



Rep. Michael J. Madigan

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1 AMENDMENT TO SENATE BILL 1313

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1313 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of 1971  
5 is amended by changing Sections 3 and 10 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 of  
11 implementing specific programs providing benefits under this  
12 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

1 administration executed with the Department.

2 (b) "Annuitant" means (1) an employee who retires, or has  
3 retired, on or after January 1, 1966 on an immediate annuity  
4 under the provisions of Articles 2, 14 (including an employee  
5 who has elected to receive an alternative retirement  
6 cancellation payment under Section 14-108.5 of the Illinois  
7 Pension Code in lieu of an annuity), 15 (including an employee  
8 who has retired under the optional retirement program  
9 established under Section 15-158.2), paragraphs (2), (3), or  
10 (5) of Section 16-106, or Article 18 of the Illinois Pension  
11 Code; (2) any person who was receiving group insurance coverage  
12 under this Act as of March 31, 1978 by reason of his status as  
13 an annuitant, even though the annuity in relation to which such  
14 coverage was provided is a proportional annuity based on less  
15 than the minimum period of service required for a retirement  
16 annuity in the system involved; (3) any person not otherwise  
17 covered by this Act who has retired as a participating member  
18 under Article 2 of the Illinois Pension Code but is ineligible  
19 for the retirement annuity under Section 2-119 of the Illinois  
20 Pension Code; (4) the spouse of any person who is receiving a  
21 retirement annuity under Article 18 of the Illinois Pension  
22 Code and who is covered under a group health insurance program  
23 sponsored by a governmental employer other than the State of  
24 Illinois and who has irrevocably elected to waive his or her  
25 coverage under this Act and to have his or her spouse  
26 considered as the "annuitant" under this Act and not as a

1 "dependent"; or (5) an employee who retires, or has retired,  
2 from a qualified position, as determined according to rules  
3 promulgated by the Director, under a qualified local  
4 government, a qualified rehabilitation facility, a qualified  
5 domestic violence shelter or service, or a qualified child  
6 advocacy center. (For definition of "retired employee", see (p)  
7 post).

8 (b-5) (Blank). ~~"New SERS annuitant" means a person who, on~~  
9 ~~or after January 1, 1998, becomes an annuitant, as defined in~~  
10 ~~subsection (b), by virtue of beginning to receive a retirement~~  
11 ~~annuity under Article 14 of the Illinois Pension Code~~  
12 ~~(including an employee who has elected to receive an~~  
13 ~~alternative retirement cancellation payment under Section~~  
14 ~~14-108.5 of that Code in lieu of an annuity), and is eligible~~  
15 ~~to participate in the basic program of group health benefits~~  
16 ~~provided for annuitants under this Act.~~

17 (b-6) (Blank). ~~"New SURS annuitant" means a person who (1)~~  
18 ~~on or after January 1, 1998, becomes an annuitant, as defined~~  
19 ~~in subsection (b), by virtue of beginning to receive a~~  
20 ~~retirement annuity under Article 15 of the Illinois Pension~~  
21 ~~Code, (2) has not made the election authorized under Section~~  
22 ~~15-135.1 of the Illinois Pension Code, and (3) is eligible to~~  
23 ~~participate in the basic program of group health benefits~~  
24 ~~provided for annuitants under this Act.~~

25 (b-7) (Blank). ~~"New TRS State annuitant" means a person~~  
26 ~~who, on or after July 1, 1998, becomes an annuitant, as defined~~

1 ~~in subsection (b), by virtue of beginning to receive a~~  
2 ~~retirement annuity under Article 16 of the Illinois Pension~~  
3 ~~Code based on service as a teacher as defined in paragraph (2),~~  
4 ~~(3), or (5) of Section 16-106 of that Code, and is eligible to~~  
5 ~~participate in the basic program of group health benefits~~  
6 ~~provided for annuitants under this Act.~~

7 (c) "Carrier" means (1) an insurance company, a corporation  
8 organized under the Limited Health Service Organization Act or  
9 the Voluntary Health Services Plan Act, a partnership, or other  
10 nongovernmental organization, which is authorized to do group  
11 life or group health insurance business in Illinois, or (2) the  
12 State of Illinois as a self-insurer.

13 (d) "Compensation" means salary or wages payable on a  
14 regular payroll by the State Treasurer on a warrant of the  
15 State Comptroller out of any State, trust or federal fund, or  
16 by the Governor of the State through a disbursing officer of  
17 the State out of a trust or out of federal funds, or by any  
18 Department out of State, trust, federal or other funds held by  
19 the State Treasurer or the Department, to any person for  
20 personal services currently performed, and ordinary or  
21 accidental disability benefits under Articles 2, 14, 15  
22 (including ordinary or accidental disability benefits under  
23 the optional retirement program established under Section  
24 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or  
25 Article 18 of the Illinois Pension Code, for disability  
26 incurred after January 1, 1966, or benefits payable under the

1 Workers' Compensation or Occupational Diseases Act or benefits  
2 payable under a sick pay plan established in accordance with  
3 Section 36 of the State Finance Act. "Compensation" also means  
4 salary or wages paid to an employee of any qualified local  
5 government, qualified rehabilitation facility, qualified  
6 domestic violence shelter or service, or qualified child  
7 advocacy center.

8 (e) "Commission" means the State Employees Group Insurance  
9 Advisory Commission authorized by this Act. Commencing July 1,  
10 1984, "Commission" as used in this Act means the Commission on  
11 Government Forecasting and Accountability as established by  
12 the Legislative Commission Reorganization Act of 1984.

13 (f) "Contributory", when referred to as contributory  
14 coverage, shall mean optional coverages or benefits elected by  
15 the member toward the cost of which such member makes  
16 contribution, or which are funded in whole or in part through  
17 the acceptance of a reduction in earnings or the foregoing of  
18 an increase in earnings by an employee, as distinguished from  
19 noncontributory coverage or benefits which are paid entirely by  
20 the State of Illinois without reduction of the member's salary.

21 (g) "Department" means any department, institution, board,  
22 commission, officer, court or any agency of the State  
23 government receiving appropriations and having power to  
24 certify payrolls to the Comptroller authorizing payments of  
25 salary and wages against such appropriations as are made by the  
26 General Assembly from any State fund, or against trust funds

1 held by the State Treasurer and includes boards of trustees of  
2 the retirement systems created by Articles 2, 14, 15, 16 and 18  
3 of the Illinois Pension Code. "Department" also includes the  
4 Illinois Comprehensive Health Insurance Board, the Board of  
5 Examiners established under the Illinois Public Accounting  
6 Act, and the Illinois Finance Authority.

7 (h) "Dependent", when the term is used in the context of  
8 the health and life plan, means a member's spouse and any child  
9 (1) from birth to age 26 including an adopted child, a child  
10 who lives with the member from the time of the filing of a  
11 petition for adoption until entry of an order of adoption, a  
12 stepchild or adjudicated child, or a child who lives with the  
13 member if such member is a court appointed guardian of the  
14 child or (2) age 19 or over who is mentally or physically  
15 disabled from a cause originating prior to the age of 19 (age  
16 26 if enrolled as an adult child dependent). For the health  
17 plan only, the term "dependent" also includes (1) any person  
18 enrolled prior to the effective date of this Section who is  
19 dependent upon the member to the extent that the member may  
20 claim such person as a dependent for income tax deduction  
21 purposes and (2) any person who has received after June 30,  
22 2000 an organ transplant and who is financially dependent upon  
23 the member and eligible to be claimed as a dependent for income  
24 tax purposes. A member requesting to cover any dependent must  
25 provide documentation as requested by the Department of Central  
26 Management Services and file with the Department any and all

1 forms required by the Department.

2 (i) "Director" means the Director of the Illinois  
3 Department of Central Management Services or of any successor  
4 agency designated to administer this Act.

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

8 (k) "Employee" means and includes each officer or employee  
9 in the service of a department who (1) receives his  
10 compensation for service rendered to the department on a  
11 warrant issued pursuant to a payroll certified by a department  
12 or on a warrant or check issued and drawn by a department upon  
13 a trust, federal or other fund or on a warrant issued pursuant  
14 to a payroll certified by an elected or duly appointed officer  
15 of the State or who receives payment of the performance of  
16 personal services on a warrant issued pursuant to a payroll  
17 certified by a Department and drawn by the Comptroller upon the  
18 State Treasurer against appropriations made by the General  
19 Assembly from any fund or against trust funds held by the State  
20 Treasurer, and (2) is employed full-time or part-time in a  
21 position normally requiring actual performance of duty during  
22 not less than 1/2 of a normal work period, as established by  
23 the Director in cooperation with each department, except that  
24 persons elected by popular vote will be considered employees  
25 during the entire term for which they are elected regardless of  
26 hours devoted to the service of the State, and (3) except that

1 "employee" does not include any person who is not eligible by  
2 reason of such person's employment to participate in one of the  
3 State retirement systems under Articles 2, 14, 15 (either the  
4 regular Article 15 system or the optional retirement program  
5 established under Section 15-158.2) or 18, or under paragraph  
6 (2), (3), or (5) of Section 16-106, of the Illinois Pension  
7 Code, but such term does include persons who are employed  
8 during the 6 month qualifying period under Article 14 of the  
9 Illinois Pension Code. Such term also includes any person who  
10 (1) after January 1, 1966, is receiving ordinary or accidental  
11 disability benefits under Articles 2, 14, 15 (including  
12 ordinary or accidental disability benefits under the optional  
13 retirement program established under Section 15-158.2),  
14 paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of  
15 the Illinois Pension Code, for disability incurred after  
16 January 1, 1966, (2) receives total permanent or total  
17 temporary disability under the Workers' Compensation Act or  
18 Occupational Disease Act as a result of injuries sustained or  
19 illness contracted in the course of employment with the State  
20 of Illinois, or (3) is not otherwise covered under this Act and  
21 has retired as a participating member under Article 2 of the  
22 Illinois Pension Code but is ineligible for the retirement  
23 annuity under Section 2-119 of the Illinois Pension Code.  
24 However, a person who satisfies the criteria of the foregoing  
25 definition of "employee" except that such person is made  
26 ineligible to participate in the State Universities Retirement



1 System by clause (4) of subsection (a) of Section 15-107 of the  
2 Illinois Pension Code is also an "employee" for the purposes of  
3 this Act. "Employee" also includes any person receiving or  
4 eligible for benefits under a sick pay plan established in  
5 accordance with Section 36 of the State Finance Act. "Employee"  
6 also includes (i) each officer or employee in the service of a  
7 qualified local government, including persons appointed as  
8 trustees of sanitary districts regardless of hours devoted to  
9 the service of the sanitary district, (ii) each employee in the  
10 service of a qualified rehabilitation facility, (iii) each  
11 full-time employee in the service of a qualified domestic  
12 violence shelter or service, and (iv) each full-time employee  
13 in the service of a qualified child advocacy center, as  
14 determined according to rules promulgated by the Director.

15 (1) "Member" means an employee, annuitant, retired  
16 employee or survivor. In the case of an annuitant or retired  
17 employee who first becomes an annuitant or retired employee on  
18 or after the effective date of this amendatory Act of the 97th  
19 General Assembly, the individual must meet the minimum vesting  
20 requirements of the applicable retirement system in order to be  
21 eligible for group insurance benefits under that system. In the  
22 case of a survivor who first becomes a survivor on or after the  
23 effective date of this amendatory Act of the 97th General  
24 Assembly, the deceased employee, annuitant, or retired  
25 employee upon whom the annuity is based must have been eligible  
26 to participate in the group insurance system under the

1 applicable retirement system in order for the survivor to be  
2 eligible for group insurance benefits under that system.

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

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

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

11 (p) "Retired employee" means any person who would be an  
12 annuitant as that term is defined herein but for the fact that  
13 such person retired prior to January 1, 1966. Such term also  
14 includes any person formerly employed by the University of  
15 Illinois in the Cooperative Extension Service who would be an  
16 annuitant but for the fact that such person was made ineligible  
17 to participate in the State Universities Retirement System by  
18 clause (4) of subsection (a) of Section 15-107 of the Illinois  
19 Pension Code.

20 (q) "Survivor" means a person receiving an annuity as a  
21 survivor of an employee or of an annuitant. "Survivor" also  
22 includes: (1) the surviving dependent of a person who satisfies  
23 the definition of "employee" except that such person is made  
24 ineligible to participate in the State Universities Retirement  
25 System by clause (4) of subsection (a) of Section 15-107 of the  
26 Illinois Pension Code; (2) the surviving dependent of any

1 person formerly employed by the University of Illinois in the  
2 Cooperative Extension Service who would be an annuitant except  
3 for the fact that such person was made ineligible to  
4 participate in the State Universities Retirement System by  
5 clause (4) of subsection (a) of Section 15-107 of the Illinois  
6 Pension Code; and (3) the surviving dependent of a person who  
7 was an annuitant under this Act by virtue of receiving an  
8 alternative retirement cancellation payment under Section  
9 14-108.5 of the Illinois Pension Code.

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

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

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

18 (q-5) (Blank). ~~"New SERS survivor" means a survivor, as~~  
19 ~~defined in subsection (q), whose annuity is paid under Article~~  
20 ~~14 of the Illinois Pension Code and is based on the death of~~  
21 ~~(i) an employee whose death occurs on or after January 1, 1998,~~  
22 ~~or (ii) a new SERS annuitant as defined in subsection (b-5).~~  
23 ~~"New SERS survivor" includes the surviving dependent of a~~  
24 ~~person who was an annuitant under this Act by virtue of~~  
25 ~~receiving an alternative retirement cancellation payment under~~  
26 ~~Section 14 108.5 of the Illinois Pension Code.~~

1           (q-6) (Blank). ~~"New SURS survivor" means a survivor, as~~  
2 ~~defined in subsection (q), whose annuity is paid under Article~~  
3 ~~15 of the Illinois Pension Code and is based on the death of~~  
4 ~~(i) an employee whose death occurs on or after January 1, 1998,~~  
5 ~~or (ii) a new SURS annuitant as defined in subsection (b-6).~~

6           (q-7) (Blank). ~~"New TRS State survivor" means a survivor,~~  
7 ~~as defined in subsection (q), whose annuity is paid under~~  
8 ~~Article 16 of the Illinois Pension Code and is based on the~~  
9 ~~death of (i) an employee who is a teacher as defined in~~  
10 ~~paragraph (2), (3), or (5) of Section 16-106 of that Code and~~  
11 ~~whose death occurs on or after July 1, 1998, or (ii) a new TRS~~  
12 ~~State annuitant as defined in subsection (b-7).~~

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

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

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

17 (t) "Qualified rehabilitation facility" means any  
18 not-for-profit organization that is accredited by the  
19 Commission on Accreditation of Rehabilitation Facilities or  
20 certified by the Department of Human Services (as successor to  
21 the Department of Mental Health and Developmental  
22 Disabilities) to provide services to persons with disabilities  
23 and which receives funds from the State of Illinois for  
24 providing those services, approved by the Director and  
25 participating in a program created under subsection (j) of  
26 Section 10 of this Act.

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

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

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

9 (2) is receiving a monthly benefit or retirement  
10 annuity under Article 16 of the Illinois Pension Code; and

11 (3) either (i) has at least 8 years of creditable  
12 service under Article 16 of the Illinois Pension Code, or  
13 (ii) was enrolled in the health insurance program offered  
14 under that Article on January 1, 1996, or (iii) is the  
15 survivor of a benefit recipient who had at least 8 years of  
16 creditable service under Article 16 of the Illinois Pension  
17 Code or was enrolled in the health insurance program  
18 offered under that Article on the effective date of this  
19 amendatory Act of 1995, or (iv) is a recipient or survivor  
20 of a recipient of a disability benefit under Article 16 of  
21 the Illinois Pension Code.

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

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

25 (2) is a TRS benefit recipient's: (A) spouse, (B)  
26 dependent parent who is receiving at least half of his or

1 her support from the TRS benefit recipient, or (C) natural,  
2 step, adjudicated, or adopted child who is (i) under age  
3 26, (ii) was, on January 1, 1996, participating as a  
4 dependent beneficiary in the health insurance program  
5 offered under Article 16 of the Illinois Pension Code, or  
6 (iii) age 19 or over who is mentally or physically disabled  
7 from a cause originating prior to the age of 19 (age 26 if  
8 enrolled as an adult child).

9 "TRS dependent beneficiary" does not include, as indicated  
10 under paragraph (2) of this subsection (w), a dependent of the  
11 survivor of a TRS benefit recipient who first becomes a  
12 dependent of a survivor of a TRS benefit recipient on or after  
13 the effective date of this amendatory Act of the 97th General  
14 Assembly unless that dependent would have been eligible for  
15 coverage as a dependent of the deceased TRS benefit recipient  
16 upon whom the survivor benefit is based.

17 (x) "Military leave" refers to individuals in basic  
18 training for reserves, special/advanced training, annual  
19 training, emergency call up, activation by the President of the  
20 United States, or any other training or duty in service to the  
21 United States Armed Forces.

22 (y) (Blank).

23 (z) "Community college benefit recipient" means a person  
24 who:

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

26 (2) is receiving a monthly survivor's annuity or

1 retirement annuity under Article 15 of the Illinois Pension  
2 Code; and

3 (3) either (i) was a full-time employee of a community  
4 college district or an association of community college  
5 boards created under the Public Community College Act  
6 (other than an employee whose last employer under Article  
7 15 of the Illinois Pension Code was a community college  
8 district subject to Article VII of the Public Community  
9 College Act) and was eligible to participate in a group  
10 health benefit plan as an employee during the time of  
11 employment with a community college district (other than a  
12 community college district subject to Article VII of the  
13 Public Community College Act) or an association of  
14 community college boards, or (ii) is the survivor of a  
15 person described in item (i).

16 (aa) "Community college dependent beneficiary" means a  
17 person who:

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

20 (2) is a community college benefit recipient's: (A)  
21 spouse, (B) dependent parent who is receiving at least half  
22 of his or her support from the community college benefit  
23 recipient, or (C) natural, step, adjudicated, or adopted  
24 child who is (i) under age 26, or (ii) age 19 or over and  
25 mentally or physically disabled from a cause originating  
26 prior to the age of 19 (age 26 if enrolled as an adult



1 child).

2 "Community college dependent beneficiary" does not  
3 include, as indicated under paragraph (2) of this subsection  
4 (aa), a dependent of the survivor of a community college  
5 benefit recipient who first becomes a dependent of a survivor  
6 of a community college benefit recipient on or after the  
7 effective date of this amendatory Act of the 97th General  
8 Assembly unless that dependent would have been eligible for  
9 coverage as a dependent of the deceased community college  
10 benefit recipient upon whom the survivor annuity is based.

11 (bb) "Qualified child advocacy center" means any Illinois  
12 child advocacy center and its administrative offices funded by  
13 the Department of Children and Family Services, as defined by  
14 the Children's Advocacy Center Act (55 ILCS 80/), approved by  
15 the Director and participating in a program created under  
16 subsection (n) of Section 10.

17 (Source: P.A. 96-756, eff. 1-1-10; 96-1519, eff. 2-4-11;  
18 97-668, eff. 1-13-12.)

19 (5 ILCS 375/10) (from Ch. 127, par. 530)

20 Sec. 10. Payments by State; premiums.

21 (a) The State shall pay the cost of basic non-contributory  
22 group life insurance and, subject to member paid contributions  
23 set by the Department or required by this Section, the basic  
24 program of group health benefits on each eligible member,  
25 except a member, not otherwise covered by this Act, who has

1 retired as a participating member under Article 2 of the  
2 Illinois Pension Code but is ineligible for the retirement  
3 annuity under Section 2-119 of the Illinois Pension Code, and  
4 part of each eligible member's and retired member's premiums  
5 for health insurance coverage for enrolled dependents as  
6 provided by Section 9. The State shall pay the cost of the  
7 basic program of group health benefits only after benefits are  
8 reduced by the amount of benefits covered by Medicare for all  
9 members and dependents who are eligible for benefits under  
10 Social Security or the Railroad Retirement system or who had  
11 sufficient Medicare-covered government employment, except that  
12 such reduction in benefits shall apply only to those members  
13 and dependents who (1) first become eligible for such Medicare  
14 coverage on or after July 1, 1992; or (2) are Medicare-eligible  
15 members or dependents of a local government unit which began  
16 participation in the program on or after July 1, 1992; or (3)  
17 remain eligible for, but no longer receive Medicare coverage  
18 which they had been receiving on or after July 1, 1992. The  
19 Department may determine the aggregate level of the State's  
20 contribution on the basis of actual cost of medical services  
21 adjusted for age, sex or geographic or other demographic  
22 characteristics which affect the costs of such programs.

23 The cost of participation in the basic program of group  
24 health benefits for the dependent or survivor of a living or  
25 deceased retired employee who was formerly employed by the  
26 University of Illinois in the Cooperative Extension Service and

1 would be an annuitant but for the fact that he or she was made  
2 ineligible to participate in the State Universities Retirement  
3 System by clause (4) of subsection (a) of Section 15-107 of the  
4 Illinois Pension Code shall not be greater than the cost of  
5 participation that would otherwise apply to that dependent or  
6 survivor if he or she were the dependent or survivor of an  
7 annuitant under the State Universities Retirement System.

8 (a-1) (Blank). ~~Beginning January 1, 1998, for each person~~  
9 ~~who becomes a new SERS 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. The remainder of the cost of a new SERS annuitant's~~  
17 ~~coverage under the basic program of group health benefits shall~~  
18 ~~be the responsibility of the annuitant. In the case of a new~~  
19 ~~SERS annuitant who has elected to receive an alternative~~  
20 ~~retirement cancellation payment under Section 14-108.5 of the~~  
21 ~~Illinois Pension Code in lieu of an annuity, for the purposes~~  
22 ~~of this subsection the annuitant shall be deemed to be~~  
23 ~~receiving a retirement annuity based on the number of years of~~  
24 ~~creditable service that the annuitant had established at the~~  
25 ~~time of his or her termination of service under SERS.~~

26 (a-2) (Blank). ~~Beginning January 1, 1998, for each person~~

1 ~~who becomes a new SERS survivor and participates in the basic~~  
2 ~~program of group health benefits, the State shall contribute~~  
3 ~~toward the cost of the survivor's coverage under the basic~~  
4 ~~program of group health benefits an amount equal to 5% of that~~  
5 ~~cost for each full year of the deceased employee's or deceased~~  
6 ~~annuitant's creditable service in the State Employees'~~  
7 ~~Retirement System of Illinois on the date of death, up to a~~  
8 ~~maximum of 100% for a survivor of an employee or annuitant with~~  
9 ~~20 or more years of creditable service. The remainder of the~~  
10 ~~cost of the new SERS survivor's coverage under the basic~~  
11 ~~program of group health benefits shall be the responsibility of~~  
12 ~~the survivor. In the case of a new SERS survivor who was the~~  
13 ~~dependent of an annuitant who elected to receive an alternative~~  
14 ~~retirement cancellation payment under Section 14-108.5 of the~~  
15 ~~Illinois Pension Code in lieu of an annuity, for the purposes~~  
16 ~~of this subsection the deceased annuitant's creditable service~~  
17 ~~shall be determined as of the date of termination of service~~  
18 ~~rather than the date of death.~~

19 (a-3) (Blank). ~~Beginning January 1, 1998, for each person~~  
20 ~~who becomes a new SERS annuitant and participates in the basic~~  
21 ~~program of group health benefits, the State shall contribute~~  
22 ~~toward the cost of the annuitant's coverage under the basic~~  
23 ~~program of group health benefits an amount equal to 5% of that~~  
24 ~~cost for each full year of creditable service upon which the~~  
25 ~~annuitant's retirement annuity is based, up to a maximum of~~  
26 ~~100% for an annuitant with 20 or more years of creditable~~

1 ~~service. The remainder of the cost of a new SURS annuitant's~~  
2 ~~coverage under the basic program of group health benefits shall~~  
3 ~~be the responsibility of the annuitant.~~

4 (a-4) (Blank).

5 (a-5) (Blank). ~~Beginning January 1, 1998, for each person~~  
6 ~~who becomes a new SURS survivor and participates in the basic~~  
7 ~~program of group health benefits, the State shall contribute~~  
8 ~~toward the cost of the survivor's coverage under the basic~~  
9 ~~program of group health benefits an amount equal to 5% of that~~  
10 ~~cost for each full year of the deceased employee's or deceased~~  
11 ~~annuitant's creditable service in the State Universities~~  
12 ~~Retirement System on the date of death, up to a maximum of 100%~~  
13 ~~for a survivor of an employee or annuitant with 20 or more~~  
14 ~~years of creditable service. The remainder of the cost of the~~  
15 ~~new SURS survivor's coverage under the basic program of group~~  
16 ~~health benefits shall be the responsibility of the survivor.~~

17 (a-6) (Blank). ~~Beginning July 1, 1998, for each person who~~  
18 ~~becomes a new TRS State annuitant and participates in the basic~~  
19 ~~program of group health benefits, the State shall contribute~~  
20 ~~toward the cost of the annuitant's coverage under the basic~~  
21 ~~program of group health benefits an amount equal to 5% of that~~  
22 ~~cost for each full year of creditable service as a teacher as~~  
23 ~~defined in paragraph (2), (3), or (5) of Section 16-106 of the~~  
24 ~~Illinois Pension Code upon which the annuitant's retirement~~  
25 ~~annuity is based, up to a maximum of 100%; except that the~~  
26 ~~State contribution shall be 12.5% per year (rather than 5%) for~~

1 ~~each full year of creditable service as a regional~~  
2 ~~superintendent or assistant regional superintendent of~~  
3 ~~schools. The remainder of the cost of a new TRS State~~  
4 ~~annuitant's coverage under the basic program of group health~~  
5 ~~benefits shall be the responsibility of the annuitant.~~

6 (a-7) (Blank). ~~Beginning July 1, 1998, for each person who~~  
7 ~~becomes a new TRS State survivor and participates in the basic~~  
8 ~~program of group health benefits, the State shall contribute~~  
9 ~~toward the cost of the survivor's coverage under the basic~~  
10 ~~program of group health benefits an amount equal to 5% of that~~  
11 ~~cost for each full year of the deceased employee's or deceased~~  
12 ~~annuitant's creditable service as a teacher as defined in~~  
13 ~~paragraph (2), (3), or (5) of Section 16-106 of the Illinois~~  
14 ~~Pension Code on the date of death, up to a maximum of 100%;~~  
15 ~~except that the State contribution shall be 12.5% per year~~  
16 ~~(rather than 5%) for each full year of the deceased employee's~~  
17 ~~or deceased annuitant's creditable service as a regional~~  
18 ~~superintendent or assistant regional superintendent of~~  
19 ~~schools. The remainder of the cost of the new TRS State~~  
20 ~~survivor's coverage under the basic program of group health~~  
21 ~~benefits shall be the responsibility of the survivor.~~

22 (a-8) Any A new SERS annuitant, new SERS survivor, or  
23 retired employee, new SURS annuitant, new SURS survivor, new  
24 TRS State annuitant, or new TRS State survivor may waive or  
25 terminate coverage in the program of group health benefits. Any  
26 such annuitant, ~~or~~ survivor, or retired employee who has waived

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

7 (a-8.5) Beginning on the effective date of this amendatory  
8 Act of the 97th General Assembly, the Director of Central  
9 Management Services shall, on an annual basis, determine the  
10 amount that the State shall contribute toward the basic program  
11 of group health benefits on behalf of annuitants (including  
12 individuals who (i) participated in the General Assembly  
13 Retirement System, the State Employees' Retirement System of  
14 Illinois, the State Universities Retirement System, the  
15 Teachers' Retirement System of the State of Illinois, or the  
16 Judges Retirement System of Illinois and (ii) qualify as  
17 annuitants under subsection (b) of Section 3 of this Act),  
18 survivors (including individuals who (i) receive an annuity as  
19 a survivor of an individual who participated in the General  
20 Assembly Retirement System, the State Employees' Retirement  
21 System of Illinois, the State Universities Retirement System,  
22 the Teachers' Retirement System of the State of Illinois, or  
23 the Judges Retirement System of Illinois and (ii) qualify as  
24 survivors under subsection (q) of Section 3 of this Act), and  
25 retired employees (as defined in subsection (p) of Section 3 of  
26 this Act).

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

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

10 The Director of Central Management Services shall provide  
11 to the Executive Secretary of the State Employees' Retirement  
12 System of Illinois such information, statistics, and other data  
13 as he or she may require to review the premium amounts  
14 certified by the Director of Central Management Services.

15 The Department of Healthcare and Family Services, or any  
16 successor agency designated to procure healthcare contracts  
17 pursuant to this Act, is authorized to establish funds,  
18 separate accounts provided by any bank or banks as defined by  
19 the Illinois Banking Act, or separate accounts provided by any  
20 savings and loan association or associations as defined by the  
21 Illinois Savings and Loan Act of 1985 to be held by the  
22 Director, outside the State treasury, for the purpose of  
23 receiving the transfer of moneys from the Local Government  
24 Health Insurance Reserve Fund. The Department may promulgate  
25 rules further defining the methodology for the transfers. Any  
26 interest earned by moneys in the funds or accounts shall inure



1 to the Local Government Health Insurance Reserve Fund. The  
2 transferred moneys, and interest accrued thereon, shall be used  
3 exclusively for transfers to administrative service  
4 organizations or their financial institutions for payments of  
5 claims to claimants and providers under the self-insurance  
6 health plan. The transferred moneys, and interest accrued  
7 thereon, shall not be used for any other purpose including, but  
8 not limited to, reimbursement of administration fees due the  
9 administrative service organization pursuant to its contract  
10 or contracts with the Department.

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

21 (c) The basic non-contributory coverage from the basic  
22 program of group health benefits shall be continued for each  
23 employee not in pay status or on active service by reason of  
24 (1) leave of absence due to illness or injury, (2) authorized  
25 educational leave of absence or sabbatical leave, or (3)  
26 military leave. This coverage shall continue until expiration

1 of authorized leave and return to active service, but not to  
2 exceed 24 months for leaves under item (1) or (2). This  
3 24-month limitation and the requirement of returning to active  
4 service shall not apply to persons receiving ordinary or  
5 accidental disability benefits or retirement benefits through  
6 the appropriate State retirement system or benefits under the  
7 Workers' Compensation or Occupational Disease Act.

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

13 (e) Where the person is in non-pay status for a period in  
14 excess of 30 days or on leave of absence, other than by reason  
15 of disability, educational or sabbatical leave, or military  
16 leave, such person may continue coverage only by making  
17 personal payment equal to the amount normally contributed by  
18 the State on such person's behalf. Such payments and coverage  
19 may be continued: (1) until such time as the person returns to  
20 a status eligible for coverage at State expense, but not to  
21 exceed 24 months or (2) until such person's employment or  
22 annuitant status with the State is terminated (exclusive of any  
23 additional service imposed pursuant to law).

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

1           (g) The State shall not pay the cost of the basic  
2 non-contributory group life insurance, program of health  
3 benefits and other employee benefits for members who are  
4 survivors as defined by paragraphs (1) and (2) of subsection  
5 (q) of Section 3 of this Act. The costs of benefits for these  
6 survivors shall be paid by the survivors or by the University  
7 of Illinois Cooperative Extension Service, or any combination  
8 thereof. However, the State shall pay the amount of the  
9 reduction in the cost of participation, if any, resulting from  
10 the amendment to subsection (a) made by this amendatory Act of  
11 the 91st General Assembly.

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

24           (i) Any unit of local government within the State of  
25 Illinois may apply to the Director to have its employees,  
26 annuitants, and their dependents provided group health

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

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

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

20 The Director shall annually determine monthly 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, or contributed  
26 by the State for basic insurance coverages on behalf of its

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

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

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

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

26 The Local Government Health Insurance Reserve Fund is

1 hereby created as a nonappropriated trust fund to be held  
2 outside the State Treasury, with the State Treasurer as  
3 custodian. The Local Government Health Insurance Reserve Fund  
4 shall be a continuing fund not subject to fiscal year  
5 limitations. The Local Government Health Insurance Reserve  
6 Fund is not subject to administrative charges or charge-backs,  
7 including but not limited to those authorized under Section 8h  
8 of the State Finance Act. All revenues arising from the  
9 administration of the health benefits program established  
10 under this Section shall be deposited into the Local Government  
11 Health Insurance Reserve Fund. Any interest earned on moneys in  
12 the Local Government Health Insurance Reserve Fund shall be  
13 deposited into the Fund. All expenditures from this Fund shall  
14 be used for payments for health care benefits for local  
15 government and rehabilitation facility employees, annuitants,  
16 and dependents, and to reimburse the Department or its  
17 administrative service organization for all expenses incurred  
18 in the administration of benefits. No other State funds may be  
19 used for these purposes.

20 A local government employer's participation or desire to  
21 participate in a program created under this subsection shall  
22 not limit that employer's duty to bargain with the  
23 representative of any collective bargaining unit of its  
24 employees.

25 (j) Any rehabilitation facility within the State of  
26 Illinois may apply to the Director to have its employees,

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

26 The Director shall annually determine quarterly rates of



1 payment, subject to the following constraints:

2 (1) In the first year of coverage, the rates shall be  
3 equal to the amount normally charged to State employees for  
4 elected optional coverages or for enrolled dependents  
5 coverages or other contributory coverages on behalf of its  
6 employees, adjusted for differences between State  
7 employees and employees of the rehabilitation facility in  
8 age, sex, geographic location or other relevant  
9 demographic variables, plus an amount sufficient to pay for  
10 the additional administrative costs of providing coverage  
11 to employees of the rehabilitation facility and their  
12 dependents.

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

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

19 (k) Any domestic violence shelter or service within the  
20 State of Illinois may apply to the Director to have its  
21 employees, annuitants, and their dependents provided group  
22 health coverage under this Act on a non-insured basis. To  
23 participate, a domestic violence shelter or service must agree  
24 to enroll all of its employees and pay the entire cost of  
25 providing such coverage for its employees. The domestic  
26 violence shelter shall not be required to enroll those of its

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

20 The Director shall annually determine rates of payment,  
21 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 domestic violence shelter or  
2 service in 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 domestic violence shelter or service  
6 and their 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 domestic violence shelter or  
10 service.

11 Monthly payments by the domestic violence shelter or  
12 service or its employees for group health insurance shall be  
13 deposited in the Local Government Health Insurance Reserve  
14 Fund.

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

25 The Director shall annually determine monthly rates of  
26 payment subject to the following constraints: for those

1 community colleges with annuitants only enrolled, first year  
2 rates shall be equal to the average cost to cover claims for a  
3 State member adjusted for demographics, Medicare  
4 participation, and other factors; and in the second year, a  
5 further adjustment of rates shall be made to reflect the actual  
6 first year's claims experience of the covered annuitants.

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

9 (m) The Director shall adopt any rules deemed necessary for  
10 implementation of this amendatory Act of 1989 (Public Act  
11 86-978).

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

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

12 The Director shall annually determine rates of payment,  
13 subject to the following constraints:

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

25 (2) In subsequent years, a further adjustment shall be  
26 made to reflect the actual prior years' claims experience

1 of the employees of the child advocacy center.

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

5 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;  
6 95-707, eff. 1-11-08; 96-756, eff. 1-1-10; 96-1232, eff.  
7 7-23-10; 96-1519, eff. 2-4-11.)

8 Section 99. Effective date. This Act takes effect July 1,  
9 2012.".