



Sen. Omar Aquino

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LRB101 05013 RPS 59768 a

1 AMENDMENT TO HOUSE BILL 2029

2 AMENDMENT NO. _____. Amend House Bill 2029 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 3 as follows:

6 (5 ILCS 375/3) (from Ch. 127, par. 523)

7 Sec. 3. Definitions. Unless the context otherwise
8 requires, the following words and phrases as used in this Act
9 shall have the following meanings. The Department may define
10 these and other words and phrases separately for the purpose of
11 implementing specific programs providing benefits under this
12 Act.

13 (a) "Administrative service organization" means any
14 person, firm or corporation experienced in the handling of
15 claims which is fully qualified, financially sound and capable
16 of meeting the service requirements of a contract of

1 administration executed with the Department.

2 (b) "Annuitant" means (1) an employee who retires, or has
3 retired, on or after January 1, 1966 on an immediate annuity
4 under the provisions of Articles 2, 14 (including an employee
5 who has elected to receive an alternative retirement
6 cancellation payment under Section 14-108.5 of the Illinois
7 Pension Code in lieu of an annuity or who meets the criteria
8 for retirement, but in lieu of receiving an annuity under that
9 Article has elected to receive an accelerated pension benefit
10 payment under Section 14-147.5 of that Article), 15 (including
11 an employee who has retired under the optional retirement
12 program established under Section 15-158.2 or who meets the
13 criteria for retirement but in lieu of receiving an annuity
14 under that Article has elected to receive an accelerated
15 pension benefit payment under Section 15-185.5 of the Article),
16 paragraphs (2), (3), or (5) of Section 16-106 (including an
17 employee who meets the criteria for retirement, but in lieu of
18 receiving an annuity under that Article has elected to receive
19 an accelerated pension benefit payment under Section 16-190.5
20 of the Illinois Pension Code), or Article 18 of the Illinois
21 Pension Code; (2) any person who was receiving group insurance
22 coverage under this Act as of March 31, 1978 by reason of his
23 status as an annuitant, even though the annuity in relation to
24 which such coverage was provided is a proportional annuity
25 based on less than the minimum period of service required for a
26 retirement annuity in the system involved; (3) any person not

1 otherwise covered by this Act who has retired as a
2 participating member under Article 2 of the Illinois Pension
3 Code but is ineligible for the retirement annuity under Section
4 2-119 of the Illinois Pension Code; (4) the spouse of any
5 person who is receiving a retirement annuity under Article 18
6 of the Illinois Pension Code and who is covered under a group
7 health insurance program sponsored by a governmental employer
8 other than the State of Illinois and who has irrevocably
9 elected to waive his or her coverage under this Act and to have
10 his or her spouse considered as the "annuitant" under this Act
11 and not as a "dependent"; or (5) an employee who retires, or
12 has retired, from a qualified position, as determined according
13 to rules promulgated by the Director, under a qualified local
14 government, a qualified rehabilitation facility, a qualified
15 domestic violence shelter or service, or a qualified child
16 advocacy center. (For definition of "retired employee", see (p)
17 post).

18 (b-5) (Blank).

19 (b-6) (Blank).

20 (b-7) (Blank).

21 (c) "Carrier" means (1) an insurance company, a corporation
22 organized under the Limited Health Service Organization Act or
23 the Voluntary Health Services Plan Act, a partnership, or other
24 nongovernmental organization, which is authorized to do group
25 life or group health insurance business in Illinois, or (2) the
26 State of Illinois as a self-insurer.

1 (d) "Compensation" means salary or wages payable on a
2 regular payroll by the State Treasurer on a warrant of the
3 State Comptroller out of any State, trust or federal fund, or
4 by the Governor of the State through a disbursing officer of
5 the State out of a trust or out of federal funds, or by any
6 Department out of State, trust, federal or other funds held by
7 the State Treasurer or the Department, to any person for
8 personal services currently performed, and ordinary or
9 accidental disability benefits under Articles 2, 14, 15
10 (including ordinary or accidental disability benefits under
11 the optional retirement program established under Section
12 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or
13 Article 18 of the Illinois Pension Code, for disability
14 incurred after January 1, 1966, or benefits payable under the
15 Workers' Compensation or Occupational Diseases Act or benefits
16 payable under a sick pay plan established in accordance with
17 Section 36 of the State Finance Act. "Compensation" also means
18 salary or wages paid to an employee of any qualified local
19 government, qualified rehabilitation facility, qualified
20 domestic violence shelter or service, or qualified child
21 advocacy center.

22 (e) "Commission" means the State Employees Group Insurance
23 Advisory Commission authorized by this Act. Commencing July 1,
24 1984, "Commission" as used in this Act means the Commission on
25 Government Forecasting and Accountability as established by
26 the Legislative Commission Reorganization Act of 1984.

1 (f) "Contributory", when referred to as contributory
2 coverage, shall mean optional coverages or benefits elected by
3 the member toward the cost of which such member makes
4 contribution, or which are funded in whole or in part through
5 the acceptance of a reduction in earnings or the foregoing of
6 an increase in earnings by an employee, as distinguished from
7 noncontributory coverage or benefits which are paid entirely by
8 the State of Illinois without reduction of the member's salary.

9 (g) "Department" means any department, institution, board,
10 commission, officer, court or any agency of the State
11 government receiving appropriations and having power to
12 certify payrolls to the Comptroller authorizing payments of
13 salary and wages against such appropriations as are made by the
14 General Assembly from any State fund, or against trust funds
15 held by the State Treasurer and includes boards of trustees of
16 the retirement systems created by Articles 2, 14, 15, 16 and 18
17 of the Illinois Pension Code. "Department" also includes the
18 Illinois Comprehensive Health Insurance Board, the Board of
19 Examiners established under the Illinois Public Accounting
20 Act, and the Illinois Finance Authority.

21 (h) "Dependent", when the term is used in the context of
22 the health and life plan, means a member's spouse and any child
23 (1) from birth to age 26 including an adopted child, a child
24 who lives with the member from the time of the placement for
25 adoption until entry of an order of adoption, a stepchild or
26 adjudicated child, or a child who lives with the member if such

1 member is a court appointed guardian of the child or (2) age 19
2 or over who has a mental or physical disability from a cause
3 originating prior to the age of 19 (age 26 if enrolled as an
4 adult child dependent). For the health plan only, the term
5 "dependent" also includes (1) any person enrolled prior to the
6 effective date of this Section who is dependent upon the member
7 to the extent that the member may claim such person as a
8 dependent for income tax deduction purposes and (2) any person
9 who has received after June 30, 2000 an organ transplant and
10 who is financially dependent upon the member and eligible to be
11 claimed as a dependent for income tax purposes. A member
12 requesting to cover any dependent must provide documentation as
13 requested by the Department of Central Management Services and
14 file with the Department any and all forms required by the
15 Department.

16 (i) "Director" means the Director of the Illinois
17 Department of Central Management Services.

18 (j) "Eligibility period" means the period of time a member
19 has to elect enrollment in programs or to select benefits
20 without regard to age, sex or health.

21 (k) "Employee" means and includes each officer or employee
22 in the service of a department who (1) receives his
23 compensation for service rendered to the department on a
24 warrant issued pursuant to a payroll certified by a department
25 or on a warrant or check issued and drawn by a department upon
26 a trust, federal or other fund or on a warrant issued pursuant

1 to a payroll certified by an elected or duly appointed officer
2 of the State or who receives payment of the performance of
3 personal services on a warrant issued pursuant to a payroll
4 certified by a Department and drawn by the Comptroller upon the
5 State Treasurer against appropriations made by the General
6 Assembly from any fund or against trust funds held by the State
7 Treasurer, and (2) is employed full-time or part-time in a
8 position normally requiring actual performance of duty during
9 not less than 1/2 of a normal work period, as established by
10 the Director in cooperation with each department, except that
11 persons elected by popular vote will be considered employees
12 during the entire term for which they are elected regardless of
13 hours devoted to the service of the State, and (3) except that
14 "employee" does not include any person who is not eligible by
15 reason of such person's employment to participate in one of the
16 State retirement systems under Articles 2, 14, 15 (either the
17 regular Article 15 system or the optional retirement program
18 established under Section 15-158.2) or 18, or under paragraph
19 (2), (3), or (5) of Section 16-106, of the Illinois Pension
20 Code, but such term does include persons who are employed
21 during the 6 month qualifying period under Article 14 of the
22 Illinois Pension Code. Such term also includes any person who
23 (1) after January 1, 1966, is receiving ordinary or accidental
24 disability benefits under Articles 2, 14, 15 (including
25 ordinary or accidental disability benefits under the optional
26 retirement program established under Section 15-158.2),

1 paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of
2 the Illinois Pension Code, for disability incurred after
3 January 1, 1966, (2) receives total permanent or total
4 temporary disability under the Workers' Compensation Act or
5 Occupational Disease Act as a result of injuries sustained or
6 illness contracted in the course of employment with the State
7 of Illinois, or (3) is not otherwise covered under this Act and
8 has retired as a participating member under Article 2 of the
9 Illinois Pension Code but is ineligible for the retirement
10 annuity under Section 2-119 of the Illinois Pension Code.
11 However, a person who satisfies the criteria of the foregoing
12 definition of "employee" except that such person is made
13 ineligible to participate in the State Universities Retirement
14 System by clause (4) of subsection (a) of Section 15-107 of the
15 Illinois Pension Code is also an "employee" for the purposes of
16 this Act. "Employee" also includes any person receiving or
17 eligible for benefits under a sick pay plan established in
18 accordance with Section 36 of the State Finance Act. "Employee"
19 also includes (i) each officer or employee in the service of a
20 qualified local government, including persons appointed as
21 trustees of sanitary districts regardless of hours devoted to
22 the service of the sanitary district, (ii) each employee in the
23 service of a qualified rehabilitation facility, (iii) each
24 full-time employee in the service of a qualified domestic
25 violence shelter or service, and (iv) each full-time employee
26 in the service of a qualified child advocacy center, as

1 determined according to rules promulgated by the Director.

2 (l) "Member" means an employee, annuitant, retired
3 employee or survivor. In the case of an annuitant or retired
4 employee who first becomes an annuitant or retired employee on
5 or after the effective date of this amendatory Act of the 97th
6 General Assembly, the individual must meet the minimum vesting
7 requirements of the applicable retirement system in order to be
8 eligible for group insurance benefits under that system. In the
9 case of a survivor who first becomes a survivor on or after the
10 effective date of this amendatory Act of the 97th General
11 Assembly, the deceased employee, annuitant, or retired
12 employee upon whom the annuity is based must have been eligible
13 to participate in the group insurance system under the
14 applicable retirement system in order for the survivor to be
15 eligible for group insurance benefits under that system.

16 (m) "Optional coverages or benefits" means those coverages
17 or benefits available to the member on his or her voluntary
18 election, and at his or her own expense.

19 (n) "Program" means the group life insurance, health
20 benefits and other employee benefits designed and contracted
21 for by the Director under this Act.

22 (o) "Health plan" means a health benefits program offered
23 by the State of Illinois for persons eligible for the plan.

24 (p) "Retired employee" means any person who would be an
25 annuitant as that term is defined herein but for the fact that
26 such person retired prior to January 1, 1966. Such term also

1 includes any person formerly employed by the University of
2 Illinois in the Cooperative Extension Service who would be an
3 annuitant but for the fact that such person was made ineligible
4 to participate in the State Universities Retirement System by
5 clause (4) of subsection (a) of Section 15-107 of the Illinois
6 Pension Code.

7 (q) "Survivor" means a person receiving an annuity as a
8 survivor of an employee or of an annuitant. "Survivor" also
9 includes: (1) the surviving dependent of a person who satisfies
10 the definition of "employee" except that such person is made
11 ineligible to participate in the State Universities Retirement
12 System by clause (4) of subsection (a) of Section 15-107 of the
13 Illinois Pension Code; (2) the surviving dependent of any
14 person formerly employed by the University of Illinois in the
15 Cooperative Extension Service who would be an annuitant except
16 for the fact that such person was made ineligible to
17 participate in the State Universities Retirement System by
18 clause (4) of subsection (a) of Section 15-107 of the Illinois
19 Pension Code; ~~and~~ (3) the surviving dependent of a person who
20 was an annuitant under this Act by virtue of receiving an
21 alternative retirement cancellation payment under Section
22 14-108.5 of the Illinois Pension Code; and (4) a person who
23 would be receiving an annuity as a survivor of an annuitant
24 except that the annuitant elected on or after June 4, 2018 to
25 receive an accelerated pension benefit payment under Section
26 14-147.5, 15-185.5, or 16-190.5 of the Illinois Pension Code in

1 lieu of receiving an annuity.

2 (q-2) "SERS" means the State Employees' Retirement System
3 of Illinois, created under Article 14 of the Illinois Pension
4 Code.

5 (q-3) "SURS" means the State Universities Retirement
6 System, created under Article 15 of the Illinois Pension Code.

7 (q-4) "TRS" means the Teachers' Retirement System of the
8 State of Illinois, created under Article 16 of the Illinois
9 Pension Code.

10 (q-5) (Blank).

11 (q-6) (Blank).

12 (q-7) (Blank).

13 (r) "Medical services" means the services provided within
14 the scope of their licenses by practitioners in all categories
15 licensed under the Medical Practice Act of 1987.

16 (s) "Unit of local government" means any county,
17 municipality, township, school district (including a
18 combination of school districts under the Intergovernmental
19 Cooperation Act), special district or other unit, designated as
20 a unit of local government by law, which exercises limited
21 governmental powers or powers in respect to limited
22 governmental subjects, any not-for-profit association with a
23 membership that primarily includes townships and township
24 officials, that has duties that include provision of research
25 service, dissemination of information, and other acts for the
26 purpose of improving township government, and that is funded

1 wholly or partly in accordance with Section 85-15 of the
2 Township Code; any not-for-profit corporation or association,
3 with a membership consisting primarily of municipalities, that
4 operates its own utility system, and provides research,
5 training, dissemination of information, or other acts to
6 promote cooperation between and among municipalities that
7 provide utility services and for the advancement of the goals
8 and purposes of its membership; the Southern Illinois
9 Collegiate Common Market, which is a consortium of higher
10 education institutions in Southern Illinois; the Illinois
11 Association of Park Districts; and any hospital provider that
12 is owned by a county that has 100 or fewer hospital beds and
13 has not already joined the program. "Qualified local
14 government" means a unit of local government approved by the
15 Director and participating in a program created under
16 subsection (i) of Section 10 of this Act.

17 (t) "Qualified rehabilitation facility" means any
18 not-for-profit organization that is accredited by the
19 Commission on Accreditation of Rehabilitation Facilities or
20 certified by the Department of Human Services (as successor to
21 the Department of Mental Health and Developmental
22 Disabilities) to provide services to persons with disabilities
23 and which receives funds from the State of Illinois for
24 providing those services, approved by the Director and
25 participating in a program created under subsection (j) of
26 Section 10 of this Act.

1 (u) "Qualified domestic violence shelter or service" means
2 any Illinois domestic violence shelter or service and its
3 administrative offices funded by the Department of Human
4 Services (as successor to the Illinois Department of Public
5 Aid), approved by the Director and participating in a program
6 created under subsection (k) of Section 10.

7 (v) "TRS benefit recipient" means a person who:

8 (1) is not a "member" as defined in this Section; and

9 (2) is receiving a monthly benefit or retirement
10 annuity under Article 16 of the Illinois Pension Code or
11 would be receiving such monthly benefit or retirement
12 annuity except that the benefit recipient elected on or
13 after June 4, 2018 to receive an accelerated pension
14 benefit payment under Section 16-190.5 of the Illinois
15 Pension Code in lieu of receiving an annuity; and

16 (3) either (i) has at least 8 years of creditable
17 service under Article 16 of the Illinois Pension Code, or
18 (ii) was enrolled in the health insurance program offered
19 under that Article on January 1, 1996, or (iii) is the
20 survivor of a benefit recipient who had at least 8 years of
21 creditable service under Article 16 of the Illinois Pension
22 Code or was enrolled in the health insurance program
23 offered under that Article on the effective date of this
24 amendatory Act of 1995, or (iv) is a recipient or survivor
25 of a recipient of a disability benefit under Article 16 of
26 the Illinois Pension Code.

1 (w) "TRS dependent beneficiary" means a person who:

2 (1) is not a "member" or "dependent" as defined in this
3 Section; and

4 (2) is a TRS benefit recipient's: (A) spouse, (B)
5 dependent parent who is receiving at least half of his or
6 her support from the TRS benefit recipient, or (C) natural,
7 step, adjudicated, or adopted child who is (i) under age
8 26, (ii) was, on January 1, 1996, participating as a
9 dependent beneficiary in the health insurance program
10 offered under Article 16 of the Illinois Pension Code, or
11 (iii) age 19 or over who has a mental or physical
12 disability from a cause originating prior to the age of 19
13 (age 26 if enrolled as an adult child).

14 "TRS dependent beneficiary" does not include, as indicated
15 under paragraph (2) of this subsection (w), a dependent of the
16 survivor of a TRS benefit recipient who first becomes a
17 dependent of a survivor of a TRS benefit recipient on or after
18 the effective date of this amendatory Act of the 97th General
19 Assembly unless that dependent would have been eligible for
20 coverage as a dependent of the deceased TRS benefit recipient
21 upon whom the survivor benefit is based.

22 (x) "Military leave" refers to individuals in basic
23 training for reserves, special/advanced training, annual
24 training, emergency call up, activation by the President of the
25 United States, or any other training or duty in service to the
26 United States Armed Forces.

1 (y) (Blank).

2 (z) "Community college benefit recipient" means a person
3 who:

4 (1) is not a "member" as defined in this Section; and

5 (2) is receiving a monthly survivor's annuity or
6 retirement annuity under Article 15 of the Illinois Pension
7 Code or would be receiving such monthly survivor's annuity
8 or retirement annuity except that the benefit recipient
9 elected on or after June 4, 2018 to receive an accelerated
10 pension benefit payment under Section 15-185.5 of the
11 Illinois Pension Code in lieu of receiving an annuity; and

12 (3) either (i) was a full-time employee of a community
13 college district or an association of community college
14 boards created under the Public Community College Act
15 (other than an employee whose last employer under Article
16 15 of the Illinois Pension Code was a community college
17 district subject to Article VII of the Public Community
18 College Act) and was eligible to participate in a group
19 health benefit plan as an employee during the time of
20 employment with a community college district (other than a
21 community college district subject to Article VII of the
22 Public Community College Act) or an association of
23 community college boards, or (ii) is the survivor of a
24 person described in item (i).

25 (aa) "Community college dependent beneficiary" means a
26 person who:

1 (1) is not a "member" or "dependent" as defined in this
2 Section; and

3 (2) is a community college benefit recipient's: (A)
4 spouse, (B) dependent parent who is receiving at least half
5 of his or her support from the community college benefit
6 recipient, or (C) natural, step, adjudicated, or adopted
7 child who is (i) under age 26, or (ii) age 19 or over and
8 has a mental or physical disability from a cause
9 originating prior to the age of 19 (age 26 if enrolled as
10 an adult child).

11 "Community college dependent beneficiary" does not
12 include, as indicated under paragraph (2) of this subsection
13 (aa), a dependent of the survivor of a community college
14 benefit recipient who first becomes a dependent of a survivor
15 of a community college benefit recipient on or after the
16 effective date of this amendatory Act of the 97th General
17 Assembly unless that dependent would have been eligible for
18 coverage as a dependent of the deceased community college
19 benefit recipient upon whom the survivor annuity is based.

20 (bb) "Qualified child advocacy center" means any Illinois
21 child advocacy center and its administrative offices funded by
22 the Department of Children and Family Services, as defined by
23 the Children's Advocacy Center Act (55 ILCS 80/), approved by
24 the Director and participating in a program created under
25 subsection (n) of Section 10.

26 (cc) "Placement for adoption" means the assumption and

1 retention by a member of a legal obligation for total or
2 partial support of a child in anticipation of adoption of the
3 child. The child's placement with the member terminates upon
4 the termination of such legal obligation.

5 (Source: P.A. 99-143, eff. 7-27-15; 100-355, eff. 1-1-18;
6 100-587, eff. 6-4-18.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.".