

**HB7330**



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**  
**HB7330**

Introduced 9/28/2004, by Rep. Raymond Poe

**SYNOPSIS AS INTRODUCED:**

5 ILCS 375/6

from Ch. 127, par. 526

Amends the State Employees Group Insurance Act of 1971. Requires that the health benefits program include at least 2 vision plans and 2 dental plans available in each region of the State. Effective immediately.

LRB093 23302 JAM 53386 b

FISCAL NOTE ACT  
MAY APPLY

**A BILL FOR**

1 AN ACT concerning State employees group insurance.

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 6 as follows:

6 (5 ILCS 375/6) (from Ch. 127, par. 526)

7 Sec. 6. Program of health benefits.

8 (a) The program of health benefits shall provide for  
9 protection against the financial costs of health care expenses  
10 incurred in and out of hospital including basic  
11 hospital-surgical-medical coverages. The program may include,  
12 but shall not be limited to, such supplemental coverages as  
13 out-patient diagnostic X-ray and laboratory expenses,  
14 prescription drugs, dental services, hearing evaluations,  
15 hearing aids, the dispensing and fitting of hearing aids, and  
16 similar group benefits as are now or may become available.  
17 However, nothing in this Act shall be construed to permit, on  
18 or after July 1, 1980, the non-contributory portion of any such  
19 program to include the expenses of obtaining an abortion,  
20 induced miscarriage or induced premature birth unless, in the  
21 opinion of a physician, such procedures are necessary for the  
22 preservation of the life of the woman seeking such treatment,  
23 or except an induced premature birth intended to produce a live  
24 viable child and such procedure is necessary for the health of  
25 the mother or the unborn child. The program may also include  
26 coverage for those who rely on treatment by prayer or spiritual  
27 means alone for healing in accordance with the tenets and  
28 practice of a recognized religious denomination.

29 The program of health benefits shall be designed by the  
30 Director (1) to provide a reasonable relationship between the  
31 benefits to be included and the expected distribution of  
32 expenses of each such type to be incurred by the covered

1 members and dependents, (2) to specify, as covered benefits and  
2 as optional benefits, the medical services of practitioners in  
3 all categories licensed under the Medical Practice Act of 1987,  
4 (3) to include reasonable controls, which may include  
5 deductible and co-insurance provisions, applicable to some or  
6 all of the benefits, or a coordination of benefits provision,  
7 to prevent or minimize unnecessary utilization of the various  
8 hospital, surgical and medical expenses to be provided and to  
9 provide reasonable assurance of stability of the program, ~~and~~  
10 (4) to provide benefits to the extent possible to members  
11 throughout the State, wherever located, on an equitable basis, and  
12 (5) to provide, to members in each geographic region of the  
13 State, a selection of at least 2 plans for the coverage of  
14 vision services available in that region and a selection of at  
15 least 2 plans for the coverage of dental services available in  
16 that region. Notwithstanding any other provision of this  
17 Section or Act, for all members or dependents who are eligible  
18 for benefits under Social Security or the Railroad Retirement  
19 system or who had sufficient Medicare-covered government  
20 employment, the Department shall reduce benefits which would  
21 otherwise be paid by Medicare, by the amount of benefits for  
22 which the member or dependents are eligible under Medicare,  
23 except that such reduction in benefits shall apply only to  
24 those members or dependents who (1) first become eligible for  
25 such medicare coverage on or after the effective date of this  
26 amendatory Act of 1992; or (2) are Medicare-eligible members or  
27 dependents of a local government unit which began participation  
28 in the program on or after July 1, 1992; or (3) remain eligible  
29 for but no longer receive Medicare coverage which they had been  
30 receiving on or after the effective date of this amendatory Act  
31 of 1992.

32 Notwithstanding any other provisions of this Act, where a  
33 covered member or dependents are eligible for benefits under  
34 the federal Medicare health insurance program (Title XVIII of  
35 the Social Security Act as added by Public Law 89-97, 89th  
36 Congress), benefits paid under the State of Illinois program or

1 plan will be reduced by the amount of benefits paid by  
2 Medicare. For members or dependents who are eligible for  
3 benefits under Social Security or the Railroad Retirement  
4 system or who had sufficient Medicare-covered government  
5 employment, benefits shall be reduced by the amount for which  
6 the member or dependent is eligible under Medicare, except that  
7 such reduction in benefits shall apply only to those members or  
8 dependents who (1) first become eligible for such Medicare  
9 coverage on or after the effective date of this amendatory Act  
10 of 1992; or (2) are Medicare-eligible members or dependents of  
11 a local government unit which began participation in the  
12 program on or after July 1, 1992; or (3) remain eligible for,  
13 but no longer receive Medicare coverage which they had been  
14 receiving on or after the effective date of this amendatory Act  
15 of 1992. Premiums may be adjusted, where applicable, to an  
16 amount deemed by the Director to be reasonably consistent with  
17 any reduction of benefits.

18 (b) A member, not otherwise covered by this Act, who has  
19 retired as a participating member under Article 2 of the  
20 Illinois Pension Code but is ineligible for the retirement  
21 annuity under Section 2-119 of the Illinois Pension Code, shall  
22 pay the premiums for coverage, not exceeding the amount paid by  
23 the State for the non-contributory coverage for other members,  
24 under the group health benefits program under this Act. The  
25 Director shall determine the premiums to be paid by a member  
26 under this subsection (b).

27 (Source: P.A. 93-47, eff. 7-1-03.)

28 Section 99. Effective date. This Act takes effect upon  
29 becoming law.