

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

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  
11 of implementing specific programs providing benefits under  
12 this 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  
17 administration executed with the Department.

18 (b) "Annuitant" means (1) an employee who retires, or has  
19 retired, on or after January 1, 1966 on an immediate annuity  
20 under the provisions of Articles 2, 14 (including an employee  
21 who has elected to receive an alternative retirement  
22 cancellation payment under Section 14-108.5 of the Illinois  
23 Pension Code in lieu of an annuity or who meets the criteria

1 for retirement, but in lieu of receiving an annuity under that  
2 Article has elected to receive an accelerated pension benefit  
3 payment under Section 14-147.5 of that Article), 15 (including  
4 an employee who has retired under the optional retirement  
5 program established under Section 15-158.2 or who meets the  
6 criteria for retirement but in lieu of receiving an annuity  
7 under that Article has elected to receive an accelerated  
8 pension benefit payment under Section 15-185.5 of the  
9 Article), paragraph ~~paragraphs~~ (2), (3), or (5) of Section  
10 16-106 (including an employee who meets the criteria for  
11 retirement, but in lieu of receiving an annuity under that  
12 Article has elected to receive an accelerated pension benefit  
13 payment under Section 16-190.5 of the Illinois Pension Code),  
14 or Article 18 of the Illinois Pension Code; (2) any person who  
15 was receiving group insurance coverage under this Act as of  
16 March 31, 1978 by reason of his status as an annuitant, even  
17 though the annuity in relation to which such coverage was  
18 provided is a proportional annuity based on less than the  
19 minimum period of service required for a retirement annuity in  
20 the system involved; (3) any person not otherwise covered by  
21 this Act who has retired as a participating member under  
22 Article 2 of the Illinois Pension Code but is ineligible for  
23 the retirement annuity under Section 2-119 of the Illinois  
24 Pension Code; (4) the spouse of any person who is receiving a  
25 retirement annuity under Article 18 of the Illinois Pension  
26 Code and who is covered under a group health insurance program

1 sponsored by a governmental employer other than the State of  
2 Illinois and who has irrevocably elected to waive his or her  
3 coverage under this Act and to have his or her spouse  
4 considered as the "annuitant" under this Act and not as a  
5 "dependent"; or (5) an employee who retires, or has retired,  
6 from a qualified position, as determined according to rules  
7 promulgated by the Director, under a qualified local  
8 government, a qualified rehabilitation facility, a qualified  
9 domestic violence shelter or service, or a qualified child  
10 advocacy center. (For definition of "retired employee", see  
11 (p) post).

12 (b-5) (Blank).

13 (b-6) (Blank).

14 (b-7) (Blank).

15 (c) "Carrier" means (1) an insurance company, a  
16 corporation organized under the Limited Health Service  
17 Organization Act or the Voluntary Health Services Plans Act, a  
18 partnership, or other nongovernmental organization, which is  
19 authorized to do group life or group health insurance business  
20 in Illinois, or (2) the State of Illinois as a self-insurer.

21 (d) "Compensation" means salary or wages payable on a  
22 regular payroll by the State Treasurer on a warrant of the  
23 State Comptroller out of any State, trust or federal fund, or  
24 by the Governor of the State through a disbursing officer of  
25 the State out of a trust or out of federal funds, or by any  
26 Department out of State, trust, federal or other funds held by

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

16 (e) "Commission" means the State Employees Group Insurance  
17 Advisory Commission authorized by this Act. Commencing July 1,  
18 1984, "Commission" as used in this Act means the Commission on  
19 Government Forecasting and Accountability as established by  
20 the Legislative Commission Reorganization Act of 1984.

21 (f) "Contributory", when referred to as contributory  
22 coverage, shall mean optional coverages or benefits elected by  
23 the member toward the cost of which such member makes  
24 contribution, or which are funded in whole or in part through  
25 the acceptance of a reduction in earnings or the foregoing of  
26 an increase in earnings by an employee, as distinguished from

1 noncontributory coverage or benefits which are paid entirely  
2 by the State of Illinois without reduction of the member's  
3 salary.

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

16 (h) "Dependent", when the term is used in the context of  
17 the health and life plan, means a member's spouse and any child  
18 (1) from birth to age 26 including an adopted child, a child  
19 who lives with the member from the time of the placement for  
20 adoption until entry of an order of adoption, a stepchild or  
21 adjudicated child, or a child who lives with the member if such  
22 member is a court appointed guardian of the child or (2) age 19  
23 or over who has a mental or physical disability from a cause  
24 originating prior to the age of 19 (age 26 if enrolled as an  
25 adult child dependent). For the health plan only, the term  
26 "dependent" also includes (1) any person enrolled prior to the

1 effective date of this Section who is dependent upon the  
2 member to the extent that the member may claim such person as a  
3 dependent for income tax deduction purposes and (2) any person  
4 who has received after June 30, 2000 an organ transplant and  
5 who is financially dependent upon the member and eligible to  
6 be claimed as a dependent for income tax purposes. A member  
7 requesting to cover any dependent must provide documentation  
8 as requested by the Department of Central Management Services  
9 and file with the Department any and all forms required by the  
10 Department.

11 (i) "Director" means the Director of the Illinois  
12 Department of Central Management Services.

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

16 (k) "Employee" means and includes each officer or employee  
17 in the service of a department who (1) receives his  
18 compensation for service rendered to the department on a  
19 warrant issued pursuant to a payroll certified by a department  
20 or on a warrant or check issued and drawn by a department upon  
21 a trust, federal or other fund or on a warrant issued pursuant  
22 to a payroll certified by an elected or duly appointed officer  
23 of the State or who receives payment of the performance of  
24 personal services on a warrant issued pursuant to a payroll  
25 certified by a Department and drawn by the Comptroller upon  
26 the State Treasurer against appropriations made by the General

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

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

24 (1) "Member" means an employee, annuitant, retired  
25 employee, or survivor. In the case of an annuitant or retired  
26 employee who first becomes an annuitant or retired employee on



1 or after January 13, 2012 (the effective date of Public Act  
2 97-668), the individual must meet the minimum vesting  
3 requirements of the applicable retirement system in order to  
4 be eligible for group insurance benefits under that system. In  
5 the case of a survivor who is not entitled to occupational  
6 death benefits pursuant to an applicable retirement system,  
7 and who first becomes a survivor on or after January 13, 2012  
8 (the effective date of Public Act 97-668), the deceased  
9 employee, annuitant, or retired employee upon whom the annuity  
10 is based must have been eligible to participate in the group  
11 insurance system under the applicable retirement system in  
12 order for the survivor to be eligible for group insurance  
13 benefits under that system.

14 In the case of a survivor who is entitled to occupational  
15 death benefits pursuant to the deceased employee's applicable  
16 retirement system and first becomes a survivor on or after  
17 January 1, 2022, the survivor is eligible for group health  
18 insurance benefits regardless of the deceased employee's  
19 minimum vesting requirements under the applicable retirement  
20 system, with a State contribution rate of 100%, until an  
21 unmarried child dependent reaches the age of 18, or the age of  
22 22 if the dependent child is a full-time student, or until the  
23 adult survivor becomes eligible for benefits under the federal  
24 Medicare health insurance program (Title XVIII of the Social  
25 Security Act, as added by Public Law 89-97). In the case of a  
26 survivor currently receiving occupational death benefits

1 pursuant to the deceased employee's applicable retirement  
2 system who first became a survivor prior to January 1, 2022,  
3 the survivor is eligible for group health insurance benefits  
4 regardless of the deceased employee's minimum vesting  
5 requirements under the applicable retirement system, with a  
6 State contribution rate of 100%, until an unmarried child  
7 dependent reaches the age of 18, or the age of 22 if the  
8 dependent child is a full-time student, or until the adult  
9 survivor becomes eligible for benefits under the federal  
10 Medicare health insurance program (Title XVIII of the Social  
11 Security Act, as added by Public Law 89-97). The changes made  
12 by this amendatory Act of the 102nd General Assembly with  
13 respect to survivors who first became survivors prior to  
14 January 1, 2022 shall apply upon request of the survivor on or  
15 after the effective date of this amendatory Act of the 102nd  
16 General Assembly.

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

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

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

25 (p) "Retired employee" means any person who would be an  
26 annuitant as that term is defined herein but for the fact that

1 such person retired prior to January 1, 1966. Such term also  
2 includes any person formerly employed by the University of  
3 Illinois in the Cooperative Extension Service who would be an  
4 annuitant but for the fact that such person was made  
5 ineligible to participate in the State Universities Retirement  
6 System by clause (4) of subsection (a) of Section 15-107 of the  
7 Illinois Pension Code.

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

1 14-147.5, 15-185.5, or 16-190.5 of the Illinois Pension Code  
2 in lieu of receiving an annuity.

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

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

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

11 (q-5) (Blank).

12 (q-6) (Blank).

13 (q-7) (Blank).

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

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

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

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

1 Section 10 of this Act.

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

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

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

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

17 (3) either (i) has at least 8 years of creditable  
18 service under Article 16 of the Illinois Pension Code, or  
19 (ii) was enrolled in the health insurance program offered  
20 under that Article on January 1, 1996, or (iii) is the  
21 survivor of a benefit recipient who had at least 8 years of  
22 creditable service under Article 16 of the Illinois  
23 Pension Code or was enrolled in the health insurance  
24 program offered under that Article on June 21, 1995 (the  
25 effective date of Public Act 89-25), or (iv) is a  
26 recipient or survivor of a recipient of a disability

1 benefit under Article 16 of the Illinois Pension Code.

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

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

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

15 "TRS dependent beneficiary" does not include, as indicated  
16 under paragraph (2) of this subsection (w), a dependent of the  
17 survivor of a TRS benefit recipient who first becomes a  
18 dependent of a survivor of a TRS benefit recipient on or after  
19 January 13, 2012 (the effective date of Public Act 97-668)  
20 unless that dependent would have been eligible for coverage as  
21 a dependent of the deceased TRS benefit recipient upon whom  
22 the survivor benefit is based.

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

1 the United States Armed Forces.

2 (y) (Blank).

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

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

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

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



1 (aa) "Community college dependent beneficiary" means a  
2 person who:

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

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

13 "Community college dependent beneficiary" does not  
14 include, as indicated under paragraph (2) of this subsection  
15 (aa), a dependent of the survivor of a community college  
16 benefit recipient who first becomes a dependent of a survivor  
17 of a community college benefit recipient on or after January  
18 13, 2012 (the effective date of Public Act 97-668) unless that  
19 dependent would have been eligible for coverage as a dependent  
20 of the deceased community college benefit recipient upon whom  
21 the survivor annuity is based.

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

1 subsection (n) of Section 10.

2 (cc) "Placement for adoption" means the assumption and  
3 retention by a member of a legal obligation for total or  
4 partial support of a child in anticipation of adoption of the  
5 child. The child's placement with the member terminates upon  
6 the termination of such legal obligation.

7 (Source: P.A. 101-242, eff. 8-9-19; 102-558, eff. 8-20-21;  
8 revised 12-2-21.)

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.