

1 AMENDMENT TO HOUSE BILL 943

2 AMENDMENT NO. _____. Amend House Bill 943 by replacing
3 the title with the following:

4 "AN ACT in relation to public employee benefits."; and
5 by replacing everything after the enacting clause with the
6 following:

7 "Section 5. The State Employees Group Insurance Act of
8 1971 is amended by changing Section 8 as follows:

9 (5 ILCS 375/8) (from Ch. 127, par. 528)

10 Sec. 8. Eligibility.

11 (a) Each member eligible under the provisions of this
12 Act and any rules and regulations promulgated and adopted
13 hereunder by the Director shall become immediately eligible
14 and covered for all benefits available under the programs.
15 Members electing coverage for eligible dependents shall have
16 the coverage effective immediately, provided that the
17 election is properly filed in accordance with required filing
18 dates and procedures specified by the Director.

19 (1) Every member originally eligible to elect
20 dependent coverage, but not electing it during the
21 original eligibility period, may subsequently obtain

1 dependent coverage only in the event of a qualifying
2 change in status, special enrollment, special
3 circumstance as defined by the Director, or during the
4 annual Benefit Choice Period.

5 (2) Members described above being transferred from
6 previous coverage towards which the State has been
7 contributing shall be transferred regardless of
8 preexisting conditions, waiting periods, or other
9 requirements that might jeopardize claim payments to
10 which they would otherwise have been entitled.

11 (3) Eligible and covered members that are eligible
12 for coverage as dependents except for the fact of being
13 members shall be transferred to, and covered under,
14 dependent status regardless of preexisting conditions,
15 waiting periods, or other requirements that might
16 jeopardize claim payments to which they would otherwise
17 have been entitled upon cessation of member status and
18 the election of dependent coverage by a member eligible
19 to elect that coverage.

20 (b) New employees shall be immediately insured for the
21 basic group life insurance and covered by the program of
22 health benefits on the first day of active State service.
23 Optional coverages or benefits, if elected during the
24 relevant eligibility period, will become effective on the
25 date of employment. Optional coverages or benefits applied
26 for after the eligibility period will be effective, subject
27 to satisfactory evidence of insurability when applicable, or
28 other necessary qualifications, pursuant to the requirements
29 of the applicable benefit program, unless there is a change
30 in status that would confer new eligibility for change of
31 enrollment under rules established supplementing this Act, in
32 which event application must be made within the new
33 eligibility period.

34 (c) As to the group health benefits program contracted

1 to begin or continue after June 30, 1973, each retired
2 employee shall become immediately eligible and covered for
3 all benefits available under that program. Retired employees
4 may elect coverage for eligible dependents and shall have the
5 coverage effective immediately, provided that the election is
6 properly filed in accordance with required filing dates and
7 procedures specified by the Director.

8 Except as otherwise provided in this Act, where husband
9 and wife are both eligible members, each shall be enrolled as
10 a member and coverage on their eligible dependent children,
11 if any, may be under the enrollment and election of either.

12 Regardless of other provisions herein regarding late
13 enrollment or other qualifications, as appropriate, the
14 Director may periodically authorize open enrollment periods
15 for each of the benefit programs at which time each member
16 may elect enrollment or change of enrollment without regard
17 to age, sex, health, or other qualification under the
18 conditions as may be prescribed in rules and regulations
19 supplementing this Act. Special open enrollment periods may
20 be declared by the Director for certain members only when
21 special circumstances occur that affect only those members.

22 (d) Beginning with fiscal year 2003 and for all
23 subsequent years, eligible members may elect not to
24 participate in the program of health benefits as defined in
25 this Act. The election must be made during the annual
26 benefit choice period, subject to the conditions in this
27 subsection.

28 (1) Members must furnish proof of health benefit
29 coverage, either comprehensive major medical coverage or
30 comprehensive managed care plan, from a source other than
31 the Department of Central Management Services in order to
32 elect not to participate in the program.

33 (2) Members may re-enroll in the Department of
34 Central Management Services program of health benefits

1 upon showing a qualifying change in status, as defined in
2 the U.S. Internal Revenue Code, without evidence of
3 insurability and with no limitations on coverage for
4 pre-existing conditions, provided that there was not a
5 break in coverage of more than 63 days.

6 (3) Members may also re-enroll in the program of
7 health benefits during any annual benefit choice period,
8 without evidence of insurability.

9 (4) Members who elect not to participate in the
10 program of health benefits shall be furnished a written
11 explanation of the requirements and limitations for the
12 election not to participate in the program and for
13 re-enrolling in the program. The explanation shall also
14 be included in the annual benefit choice options booklets
15 furnished to members.

16 (e) Notwithstanding any other provision of this Act or
17 the rules adopted under this Act, if a person participating
18 in the program of health benefits as the dependent spouse of
19 an eligible member becomes an annuitant, the person may
20 elect, at the time of becoming an annuitant or during any
21 subsequent annual benefit choice period, to continue
22 participation as a dependent rather than as an eligible
23 member for as long as the person continues to be an eligible
24 dependent.

25 An eligible member who has elected to participate as a
26 dependent may re-enroll in the program of health benefits as
27 an eligible member (i) during any subsequent annual benefit
28 choice period or (ii) upon showing a qualifying change in
29 status, as defined in the U.S. Internal Revenue Code, without
30 evidence of insurability and with no limitations on coverage
31 for pre-existing conditions.

32 A person who elects to participate in the program of
33 health benefits as a dependent rather than as an eligible
34 member shall be furnished a written explanation of the

1 consequences of electing to participate as a dependent and
2 the conditions and procedures for re-enrolling as an eligible
3 member. The explanation shall also be included in the annual
4 benefit choice options booklet furnished to members.

5 (Source: P.A. 91-390, eff. 7-30-99; 92-600, eff. 6-28-02.)

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