

# HB3769



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

**HB3769**

Introduced 2/17/2023, by Rep. Katie Stuart

#### SYNOPSIS AS INTRODUCED:

215 ILCS 5/367f

from Ch. 73, par. 979f

Amends the Illinois Insurance Code. In provisions concerning firemen's continuance privilege, changes the definition of "fireman" and "firemen" to include any person who is not eligible to participate in a pension fund established under the Downstate Firefighter Article of the Illinois Pension Code and is employed on a full-time basis by a participating municipality or fire protection district to perform duties as a firefighter, paramedic, emergency medical technician, emergency medical technician-basic, emergency medical technician-intermediate, or advanced emergency medical technician.

LRB103 28960 BMS 55346 b

A BILL FOR

1 AN ACT concerning regulation.

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

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, and any person who is not  
17 eligible to participate in a pension fund established under  
18 Article 4 of the Illinois Pension Code and is employed on a  
19 full-time basis by a participating municipality or fire  
20 protection district to perform duties as a firefighter,  
21 paramedic, emergency medical technician, emergency medical  
22 technician-basic, emergency medical technician-intermediate,  
23 or advanced emergency medical technician, as heretofore or

1 hereafter 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. So long as any  
13 required premiums for continued group insurance coverage are  
14 paid in accordance with the provisions of the group policy, an  
15 election made pursuant to this Section shall provide continued  
16 group insurance coverage for a fireman throughout the  
17 retirement or disability period of the fireman and, unless the  
18 fireman otherwise elects and subject to any other provisions  
19 of the group policy which relate either to the provision or to  
20 the termination of dependents' coverage and which are not  
21 inconsistent with this Section, for any dependents of the  
22 fireman who are insured under the group policy on the day  
23 immediately preceding the day on which the retirement or  
24 disability period of the fireman begins; provided, however,  
25 that when such continued group insurance coverage is in effect  
26 with respect to a fireman on the date of the fireman's death

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

1 benefits of the group policy as supplemental coverage.

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

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

1 received it.

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

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

26 In the event that a municipality makes a program of

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

26 The amendment, renewal or extension of any such contract



1 in a form other than a policy of group insurance policy shall  
2 be deemed the formation of a new contract for the purposes of  
3 this Section.

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

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

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

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