

1 AMENDMENT TO HOUSE BILL 1031

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1031 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of  
5 1971 is amended by changing Section 6 as follows:

6 (5 ILCS 375/6) (from Ch. 127, par. 526)

7 Sec. 6. Program of health benefits.

8 (a) The program of health benefits shall provide for  
9 protection against the financial costs of health care  
10 expenses incurred in and out of hospital including basic  
11 hospital-surgical-medical coverages. The program may  
12 include, but shall not be limited to, such supplemental  
13 coverages as out-patient diagnostic X-ray and laboratory  
14 expenses, prescription drugs, dental services, hearing  
15 evaluations, hearing aids, the dispensing and fitting of  
16 hearing aids, and similar group benefits as are now or may  
17 become available. However, nothing in this Act shall be  
18 construed to permit, on or after July 1, 1980, the  
19 non-contributory portion of any such program to include the  
20 expenses of obtaining an abortion, induced miscarriage or  
21 induced premature birth unless, in the opinion of a  
22 physician, such procedures are necessary for the preservation

1 of the life of the woman seeking such treatment, or except an  
2 induced premature birth intended to produce a live viable  
3 child and such procedure is necessary for the health of the  
4 mother or the unborn child. The program may also include  
5 coverage for those who rely on treatment by prayer or  
6 spiritual means alone for healing in accordance with the  
7 tenets and practice of a recognized religious denomination.

8 The program of health benefits shall be designed by the  
9 Director (1) to provide a reasonable relationship between the  
10 benefits to be included and the expected distribution of  
11 expenses of each such type to be incurred by the covered  
12 members and dependents, (2) to specify, as covered benefits  
13 and as optional benefits, the medical services of  
14 practitioners in all categories licensed under the Medical  
15 Practice Act of 1987, (3) to include reasonable controls,  
16 which may include deductible and co-insurance provisions,  
17 applicable to some or all of the benefits, or a coordination  
18 of benefits provision, to prevent or minimize unnecessary  
19 utilization of the various hospital, surgical and medical  
20 expenses to be provided and to provide reasonable assurance  
21 of stability of the program, and (4) to provide benefits to  
22 the extent possible to members throughout the State, wherever  
23 located, on an equitable basis. Notwithstanding any other  
24 provision of this Section or Act, for all members or  
25 dependents who are eligible for benefits under Social  
26 Security or the Railroad Retirement system or who had  
27 sufficient Medicare-covered government employment, the  
28 Department shall reduce benefits which would otherwise be  
29 paid by Medicare, by the amount of benefits for which the  
30 member or dependents are eligible under Medicare, except that  
31 such reduction in benefits shall apply only to those members  
32 or dependents who (1) first become eligible for such medicare  
33 coverage on or after the effective date of this amendatory  
34 Act of 1992; or (2) are Medicare-eligible members or

1 dependents of a local government unit which began  
2 participation in the program on or after July 1, 1992; or (3)  
3 remain eligible for but no longer receive Medicare coverage  
4 which they had been receiving on or after the effective date  
5 of this amendatory Act of 1992.

6 Notwithstanding any other provisions of this Act, where a  
7 covered member or dependents are eligible for benefits under  
8 the federal Medicare health insurance program (Title XVIII of  
9 the Social Security Act as added by Public Law 89-97, 89th  
10 Congress), benefits paid under the State of Illinois program  
11 or plan will be reduced by the amount of benefits paid by  
12 Medicare. For members or dependents who are eligible for  
13 benefits under Social Security or the Railroad Retirement  
14 system or who had sufficient Medicare-covered government  
15 employment, benefits shall be reduced by the amount for which  
16 the member or dependent is eligible under Medicare, except  
17 that such reduction in benefits shall apply only to those  
18 members or dependents who (1) first become eligible for such  
19 Medicare coverage on or after the effective date of this  
20 amendatory Act of 1992; or (2) are Medicare-eligible members  
21 or dependents of a local government unit which began  
22 participation in the program on or after July 1, 1992; or (3)  
23 remain eligible for, but no longer receive Medicare coverage  
24 which they had been receiving on or after the effective date  
25 of this amendatory Act of 1992. Premiums may be adjusted,  
26 where applicable, to an amount deemed by the Director to be  
27 reasonably consistent with any reduction of benefits.

28 (b) A member, not otherwise covered by this Act, who has  
29 retired as a participating member under Article 2 of the  
30 Illinois Pension Code but is ineligible for the retirement  
31 annuity under Section 2-119 of the Illinois Pension Code,  
32 shall pay the premiums for coverage, not exceeding the amount  
33 paid by the State for the non-contributory coverage for other  
34 members, under the group health benefits program under this

1 Act. The Director shall determine the premiums to be paid by  
2 a member under this subsection (b).

3 (Source: P.A. 91-390, eff. 7-30-99.)

4 Section 99. Effective date. This Act takes effect on  
5 July 1, 2003."