



Rep. Karen May

Filed: 5/24/2010

09600SB3660ham016

LRB096 20362 HLH 41694 a

1 AMENDMENT TO SENATE BILL 3660

2 AMENDMENT NO. _____. Amend Senate Bill 3660, AS AMENDED,
3 by inserting Article 17 in its proper numeric sequence as
4 follows:

5 "ARTICLE 17.

6 Section 17-1. Declaration. State retirees currently
7 receive a much higher subsidy of their health care premiums (a
8 100% subsidy for retirees with 20 or more years of service)
9 than most retirees in health benefits plans in other states and
10 in the private sector; reform of the State's health benefits
11 program should require significantly greater cost-sharing by
12 State retirees; and such reform would substantially reduce both
13 the annual cost of the State's retiree health care plan under
14 the State Employees Group Insurance Act of 1971 and the State's
15 \$24 billion unfunded liability associated with that plan.

1 Section 17-5. The State Employees Group Insurance Act of
2 1971 is amended by changing Section 10 as follows:

3 (5 ILCS 375/10) (from Ch. 127, par. 530)

4 Sec. 10. Payments by State; premiums.

5 (a) The State shall pay the cost of basic non-contributory
6 group life insurance and, subject to member paid contributions
7 set by the Department or required by this Section, the basic
8 program of group health benefits on each eligible member,
9 except a member, not otherwise covered by this Act, who has
10 retired as a participating member under Article 2 of the
11 Illinois Pension Code but is ineligible for the retirement
12 annuity under Section 2-119 of the Illinois Pension Code, and
13 part of each eligible member's and retired member's premiums
14 for health insurance coverage for enrolled dependents as
15 provided by Section 9. The amount of the monthly premium to be
16 paid by a retired member or the surviving spouse or dependent
17 of a deceased member shall be an incrementally increasing fixed
18 dollar amount, determined by the Department by rule, for each
19 of the following ranges that includes the retired member's or
20 survivor's annual income amount under the Illinois Pension
21 Code: (i) less than \$30,000, (ii) \$30,000 or more but less than
22 \$50,000, (iii) \$50,000 or more but less than \$75,000, (iv)
23 \$75,000 or more but less than \$100,000, (v) \$100,000 or more
24 but less than \$125,000, (vi) \$125,000 or more but less than
25 \$150,000, and (vii) \$150,000 or more; the amount of the annuity

1 of a member or the surviving spouse or dependent of a member
2 who elected to receive an alternative retirement cancellation
3 payment under Section 14-108.5 of the Illinois Pension Code
4 shall be calculated as provided in subsection (a-1) or
5 subsection (a-2), respectively, of this Section. In
6 determining the incrementally increasing fixed dollar amounts,
7 the Department shall consider principles of fairness that
8 assure that the premium amount to be paid by a retired member
9 or survivor does not cause that retired member or survivor
10 financial hardship that pushes him or her below the federal
11 poverty level or into qualification for Medicaid. The State
12 shall pay the cost of the basic program of group health
13 benefits only after benefits are reduced by: (A) the amount of
14 benefits covered by Medicare for all members and dependents who
15 are eligible for benefits under Social Security or the Railroad
16 Retirement system or who had sufficient Medicare-covered
17 government employment, except that such reduction in benefits
18 shall apply only to those members and dependents who (1) first
19 become eligible for such Medicare coverage on or after July 1,
20 1992, + or (2) are Medicare-eligible members or dependents of a
21 local government unit which began participation in the program
22 on or after July 1, 1992, + or (3) remain eligible for, but no
23 longer receive Medicare coverage which they had been receiving
24 on or after July 1, 1992; and (B) in the case of a retired
25 member or a deceased member's surviving spouse or dependent,
26 the amount of benefits covered by a health benefits plan

1 provided by a current employer of the annuitant or the
2 annuitant's spouse, if any; the Department, by rule, shall
3 provide for periodic audits to ensure compliance with these
4 provisions. The Department may determine the aggregate level of
5 the State's contribution on the basis of actual cost of medical
6 services adjusted for age, sex or geographic or other
7 demographic characteristics which affect the costs of such
8 programs.

9 The cost of participation in the basic program of group
10 health benefits for the dependent or survivor of a living or
11 deceased retired employee who was formerly employed by the
12 University of Illinois in the Cooperative Extension Service and
13 would be an annuitant but for the fact that he or she was made
14 ineligible to participate in the State Universities Retirement
15 System by clause (4) of subsection (a) of Section 15-107 of the
16 Illinois Pension Code shall not be greater than the cost of
17 participation that would otherwise apply to that dependent or
18 survivor if he or she were the dependent or survivor of an
19 annuitant under the State Universities Retirement System.

20 (a-1) Beginning January 1, 1998, for each person who
21 becomes a new SERS annuitant and participates in the basic
22 program of group health benefits, the State shall contribute
23 toward the cost of the annuitant's coverage under the basic
24 program of group health benefits an amount equal to 5% of that
25 cost for each full year of creditable service upon which the
26 annuitant's retirement annuity is based, up to a maximum of

1 100% for an annuitant with 20 or more years of creditable
2 service, minus the amount of the premium required by subsection
3 (a) of this Section. The remainder of the cost of a new SERS
4 annuitant's coverage under the basic program of group health
5 benefits shall be the responsibility of the annuitant. In the
6 case of a new SERS annuitant who has elected to receive an
7 alternative retirement cancellation payment under Section
8 14-108.5 of the Illinois Pension Code in lieu of an annuity,
9 for the purposes of this subsection the annuitant shall be
10 deemed to be receiving a retirement annuity based on the number
11 of years of creditable service that the annuitant had
12 established at the time of his or her termination of service
13 under SERS.

14 (a-2) Beginning January 1, 1998, for each person who
15 becomes a new SERS survivor and participates in the basic
16 program of group health benefits, the State shall contribute
17 toward the cost of the survivor's coverage under the basic
18 program of group health benefits an amount equal to 5% of that
19 cost for each full year of the deceased employee's or deceased
20 annuitant's creditable service in the State Employees'
21 Retirement System of Illinois on the date of death, up to a
22 maximum of 100% for a survivor of an employee or annuitant with
23 20 or more years of creditable service, minus the amount of the
24 premium required by subsection (a) of this Section. The
25 remainder of the cost of the new SERS survivor's coverage under
26 the basic program of group health benefits shall be the

1 responsibility of the survivor. In the case of a new SERS
2 survivor who was the dependent of an annuitant who elected to
3 receive an alternative retirement cancellation payment under
4 Section 14-108.5 of the Illinois Pension Code in lieu of an
5 annuity, for the purposes of this subsection the deceased
6 annuitant's creditable service shall be determined as of the
7 date of termination of service rather than the date of death.

8 (a-3) Beginning January 1, 1998, for each person who
9 becomes a new SURS annuitant and participates in the basic
10 program of group health benefits, the State shall contribute
11 toward the cost of the annuitant's coverage under the basic
12 program of group health benefits an amount equal to 5% of that
13 cost for each full year of creditable service upon which the
14 annuitant's retirement annuity is based, up to a maximum of
15 100% for an annuitant with 20 or more years of creditable
16 service, minus the amount of the premium required by subsection
17 (a) of this Section. The remainder of the cost of a new SURS
18 annuitant's coverage under the basic program of group health
19 benefits shall be the responsibility of the annuitant.

20 (a-4) (Blank).

21 (a-5) Beginning January 1, 1998, for each person who
22 becomes a new SURS survivor and participates in the basic
23 program of group health benefits, the State shall contribute
24 toward the cost of the survivor's coverage under the basic
25 program of group health benefits an amount equal to 5% of that
26 cost for each full year of the deceased employee's or deceased

1 annuitant's creditable service in the State Universities
2 Retirement System on the date of death, up to a maximum of 100%
3 for a survivor of an employee or annuitant with 20 or more
4 years of creditable service, minus the amount of the premium
5 required by subsection (a) of this Section. The remainder of
6 the cost of the new SURS survivor's coverage under the basic
7 program of group health benefits shall be the responsibility of
8 the survivor.

9 (a-6) Beginning July 1, 1998, for each person who becomes a
10 new TRS State annuitant and participates in the basic program
11 of group health benefits, the State shall contribute toward the
12 cost of the annuitant's coverage under the basic program of
13 group health benefits an amount equal to 5% of that cost for
14 each full year of creditable service as a teacher as defined in
15 paragraph (2), (3), or (5) of Section 16-106 of the Illinois
16 Pension Code upon which the annuitant's retirement annuity is
17 based, up to a maximum of 100%, minus the amount of the premium
18 required by subsection (a) of this Section; except that the
19 State contribution shall be 12.5% per year (rather than 5%) for
20 each full year of creditable service as a regional
21 superintendent or assistant regional superintendent of
22 schools, minus the amount of the premium required by subsection
23 (a) of this Section. The remainder of the cost of a new TRS
24 State annuitant's coverage under the basic program of group
25 health benefits shall be the responsibility of the annuitant.

26 (a-7) Beginning July 1, 1998, for each person who becomes a

1 new TRS State survivor and participates in the basic program of
2 group health benefits, the State shall contribute toward the
3 cost of the survivor's coverage under the basic program of
4 group health benefits an amount equal to 5% of that cost for
5 each full year of the deceased employee's or deceased
6 annuitant's creditable service as a teacher as defined in
7 paragraph (2), (3), or (5) of Section 16-106 of the Illinois
8 Pension Code on the date of death, up to a maximum of 100%,
9 minus the amount of the premium required by subsection (a) of
10 this Section; except that the State contribution shall be 12.5%
11 per year (rather than 5%) for each full year of the deceased
12 employee's or deceased annuitant's creditable service as a
13 regional superintendent or assistant regional superintendent
14 of schools, minus the amount of the premium required by
15 subsection (a) of this Section. The remainder of the cost of
16 the new TRS State survivor's coverage under the basic program
17 of group health benefits shall be the responsibility of the
18 survivor.

19 (a-7A) Beginning July 1, 2010, for each person who becomes
20 a new General Assembly Retirement System (GARS) annuitant under
21 the Illinois Pension Code and participates in the basic program
22 of group health benefits, the State shall contribute toward the
23 cost of the annuitant's coverage under the basic program of
24 group health benefits an amount equal to 5% of that cost for
25 each full year of creditable service upon which the annuitant's
26 retirement annuity is based, up to a maximum of 100% for an

1 annuitant with 20 or more years of creditable service, minus
2 the amount of the premium required by subsection (a) of this
3 Section. The remainder of the cost of a new GARS annuitant's
4 coverage under the basic program of group health benefits shall
5 be the responsibility of the annuitant.

6 (a-7B) Beginning July 1, 2010, for each person who becomes
7 a new General Assembly Retirement System (GARS) survivor under
8 the Illinois Pension Code and participates in the basic program
9 of group health benefits, the State shall contribute toward the
10 cost of the survivor's coverage under the basic program of
11 group health benefits an amount equal to 5% of that cost for
12 each full year of the deceased member's creditable service in
13 the General Assembly Retirement System on the date of death, up
14 to a maximum of 100% for a survivor of a member with 20 or more
15 years of creditable service, minus the amount of the premium
16 required by subsection (a) of this Section. The remainder of
17 the cost of a new GARS survivor's coverage under the basic
18 program of group health benefits shall be the responsibility of
19 the annuitant.

20 (a-7C) Beginning July 1, 2010, for each person who becomes
21 a new Judges Retirement System of Illinois (JRS) annuitant
22 under the Illinois Pension Code and participates in the basic
23 program of group health benefits, the State shall contribute
24 toward the cost of the annuitant's coverage under the basic
25 program of group health benefits an amount equal to 5% of that
26 cost for each full year of creditable service upon which the

1 annuitant's retirement annuity is based, up to a maximum of
2 100% for an annuitant with 20 or more years of creditable
3 service, minus the amount of the premium required by subsection
4 (a) of this Section. The remainder of the cost of a new JRS
5 annuitant's coverage under the basic program of group health
6 benefits shall be the responsibility of the annuitant.

7 (a-7D) Beginning July 1, 2010, for each person who becomes
8 a new Judges Retirement System of Illinois (JRS) survivor under
9 the Illinois Pension Code and participates in the basic program
10 of group health benefits, the State shall contribute toward the
11 cost of the survivor's coverage under the basic program of
12 group health benefits an amount equal to 5% of that cost for
13 each full year of the deceased member's creditable service in
14 the Judges Retirement System of Illinois on the date of death,
15 up to a maximum of 100% for a survivor of a member with 20 or
16 more years of creditable service, minus the amount of the
17 premium required by subsection (a) of this Section. The
18 remainder of the cost of a new JRS survivor's coverage under
19 the basic program of group health benefits shall be the
20 responsibility of the annuitant.

21 (a-8) An annuitant or survivor described in any of
22 subsections (a-1) through (a-7D) ~~A new SERS annuitant, new SERS~~
23 ~~survivor, new SERS annuitant, new SERS survivor, new TRS State~~
24 ~~annuitant, or new TRS State survivor~~ may waive or terminate
25 coverage in the program of group health benefits. Any such
26 annuitant or survivor who has waived or terminated coverage may

1 enroll or re-enroll in the program of group health benefits
2 only during the annual benefit choice period, as determined by
3 the Director; except that in the event of termination of
4 coverage due to nonpayment of premiums, the annuitant or
5 survivor may not re-enroll in the program.

6 (a-9) No later than May 1 of each calendar year, the
7 Director of Central Management Services shall certify in
8 writing to the Executive Secretary of the State Employees'
9 Retirement System of Illinois the amounts of the Medicare
10 supplement health care premiums and the amounts of the health
11 care premiums for all other retirees who are not Medicare
12 eligible.

13 A separate calculation of the premiums based upon the
14 actual cost of each health care plan shall be so certified.

15 The Director of Central Management Services shall provide
16 to the Executive Secretary of the State Employees' Retirement
17 System of Illinois such information, statistics, and other data
18 as he or she may require to review the premium amounts
19 certified by the Director of Central Management Services.

20 The Department of Healthcare and Family Services, or any
21 successor agency designated to procure healthcare contracts
22 pursuant to this Act, is authorized to establish funds,
23 separate accounts provided by any bank or banks as defined by
24 the Illinois Banking Act, or separate accounts provided by any
25 savings and loan association or associations as defined by the
26 Illinois Savings and Loan Act of 1985 to be held by the

1 Director, outside the State treasury, for the purpose of
2 receiving the transfer of moneys from the Local Government
3 Health Insurance Reserve Fund. The Department may promulgate
4 rules further defining the methodology for the transfers. Any
5 interest earned by moneys in the funds or accounts shall inure
6 to the Local Government Health Insurance Reserve Fund. The
7 transferred moneys, and interest accrued thereon, shall be used
8 exclusively for transfers to administrative service
9 organizations or their financial institutions for payments of
10 claims to claimants and providers under the self-insurance
11 health plan. The transferred moneys, and interest accrued
12 thereon, shall not be used for any other purpose including, but
13 not limited to, reimbursement of administration fees due the
14 administrative service organization pursuant to its contract
15 or contracts with the Department.

16 (a-10) The changes made by this amendatory Act of the 96th
17 General Assembly:

18 (1) Shall be implemented in such a manner that neither
19 the State nor Medicare-eligible retired members subsidize
20 the additional health care costs associated with members
21 who retire before becoming Medicare-eligible.

22 (2) Shall apply consistently to persons who are or
23 become employees, retired members, or survivors on or after
24 its effective date, including those persons subject to
25 collective bargaining agreements.

26 (3) Are null and void to the extent those changes

1 conflict with any federal program to subsidize retiree
2 reimbursement or any federal law under which the State may
3 access federal dollars.

4 (b) State employees who become eligible for this program on
5 or after January 1, 1980 in positions normally requiring actual
6 performance of duty not less than 1/2 of a normal work period
7 but not equal to that of a normal work period, shall be given
8 the option of participating in the available program. If the
9 employee elects coverage, the State shall contribute on behalf
10 of such employee to the cost of the employee's benefit and any
11 applicable dependent supplement, that sum which bears the same
12 percentage as that percentage of time the employee regularly
13 works when compared to normal work period.

14 (c) The basic non-contributory coverage from the basic
15 program of group health benefits shall be continued for each
16 employee not in pay status or on active service by reason of
17 (1) leave of absence due to illness or injury, (2) authorized
18 educational leave of absence or sabbatical leave, or (3)
19 military leave with pay and benefits. This coverage shall
20 continue until expiration of authorized leave and return to
21 active service, but not to exceed 24 months for leaves under
22 item (1) or (2). This 24-month limitation and the requirement
23 of returning to active service shall not apply to persons
24 receiving ordinary or accidental disability benefits or
25 retirement benefits through the appropriate State retirement
26 system or benefits under the Workers' Compensation or

1 Occupational Disease Act.

2 (d) The basic group life insurance coverage shall continue,
3 with full State contribution, where such person is (1) absent
4 from active service by reason of disability arising from any
5 cause other than self-inflicted, (2) on authorized educational
6 leave of absence or sabbatical leave, or (3) on military leave
7 with pay and benefits.

8 (e) Where the person is in non-pay status for a period in
9 excess of 30 days or on leave of absence, other than by reason
10 of disability, educational or sabbatical leave, or military
11 leave with pay and benefits, such person may continue coverage
12 only by making personal payment equal to the amount normally
13 contributed by the State on such person's behalf. Such payments
14 and coverage may be continued: (1) until such time as the
15 person returns to a status eligible for coverage at State
16 expense, but not to exceed 24 months, (2) until such person's
17 employment or annuitant status with the State is terminated, or
18 (3) for a maximum period of 4 years for members on military
19 leave with pay and benefits and military leave without pay and
20 benefits (exclusive of any additional service imposed pursuant
21 to law).

22 (f) The Department shall establish by rule the extent to
23 which other employee benefits will continue for persons in
24 non-pay status or who are not in active service.

25 (g) The State shall not pay the cost of the basic
26 non-contributory group life insurance, program of health

1 benefits and other employee benefits for members who are
2 survivors as defined by paragraphs (1) and (2) of subsection
3 (q) of Section 3 of this Act. The costs of benefits for these
4 survivors shall be paid by the survivors or by the University
5 of Illinois Cooperative Extension Service, or any combination
6 thereof. However, the State shall pay the amount of the
7 reduction in the cost of participation, if any, resulting from
8 the amendment to subsection (a) made by this amendatory Act of
9 the 91st General Assembly.

10 (h) Those persons occupying positions with any department
11 as a result of emergency appointments pursuant to Section 8b.8
12 of the Personnel Code who are not considered employees under
13 this Act shall be given the option of participating in the
14 programs of group life insurance, health benefits and other
15 employee benefits. Such persons electing coverage may
16 participate only by making payment equal to the amount normally
17 contributed by the State for similarly situated employees. Such
18 amounts shall be determined by the Director. Such payments and
19 coverage may be continued until such time as the person becomes
20 an employee pursuant to this Act or such person's appointment
21 is terminated.

22 (i) Any unit of local government within the State of
23 Illinois may apply to the Director to have its employees,
24 annuitants, and their dependents provided group health
25 coverage under this Act on a non-insured basis. To participate,
26 a unit of local government must agree to enroll all of its

1 employees, who may select coverage under either the State group
2 health benefits plan or a health maintenance organization that
3 has contracted with the State to be available as a health care
4 provider for employees as defined in this Act. A unit of local
5 government must remit the entire cost of providing coverage
6 under the State group health benefits plan or, for coverage
7 under a health maintenance organization, an amount determined
8 by the Director based on an analysis of the sex, age,
9 geographic location, or other relevant demographic variables
10 for its employees, except that the unit of local government
11 shall not be required to enroll those of its employees who are
12 covered spouses or dependents under this plan or another group
13 policy or plan providing health benefits as long as (1) an
14 appropriate official from the unit of local government attests
15 that each employee not enrolled is a covered spouse or
16 dependent under this plan or another group policy or plan, and
17 (2) at least 50% of the employees are enrolled and the unit of
18 local government remits the entire cost of providing coverage
19 to those employees, except that a participating school district
20 must have enrolled at least 50% of its full-time employees who
21 have not waived coverage under the district's group health plan
22 by participating in a component of the district's cafeteria
23 plan. A participating school district is not required to enroll
24 a full-time employee who has waived coverage under the
25 district's health plan, provided that an appropriate official
26 from the participating school district attests that the

1 full-time employee has waived coverage by participating in a
2 component of the district's cafeteria plan. For the purposes of
3 this subsection, "participating school district" includes a
4 unit of local government whose primary purpose is education as
5 defined by the Department's rules.

6 Employees of a participating unit of local government who
7 are not enrolled due to coverage under another group health
8 policy or plan may enroll in the event of a qualifying change
9 in status, special enrollment, special circumstance as defined
10 by the Director, or during the annual Benefit Choice Period. A
11 participating unit of local government may also elect to cover
12 its annuitants. Dependent coverage shall be offered on an
13 optional basis, with the costs paid by the unit of local
14 government, its employees, or some combination of the two as
15 determined by the unit of local government. The unit of local
16 government shall be responsible for timely collection and
17 transmission of dependent premiums.

18 The Director shall annually determine monthly rates of
19 payment, subject to the following constraints:

20 (1) In the first year of coverage, the rates shall be
21 equal to the amount normally charged to State employees for
22 elected optional coverages or for enrolled dependents
23 coverages or other contributory coverages, or contributed
24 by the State for basic insurance coverages on behalf of its
25 employees, adjusted for differences between State
26 employees and employees of the local government in age,

1 sex, geographic location or other relevant demographic
2 variables, plus an amount sufficient to pay for the
3 additional administrative costs of providing coverage to
4 employees of the unit of local government and their
5 dependents.

6 (2) In subsequent years, a further adjustment shall be
7 made to reflect the actual prior years' claims experience
8 of the employees of the unit of local government.

9 In the case of coverage of local government employees under
10 a health maintenance organization, the Director shall annually
11 determine for each participating unit of local government the
12 maximum monthly amount the unit may contribute toward that
13 coverage, based on an analysis of (i) the age, sex, geographic
14 location, and other relevant demographic variables of the
15 unit's employees and (ii) the cost to cover those employees
16 under the State group health benefits plan. The Director may
17 similarly determine the maximum monthly amount each unit of
18 local government may contribute toward coverage of its
19 employees' dependents under a health maintenance organization.

20 Monthly payments by the unit of local government or its
21 employees for group health benefits plan or health maintenance
22 organization coverage shall be deposited in the Local
23 Government Health Insurance Reserve Fund.

24 The Local Government Health Insurance Reserve Fund is
25 hereby created as a nonappropriated trust fund to be held
26 outside the State Treasury, with the State Treasurer as

1 custodian. The Local Government Health Insurance Reserve Fund
2 shall be a continuing fund not subject to fiscal year
3 limitations. All revenues arising from the administration of
4 the health benefits program established under this Section
5 shall be deposited into the Local Government Health Insurance
6 Reserve Fund. Any interest earned on moneys in the Local
7 Government Health Insurance Reserve Fund shall be deposited
8 into the Fund. All expenditures from this Fund shall be used
9 for payments for health care benefits for local government and
10 rehabilitation facility employees, annuitants, and dependents,
11 and to reimburse the Department or its administrative service
12 organization for all expenses incurred in the administration of
13 benefits. No other State funds may be used for these purposes.

14 A local government employer's participation or desire to
15 participate in a program created under this subsection shall
16 not limit that employer's duty to bargain with the
17 representative of any collective bargaining unit of its
18 employees.

19 (j) Any rehabilitation facility within the State of
20 Illinois may apply to the Director to have its employees,
21 annuitants, and their eligible dependents provided group
22 health coverage under this Act on a non-insured basis. To
23 participate, a rehabilitation facility must agree to enroll all
24 of its employees and remit the entire cost of providing such
25 coverage for its employees, except that the rehabilitation
26 facility shall not be required to enroll those of its employees

1 who are covered spouses or dependents under this plan or
2 another group policy or plan providing health benefits as long
3 as (1) an appropriate official from the rehabilitation facility
4 attests that each employee not enrolled is a covered spouse or
5 dependent under this plan or another group policy or plan, and
6 (2) at least 50% of the employees are enrolled and the
7 rehabilitation facility remits the entire cost of providing
8 coverage to those employees. Employees of a participating
9 rehabilitation facility who are not enrolled due to coverage
10 under another group health policy or plan may enroll in the
11 event of a qualifying change in status, special enrollment,
12 special circumstance as defined by the Director, or during the
13 annual Benefit Choice Period. A participating rehabilitation
14 facility may also elect to cover its annuitants. Dependent
15 coverage shall be offered on an optional basis, with the costs
16 paid by the rehabilitation facility, its employees, or some
17 combination of the 2 as determined by the rehabilitation
18 facility. The rehabilitation facility shall be responsible for
19 timely collection and transmission of dependent premiums.

20 The Director shall annually determine quarterly rates of
21 payment, subject to the following constraints:

22 (1) In the first year of coverage, the rates shall be
23 equal to the amount normally charged to State employees for
24 elected optional coverages or for enrolled dependents
25 coverages or other contributory coverages on behalf of its
26 employees, adjusted for differences between State

1 employees and employees of the rehabilitation facility in
2 age, sex, geographic location or other relevant
3 demographic variables, plus an amount sufficient to pay for
4 the additional administrative costs of providing coverage
5 to employees of the rehabilitation facility and their
6 dependents.

7 (2) In subsequent years, a further adjustment shall be
8 made to reflect the actual prior years' claims experience
9 of the employees of the rehabilitation facility.

10 Monthly payments by the rehabilitation facility or its
11 employees for group health benefits shall be deposited in the
12 Local Government Health Insurance Reserve Fund.

13 (k) Any domestic violence shelter or service within the
14 State of Illinois may apply to the Director to have its
15 employees, annuitants, and their dependents provided group
16 health coverage under this Act on a non-insured basis. To
17 participate, a domestic violence shelter or service must agree
18 to enroll all of its employees and pay the entire cost of
19 providing such coverage for its employees. The domestic
20 violence shelter shall not be required to enroll those of its
21 employees who are covered spouses or dependents under this plan
22 or another group policy or plan providing health benefits as
23 long as (1) an appropriate official from the domestic violence
24 shelter attests that each employee not enrolled is a covered
25 spouse or dependent under this plan or another group policy or
26 plan and (2) at least 50% of the employees are enrolled and the

1 domestic violence shelter remits the entire cost of providing
2 coverage to those employees. Employees of a participating
3 domestic violence shelter who are not enrolled due to coverage
4 under another group health policy or plan may enroll in the
5 event of a qualifying change in status, special enrollment, or
6 special circumstance as defined by the Director or during the
7 annual Benefit Choice Period. A participating domestic
8 violence shelter may also elect to cover its annuitants.
9 Dependent coverage shall be offered on an optional basis, with
10 employees, or some combination of the 2 as determined by the
11 domestic violence shelter or service. The domestic violence
12 shelter or service shall be responsible for timely collection
13 and transmission of dependent premiums.

14 The Director shall annually determine rates of payment,
15 subject to the following constraints:

16 (1) In the first year of coverage, the rates shall be
17 equal to the amount normally charged to State employees for
18 elected optional coverages or for enrolled dependents
19 coverages or other contributory coverages on behalf of its
20 employees, adjusted for differences between State
21 employees and employees of the domestic violence shelter or
22 service in age, sex, geographic location or other relevant
23 demographic variables, plus an amount sufficient to pay for
24 the additional administrative costs of providing coverage
25 to employees of the domestic violence shelter or service
26 and their dependents.

1 (2) In subsequent years, a further adjustment shall be
2 made to reflect the actual prior years' claims experience
3 of the employees of the domestic violence shelter or
4 service.

5 Monthly payments by the domestic violence shelter or
6 service or its employees for group health insurance shall be
7 deposited in the Local Government Health Insurance Reserve
8 Fund.

9 (1) A public community college or entity organized pursuant
10 to the Public Community College Act may apply to the Director
11 initially to have only annuitants not covered prior to July 1,
12 1992 by the district's health plan provided health coverage
13 under this Act on a non-insured basis. The community college
14 must execute a 2-year contract to participate in the Local
15 Government Health Plan. Any annuitant may enroll in the event
16 of a qualifying change in status, special enrollment, special
17 circumstance as defined by the Director, or during the annual
18 Benefit Choice Period.

19 The Director shall annually determine monthly rates of
20 payment subject to the following constraints: for those
21 community colleges with annuitants only enrolled, first year
22 rates shall be equal to the average cost to cover claims for a
23 State member adjusted for demographics, Medicare
24 participation, and other factors; and in the second year, a
25 further adjustment of rates shall be made to reflect the actual
26 first year's claims experience of the covered annuitants.

1 (1-5) The provisions of subsection (1) become inoperative
2 on July 1, 1999.

3 (m) The Director shall adopt any rules deemed necessary for
4 implementation of this amendatory Act of 1989 (Public Act
5 86-978).

6 (n) Any child advocacy center within the State of Illinois
7 may apply to the Director to have its employees, annuitants,
8 and their dependents provided group health coverage under this
9 Act on a non-insured basis. To participate, a child advocacy
10 center must agree to enroll all of its employees and pay the
11 entire cost of providing coverage for its employees. The child
12 advocacy center shall not be required to enroll those of its
13 employees who are covered spouses or dependents under this plan
14 or another group policy or plan providing health benefits as
15 long as (1) an appropriate official from the child advocacy
16 center attests that each employee not enrolled is a covered
17 spouse or dependent under this plan or another group policy or
18 plan and (2) at least 50% of the employees are enrolled and the
19 child advocacy center remits the entire cost of providing
20 coverage to those employees. Employees of a participating child
21 advocacy center who are not enrolled due to coverage under
22 another group health policy or plan may enroll in the event of
23 a qualifying change in status, special enrollment, or special
24 circumstance as defined by the Director or during the annual
25 Benefit Choice Period. A participating child advocacy center
26 may also elect to cover its annuitants. Dependent coverage

1 shall be offered on an optional basis, with the costs paid by
2 the child advocacy center, its employees, or some combination
3 of the 2 as determined by the child advocacy center. The child
4 advocacy center shall be responsible for timely collection and
5 transmission of dependent premiums.

6 The Director shall annually determine rates of payment,
7 subject to the following constraints:

8 (1) In the first year of coverage, the rates shall be
9 equal to the amount normally charged to State employees for
10 elected optional coverages or for enrolled dependents
11 coverages or other contributory coverages on behalf of its
12 employees, adjusted for differences between State
13 employees and employees of the child advocacy center in
14 age, sex, geographic location, or other relevant
15 demographic variables, plus an amount sufficient to pay for
16 the additional administrative costs of providing coverage
17 to employees of the child advocacy center and their
18 dependents.

19 (2) In subsequent years, a further adjustment shall be
20 made to reflect the actual prior years' claims experience
21 of the employees of the child advocacy center.

22 Monthly payments by the child advocacy center or its
23 employees for group health insurance shall be deposited into
24 the Local Government Health Insurance Reserve Fund.

25 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;
26 95-707, eff. 1-11-08; 96-756, eff. 1-1-10.)".