees. The child  
25 advocacy center shall not be required to enroll those of its  
26 employees who are covered spouses or dependents under this plan

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

19 The Director shall annually determine rates of payment,  
20 subject to the following constraints:

21 (1) In the first year of coverage, the rates shall be  
22 equal to the amount normally charged to State employees for  
23 elected optional coverages or for enrolled dependents  
24 coverages or other contributory coverages on behalf of its  
25 employees, adjusted for differences between State  
26 employees and employees of the child advocacy center in



1 age, sex, geographic location, or other relevant  
2 demographic variables, plus an amount sufficient to pay for  
3 the additional administrative costs of providing coverage  
4 to employees of the child advocacy center and their  
5 dependents.

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

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

12 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;  
13 95-707, eff. 1-11-08; 96-756, eff. 1-1-10; 96-1232, eff.  
14 7-23-10; 96-1519, eff. 2-4-11.)

15 Section 99. Effective date. This Act takes effect January  
16 1, 2012."