



Rep. Jay Hoffman

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10200HB1461ham001

LRB102 03477 BMS 25148 a

1 AMENDMENT TO HOUSE BILL 1461

2 AMENDMENT NO. _____. Amend House Bill 1461 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 changing Section 367f as follows:

6 (215 ILCS 5/367f) (from Ch. 73, par. 979f)

7 Sec. 367f. Firemen's continuance privilege. As used in
8 this Section:

9 1. The terms "municipality", "deferred pensioner" and
10 "creditable service" shall have the meaning ascribed to such
11 terms by Sections 4-103, 4-105a and 4-108, respectively, of
12 the Illinois Pension Code, as now or hereafter amended.

13 2. The terms "fireman" and "firemen" shall have the
14 meaning ascribed to the term "firefighter" by Section 4-106 of
15 the Illinois Pension Code, and include those persons under the
16 coverage of Article 4 of that Code, as heretofore or hereafter

1 amended.

2 3. The "retirement or disability period" of a fireman
3 means the period:

4 a. which begins on the day the fireman is removed from
5 a municipality's fire department payroll because of the
6 occurrence of any of the following events, to wit: (i) the
7 fireman retires as a deferred pensioner under Section
8 4-105a of the Illinois Pension Code, (ii) the fireman
9 retires from active service as a fireman with an attained
10 age and accumulated creditable service which together
11 qualify the fireman for immediate receipt of retirement
12 pension benefits under Section 4-109 of the Illinois
13 Pension Code, or (iii) the fireman's disability is
14 established under Section 4-112 of the Illinois Pension
15 Code; and

16 b. which ends on the first to occur of any of the
17 following events, to wit: (i) the fireman's reinstatement
18 or reentry into active service on the municipality's fire
19 department as provided for under Article 4 of the Illinois
20 Pension Code, (ii) the fireman's exercise of any refund
21 option available under Section 4-116 of the Illinois
22 Pension Code, (iii) the fireman's loss pursuant to Section
23 4-138 of the Illinois Pension Code of any benefits
24 provided for in Article 4 of that Code, or (iv) the
25 fireman's death or -- if at the time of the fireman's death
26 the fireman is survived by a spouse who, in that capacity,

1 is entitled to receive a surviving spouse's monthly
2 pension pursuant to Article 4 of the Illinois Pension Code
3 -- then the death or remarriage of that spouse.

4 No policy of group accident and health insurance under
5 which firemen employed by a municipality are insured for their
6 individual benefit shall be issued or delivered in this State
7 to any municipality unless such group policy provides for the
8 election of continued group insurance coverage for the
9 retirement or disability period of each fireman who is insured
10 under the provisions of the group policy on the day
11 immediately preceding the day on which the retirement or
12 disability period of such fireman begins, regardless of the
13 terms of an open enrollment period of the policy. So long as
14 any required premiums for continued group insurance coverage
15 are paid in accordance with the provisions of the group
16 policy, an election made pursuant to this Section shall
17 provide continued group insurance coverage for a fireman
18 throughout the retirement or disability period of the fireman
19 and, unless the fireman otherwise elects and subject to any
20 other provisions of the group policy which relate either to
21 the provision or to the termination of dependents' coverage
22 and which are not inconsistent with this Section, for any
23 dependents of the fireman who are insured under the group
24 policy on the day immediately preceding the day on which the
25 retirement or disability period of the fireman begins;
26 provided, however, that when such continued group insurance

1 coverage is in effect with respect to a fireman on the date of
2 the fireman's death but the retirement or disability period of
3 the fireman does not end with such fireman's death, then the
4 deceased fireman's surviving spouse upon whose death or
5 remarriage such retirement or disability period will end shall
6 be entitled, without further election and upon payment of any
7 required premiums in accordance with the provisions of the
8 group policy, to maintain such continued group insurance
9 coverage in effect until the end of such retirement or
10 disability period. Continued group insurance coverage shall be
11 provided in accordance with this Section at the same premium
12 rate from time to time charged for equivalent coverage
13 provided under the group policy with respect to covered
14 firemen whose retirement or disability period has not begun,
15 and no distinction or discrimination in the amount or rate of
16 premiums or in any waiver of premium or other benefit
17 provision shall be made between continued group insurance
18 coverage elected pursuant to this Section and equivalent
19 coverage provided to firemen under the group policy other than
20 pursuant to the provisions of this Section; provided that no
21 municipality shall be required by reason of any provision of
22 this Section to pay any group insurance premium other than one
23 that may be negotiated in a collective bargaining agreement.
24 If a person electing continued coverage under this Section
25 becomes eligible for medicare coverage, benefits under the
26 group policy may continue as a supplement to the medicare

1 coverage upon payment of any required premiums to maintain the
2 benefits of the group policy as supplemental coverage.

3 Within 15 days of the beginning of the retirement or
4 disability period of any fireman entitled to elect continued
5 group insurance coverage under any group policy affected by
6 this Section, the municipality last employing such fireman
7 shall give written notice of such beginning by certified mail,
8 return receipt requested to the insurance company issuing such
9 policy. The notice shall include the fireman's name and last
10 known place of residence and the beginning date of the
11 fireman's retirement or disability period.

12 Within 15 days of the date of receipt of such notice from
13 the municipality, the insurance company by certified mail,
14 return receipt requested, shall give written notice to the
15 fireman at the fireman's last known place of residence that
16 coverage under the group policy may be continued for the
17 retirement or disability period of the fireman as provided in
18 this Section. Such notice shall set forth: (i) a statement of
19 election to be filed by the fireman if the fireman wishes to
20 continue such group insurance coverage, (ii) the amount of
21 monthly premium, including a statement of the portion of such
22 monthly premium attributable to any dependents' coverage which
23 the fireman may elect, and (iii) instructions as to the return
24 of the election form to the insurance company issuing such
25 policy. Election shall be made, if at all, by returning the
26 statement of election to the insurance company by certified

1 mail, return receipt requested within 15 days after having
2 received it.

3 If the fireman elects to continue coverage, it shall be
4 the obligation of the fireman to pay the monthly premium
5 directly to the municipality which shall forward it to the
6 insurance company issuing the group insurance policy, or as
7 otherwise directed by the insurance company; provided,
8 however, that the fireman shall be entitled to designate on
9 the statement of election required to be filed with the
10 insurance company that the total monthly premium, or such
11 portion thereof as is not contributed by a municipality, be
12 deducted by a Firefighter's Pension Fund from any monthly
13 pension payment otherwise payable to or on behalf of the
14 fireman pursuant to Article 4 of the Illinois Pension Code,
15 and be remitted by such Pension Fund to the insurance company.
16 The portion, if any, of the monthly premium contributed by a
17 municipality for such continued group insurance coverage shall
18 be paid by the municipality directly to the insurance company
19 issuing the group insurance policy, or as otherwise directed
20 by the insurance company. Such continued group insurance
21 coverage shall relate back to the beginning of the fireman's
22 retirement or disability period.

23 The amendment, renewal or extension of any group insurance
24 policy affected by this Section shall be deemed to be the
25 issuance of a new policy of insurance for purposes of this
26 Section.

1 In the event that a municipality makes a program of
2 accident, health, hospital or medical benefits available to
3 its firemen through self-insurance, or by participation in a
4 pool or reciprocal insurer, or by contract in a form other than
5 a policy of group insurance with one or more medical service
6 plans, health care service corporations, health maintenance
7 organizations, or any other professional corporations or plans
8 under which health care or reimbursement for the costs thereof
9 is provided, whether the cost of such benefits is borne by the
10 municipality or the firemen or both, such firemen and their
11 surviving spouses shall have the same right to elect continued
12 coverage under such program of benefits as they would have if
13 such benefits were provided by a policy of group accident and
14 health insurance. In such cases, the notice of right to elect
15 continued coverage shall be sent by the municipality; the
16 statement of election shall be sent to the municipality; and
17 references to the required premium shall refer to that portion
18 of the cost of such benefits which is not borne by the
19 municipality, either voluntarily or pursuant to the provisions
20 of a collective bargaining agreement. In the case of a
21 municipality providing such benefits through self-insurance or
22 participation in a pool or reciprocal insurer, the right to
23 elect continued coverage which is provided by this paragraph
24 shall be implemented and made available to the firemen of the
25 municipality and qualifying surviving spouses not later than
26 July 1, 1985.

1 The amendment, renewal or extension of any such contract
2 in a form other than a policy of group insurance policy shall
3 be deemed the formation of a new contract for the purposes of
4 this Section.

5 This Section shall not limit the exercise of any
6 conversion privileges available under Section 367e.

7 Pursuant to paragraphs (h) and (i) of Section 6 of Article
8 VII of the Illinois Constitution, this Section specifically
9 denies and limits the exercise by a home rule unit of any power
10 which is inconsistent with this Section and all existing laws
11 and ordinances which are inconsistent with this Section are
12 hereby superseded. This Section does not preempt the
13 concurrent exercise by home rule units of powers consistent
14 herewith.

15 The Division of Insurance of the Department of Financial
16 and Professional Regulation shall enforce the provisions of
17 this Section, including provisions relating to municipality
18 self-insured benefit plans.

19 (Source: P.A. 94-858, eff. 6-15-06.)".