



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5036

Introduced 2/10/2026, by Rep. Bradley Fritts

SYNOPSIS AS INTRODUCED:

5 ILCS 375/3	from Ch. 127, par. 523
5 ILCS 375/8	from Ch. 127, par. 528
5 ILCS 375/9	from Ch. 127, par. 529
5 ILCS 375/10	from Ch. 127, par. 530

Amends the State Employees Group Insurance Act of 1971. Provides that if both spouses are eligible covered members and are employees under the State Employees Article of the Illinois Pension Code, then one spouse may enroll the other spouse as an eligible dependent if: (1) both spouses provide to the Department of Central Management Services, upon the request of the Department of Central Management Services, an attestation that the member and the member's spouse have elected for the spouse to be enrolled as a dependent; and (2) the spouses continue to be married. Provides that upon electing to enroll in the program of group health benefits as an eligible dependent under the amendatory provisions, a member forfeits his or her rights as a member under the Act with respect to the program of group health benefits during the period when that election is in effect. Makes conforming changes to the definition of "dependent" and provisions concerning contributions.

LRB104 17785 RPS 31217 b

1 AN ACT concerning government.

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

4 Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Sections 3, 8, 9, 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
11 of implementing specific programs providing benefits under
12 this 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
16 capable of meeting the service requirements of a contract of
17 administration executed with the Department.

18 (b) "Annuitant" means (1) an employee who retires, or has
19 retired, on or after January 1, 1966 on an immediate annuity
20 under the provisions of Articles 2, 14 (including an employee
21 who has elected to receive an alternative retirement
22 cancellation payment under Section 14-108.5 of the Illinois
23 Pension Code in lieu of an annuity or who meets the criteria

1 for retirement, but in lieu of receiving an annuity under that
2 Article has elected to receive an accelerated pension benefit
3 payment under Section 14-147.5 of that Article), 15 (including
4 an employee who has retired under the optional retirement
5 program established under Section 15-158.2 or who meets the
6 criteria for retirement but in lieu of receiving an annuity
7 under that Article has elected to receive an accelerated
8 pension benefit payment under Section 15-185.5 of the
9 Article), paragraph (2), (3), or (5) of Section 16-106
10 (including an employee who meets the criteria for retirement,
11 but in lieu of receiving an annuity under that Article has
12 elected to receive an accelerated pension benefit payment
13 under Section 16-190.5 of the Illinois Pension Code), or
14 Article 18 of the Illinois Pension Code; (2) any person who was
15 receiving group insurance coverage under this Act as of March
16 31, 1978 by reason of his status as an annuitant, even though
17 the annuity in relation to which such coverage was provided is
18 a proportional annuity based on less than the minimum period
19 of service required for a retirement annuity in the system
20 involved; (3) any person not otherwise covered by this Act who
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; (4)
24 the spouse of any person who is receiving a retirement annuity
25 under Article 18 of the Illinois Pension Code and who is
26 covered under a group health insurance program sponsored by a

1 governmental employer other than the State of Illinois and who
2 has irrevocably elected to waive his or her coverage under
3 this Act and to have his or her spouse considered as the
4 "annuitant" under this Act and not as a "dependent"; or (5) an
5 employee who retires, or has retired, from a qualified
6 position, as determined according to rules promulgated by the
7 Director, under a qualified local government, a qualified
8 rehabilitation facility, a qualified domestic violence shelter
9 or service, or a qualified child advocacy center. (For
10 definition of "retired employee", see subsection (p)).

11 (b-5) (Blank).

12 (b-6) (Blank).

13 (b-7) (Blank).

14 (c) "Carrier" means (1) an insurance company, a
15 corporation organized under the Limited Health Service
16 Organization Act or the Voluntary Health Services Plans Act, a
17 partnership, or other nongovernmental organization, which is
18 authorized to do group life or group health insurance business
19 in Illinois, or (2) the State of Illinois as a self-insurer.

20 (d) "Compensation" means salary or wages payable on a
21 regular payroll by the State Treasurer on a warrant of the
22 State Comptroller out of any State, trust or federal fund, or
23 by the Governor of the State through a disbursing officer of
24 the State out of a trust or out of federal funds, or by any
25 Department out of State, trust, federal, or other funds held
26 by the State Treasurer or the Department, to any person for

1 personal services currently performed, and ordinary or
2 accidental disability benefits under Articles 2, 14, 15
3 (including ordinary or accidental disability benefits under
4 the optional retirement program established under Section
5 15-158.2), paragraph (2), (3), or (5) of Section 16-106, or
6 Article 18 of the Illinois Pension Code, for disability
7 incurred after January 1, 1966, or benefits payable under the
8 Workers' Compensation Act or the Workers' Occupational
9 Diseases Act or benefits payable under a sick pay plan
10 established in accordance with Section 36 of the State Finance
11 Act. "Compensation" also means salary or wages paid to an
12 employee of any qualified local government, qualified
13 rehabilitation facility, qualified domestic violence shelter
14 or service, or qualified child advocacy center.

15 (e) "Commission" means the State Employees Group Insurance
16 Advisory Commission authorized by this Act. Commencing July 1,
17 1984, "Commission" as used in this Act means the Commission on
18 Government Forecasting and Accountability as established by
19 the Legislative Commission Reorganization Act of 1984.

20 (f) "Contributory", when referred to as contributory
21 coverage, shall mean optional coverages or benefits elected by
22 the member toward the cost of which such member makes
23 contribution, or which are funded in whole or in part through
24 the acceptance of a reduction in earnings or the foregoing of
25 an increase in earnings by an employee, as distinguished from
26 noncontributory coverage or benefits which are paid entirely

1 by the State of Illinois without reduction of the member's
2 salary.

3 (g) "Department" means any department, institution, board,
4 commission, officer, court, or any agency of the State
5 government receiving appropriations and having power to
6 certify payrolls to the Comptroller authorizing payments of
7 salary and wages against such appropriations as are made by
8 the General Assembly from any State fund, or against trust
9 funds held by the State Treasurer and includes boards of
10 trustees of the retirement systems created by Articles 2, 14,
11 15, 16, and 18 of the Illinois Pension Code. "Department" also
12 includes the Illinois Comprehensive Health Insurance Board,
13 the Board of Examiners established under the Illinois Public
14 Accounting Act, and the Illinois Finance Authority.

15 (h) "Dependent", when the term is used in the context of
16 the health and life plan, means a member's spouse and any child
17 (1) from birth to age 26, including an adopted child, a child
18 who lives with the member from the time of the placement for
19 adoption until entry of an order of adoption, a stepchild or
20 adjudicated child, or a child who lives with the member if such
21 member is a court appointed guardian of the child or (2) age 19
22 or over who has a mental or physical disability from a cause
23 originating prior to the age of 19 (age 26 if enrolled as an
24 adult child dependent). For the health plan only, the term
25 "dependent" also includes: (1) any person enrolled prior to
26 the effective date of this Section who is dependent upon the

1 member to the extent that the member may claim such person as a
2 dependent for income tax deduction purposes; ~~and~~ (2) any
3 person who has received after June 30, 2000 an organ
4 transplant and who is financially dependent upon the member
5 and eligible to be claimed as a dependent for income tax
6 purposes; and (3) any employee who is authorized to elect and
7 has elected dependent status under subsection (c) of Section 8
8 during the period when that election is in effect. A member
9 requesting to cover any dependent must provide documentation
10 as requested by the Department of Central Management Services
11 and file with the Department any and all forms required by the
12 Department.

13 (i) "Director" means the Director of the Illinois
14 Department of Central Management Services.

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

18 (k) "Employee" means and includes each officer or employee
19 in the service of a department who (1) receives his
20 compensation for service rendered to the department on a
21 warrant issued pursuant to a payroll certified by a department
22 or on a warrant or check issued and drawn by a department upon
23 a trust, federal or other fund or on a warrant issued pursuant
24 to a payroll certified by an elected or duly appointed officer
25 of the State or who receives payment of the performance of
26 personal services on a warrant issued pursuant to a payroll

1 certified by a Department and drawn by the Comptroller upon
2 the State Treasurer against appropriations made by the General
3 Assembly from any fund or against trust funds held by the State
4 Treasurer, and (2) is employed full-time or part-time in a
5 position normally requiring actual performance of duty during
6 not less than 1/2 of a normal work period, as established by
7 the Director in cooperation with each department, except that
8 persons elected by popular vote will be considered employees
9 during the entire term for which they are elected regardless
10 of hours devoted to the service of the State, and (3) except
11 that "employee" does not include any person who is not
12 eligible by reason of such person's employment to participate
13 in one of the State retirement systems under Articles 2, 14, 15
14 (either the regular Article 15 system or the optional
15 retirement program established under Section 15-158.2), or 18,
16 or under paragraph (2), (3), or (5) of Section 16-106, of the
17 Illinois Pension Code, but such term does include persons who
18 are employed during the 6-month qualifying period under
19 Article 14 of the Illinois Pension Code. Such term also
20 includes any person who (1) after January 1, 1966, is
21 receiving ordinary or accidental disability benefits under
22 Articles 2, 14, 15 (including ordinary or accidental
23 disability benefits under the optional retirement program
24 established under Section 15-158.2), paragraph (2), (3), or
25 (5) of Section 16-106, or Article 18 of the Illinois Pension
26 Code, for disability incurred after January 1, 1966, (2)

1 receives total permanent or total temporary disability under
2 the Workers' Compensation Act or the Workers' Occupational
3 Diseases Act as a result of injuries sustained or illness
4 contracted in the course of employment with the State of
5 Illinois, or (3) is not otherwise covered under this Act and
6 has retired as a participating member under Article 2 of the
7 Illinois Pension Code but is ineligible for the retirement
8 annuity under Section 2-119 of the Illinois Pension Code.
9 However, a person who satisfies the criteria of the foregoing
10 definition of "employee" except that such person is made
11 ineligible to participate in the State Universities Retirement
12 System by clause (4) of subsection (a) of Section 15-107 of the
13 Illinois Pension Code is also an "employee" for the purposes
14 of this Act. "Employee" also includes any person receiving or
15 eligible for benefits under a sick pay plan established in
16 accordance with Section 36 of the State Finance Act.
17 "Employee" also includes (i) each officer or employee in the
18 service of a qualified local government, including persons
19 appointed as trustees of sanitary districts regardless of
20 hours devoted to the service of the sanitary district, (ii)
21 each employee in the service of a qualified rehabilitation
22 facility, (iii) each full-time employee in the service of a
23 qualified domestic violence shelter or service, and (iv) each
24 full-time employee in the service of a qualified child
25 advocacy center, as determined according to rules promulgated
26 by the Director.

1 (1) "Member" means an employee, annuitant, retired
2 employee, or survivor. In the case of an annuitant or retired
3 employee who first becomes an annuitant or retired employee on
4 or after January 13, 2012 (the effective date of Public Act
5 97-668), the individual must meet the minimum vesting
6 requirements of the applicable retirement system in order to
7 be eligible for group insurance benefits under that system. In
8 the case of a survivor who is not entitled to occupational
9 death benefits pursuant to an applicable retirement system or
10 death benefits pursuant to the Workers' Compensation Act, and
11 who first becomes a survivor on or after January 13, 2012 (the
12 effective date of Public Act 97-668), the deceased employee,
13 annuitant, or retired employee upon whom the annuity is based
14 must have been eligible to participate in the group insurance
15 system under the applicable retirement system in order for the
16 survivor to be eligible for group insurance benefits under
17 that system.

18 For purposes of coverage under the program of group health
19 benefits, "member" does not include any employee who is
20 authorized to elect and has elected dependent status under
21 subsection (c) of Section 8 during the period when that
22 election is in effect.

23 In the case of a survivor who is entitled to occupational
24 death benefits pursuant to the deceased employee's applicable
25 retirement system or death benefits pursuant to the Workers'
26 Compensation Act, and first becomes a survivor on or after

1 January 1, 2022, the survivor is eligible for group health
2 insurance benefits regardless of the deceased employee's
3 minimum vesting requirements under the applicable retirement
4 system, with a State contribution rate of 100%, until an
5 unmarried child dependent reaches the age of 18, or the age of
6 22 if the dependent child is a full-time student, or until the
7 adult survivor becomes eligible for benefits under the federal
8 Medicare health insurance program (Title XVIII of the Social
9 Security Act, as added by Public Law 89-97). In the case of a
10 survivor currently receiving occupational death benefits
11 pursuant to the deceased employee's applicable retirement
12 system or has received death benefits pursuant to the Workers'
13 Compensation Act, who first became a survivor prior to January
14 1, 2022, the survivor is eligible for group health insurance
15 benefits regardless of the deceased employee's minimum vesting
16 requirements under the applicable retirement system, with a
17 State contribution rate of 100%, until an unmarried child
18 dependent reaches the age of 18, or the age of 22 if the
19 dependent child is a full-time student, or until the adult
20 survivor becomes eligible for benefits under the federal
21 Medicare health insurance program (Title XVIII of the Social
22 Security Act, as added by Public Law 89-97). The changes made
23 by Public Act 102-714 with respect to survivors who first
24 became survivors prior to January 1, 2022 shall apply upon
25 request of the survivor on or after April 29, 2022 (the
26 effective date of Public Act 102-714).

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

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

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

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

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

1 annuitant except for the fact that such person 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; (3) the surviving dependent of a person
5 who was an annuitant under this Act by virtue of receiving an
6 alternative retirement cancellation payment under Section
7 14-108.5 of the Illinois Pension Code; and (4) a person who
8 would be receiving an annuity as a survivor of an annuitant
9 except that the annuitant elected on or after June 4, 2018 to
10 receive an accelerated pension benefit payment under Section
11 14-147.5, 15-185.5, or 16-190.5 of the Illinois Pension Code
12 in lieu of receiving an annuity.

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

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

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

21 (q-5) (Blank).

22 (q-6) (Blank).

23 (q-7) (Blank).

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

1 (s) "Unit of local government" means any county,
2 municipality, township, school district (including a
3 combination of school districts under the Intergovernmental
4 Cooperation Act), special district or other unit, designated
5 as a unit of local government by law, which exercises limited
6 governmental powers or powers in respect to limited
7 governmental subjects, any not-for-profit association with a
8 membership that primarily includes townships and township
9 officials, that has duties that include provision of research
10 service, dissemination of information, and other acts for the
11 purpose of improving township government, and that is funded
12 wholly or partly in accordance with Section 85-15 of the
13 Township Code; any not-for-profit corporation or association,
14 with a membership consisting primarily of municipalities, that
15 operates its own utility system, and provides research,
16 training, dissemination of information, or other acts to
17 promote cooperation between and among municipalities that
18 provide utility services and for the advancement of the goals
19 and purposes of its membership; the Southern Illinois
20 Collegiate Common Market, which is a consortium of higher
21 education institutions in Southern Illinois; the Illinois
22 Association of Park Districts; and any hospital provider that
23 is owned by a county that has 100 or fewer hospital beds and
24 has not already joined the program. "Qualified local
25 government" means a unit of local government approved by the
26 Director and participating in a program created under

1 subsection (i) of Section 10 of this Act.

2 (t) "Qualified rehabilitation facility" means any
3 not-for-profit organization that is accredited by the
4 Commission on Accreditation of Rehabilitation Facilities or
5 certified by the Department of Human Services (as successor to
6 the Department of Mental Health and Developmental
7 Disabilities) to provide services to persons with disabilities
8 and which receives funds from the State of Illinois for
9 providing those services, approved by the Director and
10 participating in a program created under subsection (j) of
11 Section 10 of this Act.

12 (u) "Qualified domestic violence shelter or service" means
13 any Illinois domestic violence shelter or service and its
14 administrative offices funded by the Department of Human
15 Services (as successor to the Illinois Department of Public
16 Aid), approved by the Director and participating in a program
17 created under subsection (k) of Section 10.

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

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

20 (2) is receiving a monthly benefit or retirement
21 annuity under Article 16 of the Illinois Pension Code or
22 would be receiving such monthly benefit or retirement
23 annuity except that the benefit recipient elected on or
24 after June 4, 2018 to receive an accelerated pension
25 benefit payment under Section 16-190.5 of the Illinois
26 Pension Code in lieu of receiving an annuity; and

1 (3) either (i) has at least 8 years of creditable
2 service under Article 16 of the Illinois Pension Code, or
3 (ii) was enrolled in the health insurance program offered
4 under that Article on January 1, 1996, or (iii) is the
5 survivor of a benefit recipient who had at least 8 years of
6 creditable service under Article 16 of the Illinois
7 Pension Code or was enrolled in the health insurance
8 program offered under that Article on June 21, 1995 (the
9 effective date of Public Act 89-25), or (iv) is a
10 recipient or survivor of a recipient of a disability
11 benefit under Article 16 of the Illinois Pension Code.

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

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

15 (2) is a TRS benefit recipient's: (A) spouse, (B)
16 dependent parent who is receiving at least half of his or
17 her support from the TRS benefit recipient, or (C)
18 natural, step, adjudicated, or adopted child who is (i)
19 under age 26, (ii) was, on January 1, 1996, participating
20 as a dependent beneficiary in the health insurance program
21 offered under Article 16 of the Illinois Pension Code, or
22 (iii) age 19 or over who has a mental or physical
23 disability from a cause originating prior to the age of 19
24 (age 26 if enrolled as an adult child).

25 "TRS dependent beneficiary" does not include, as indicated
26 under paragraph (2) of this subsection (w), a dependent of the

1 survivor of a TRS benefit recipient who first becomes a
2 dependent of a survivor of a TRS benefit recipient on or after
3 January 13, 2012 (the effective date of Public Act 97-668)
4 unless that dependent would have been eligible for coverage as
5 a dependent of the deceased TRS benefit recipient upon whom
6 the survivor benefit is based.

7 (x) "Military leave" refers to individuals in basic
8 training for reserves, special/advanced training, annual
9 training, emergency call up, activation by the President of
10 the United States, or any other training or duty in service to
11 the United States Armed Forces.

12 (y) (Blank).

13 (z) "Community college benefit recipient" means a person
14 who:

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

16 (2) is receiving a monthly survivor's annuity or
17 retirement annuity under Article 15 of the Illinois
18 Pension Code or would be receiving such monthly survivor's
19 annuity or retirement annuity except that the benefit
20 recipient elected on or after June 4, 2018 to receive an
21 accelerated pension benefit payment under Section 15-185.5
22 of the Illinois Pension Code in lieu of receiving an
23 annuity; and

24 (3) either (i) was a full-time employee of a community
25 college district or an association of community college
26 boards created under the Public Community College Act

1 (other than an employee whose last employer under Article
2 15 of the Illinois Pension Code was a community college
3 district subject to Article VII of the Public Community
4 College Act) and was eligible to participate in a group
5 health benefit plan as an employee during the time of
6 employment with a community college district (other than a
7 community college district subject to Article VII of the
8 Public Community College Act) or an association of
9 community college boards, or (ii) is the survivor of a
10 person described in item (i).

11 (aa) "Community college dependent beneficiary" means a
12 person who:

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

15 (2) is a community college benefit recipient's: (A)
16 spouse, (B) dependent parent who is receiving at least
17 half of his or her support from the community college
18 benefit recipient, or (C) natural, step, adjudicated, or
19 adopted child who is (i) under age 26, or (ii) age 19 or
20 over and has a mental or physical disability from a cause
21 originating prior to the age of 19 (age 26 if enrolled as
22 an adult child).

23 "Community college dependent beneficiary" does not
24 include, as indicated under paragraph (2) of this subsection
25 (aa), a dependent of the survivor of a community college
26 benefit recipient who first becomes a dependent of a survivor

1 of a community college benefit recipient on or after January
2 13, 2012 (the effective date of Public Act 97-668) unless that
3 dependent would have been eligible for coverage as a dependent
4 of the deceased community college benefit recipient upon whom
5 the survivor annuity is based.

6 (bb) "Qualified child advocacy center" means any Illinois
7 child advocacy center and its administrative offices funded by
8 the Department of Children and Family Services, as defined by
9 the Children's Advocacy Center Act, approved by the Director
10 and participating in a program created under subsection (n) of
11 Section 10.

12 (cc) "Placement for adoption" means the assumption and
13 retention by a member of a legal obligation for total or
14 partial support of a child in anticipation of adoption of the
15 child. The child's placement with the member terminates upon
16 the termination of such legal obligation.

17 (Source: P.A. 104-417, eff. 8-15-25.)

18 (5 ILCS 375/8) (from Ch. 127, par. 528)

19 Sec. 8. Eligibility.

20 (a) Each employee eligible under the provisions of this
21 Act and any rules and regulations promulgated and adopted
22 hereunder by the Director shall become immediately eligible
23 and covered for all benefits available under the programs.
24 Employees electing coverage for eligible dependents shall have
25 the coverage effective immediately, provided that the election

1 is properly filed in accordance with required filing dates and
2 procedures specified by the Director, including the completion
3 and submission of all documentation and forms required by the
4 Director.

5 (1) Every member originally eligible to elect
6 dependent coverage, but not electing it during the
7 original eligibility period, may subsequently obtain
8 dependent coverage only in the event of a qualifying
9 change in status, special enrollment, special circumstance
10 as defined by the Director, or during the annual Benefit
11 Choice Period.

12 (2) Members described above being transferred from
13 previous coverage towards which the State has been
14 contributing shall be transferred regardless of
15 preexisting conditions, waiting periods, or other
16 requirements that might jeopardize claim payments to which
17 they would otherwise have been entitled.

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

1 (b) New employees shall be immediately insured for the
2 basic group life insurance and covered by the program of
3 health benefits on the first day of active State service.
4 Optional life insurance coverage one to 4 times the basic
5 amount, if elected during the relevant eligibility period,
6 will become effective on the date of employment. Optional life
7 insurance coverage exceeding 4 times the basic amount and all
8 life insurance amounts applied for after the eligibility
9 period will be effective, subject to satisfactory evidence of
10 insurability when applicable, or other necessary
11 qualifications, pursuant to the requirements of the applicable
12 benefit program, unless there is a change in status that would
13 confer new eligibility for change of enrollment under rules
14 established supplementing this Act, in which event application
15 must be made within the new eligibility period.

16 (c) As to the group health benefits program contracted to
17 begin or continue after June 30, 1973, each annuitant,
18 survivor, and retired employee shall become immediately
19 eligible for all benefits available under that program. Each
20 annuitant, survivor, and retired employee shall have coverage
21 effective immediately, provided that the election is properly
22 filed in accordance with the required filing dates and
23 procedures specified by the Director, including the completion
24 and submission of all documentation and forms required by the
25 Director. Annuitants, survivors, and retired employees may
26 elect coverage for eligible dependents and shall have the

1 coverage effective immediately, provided that the election is
2 properly filed in accordance with required filing dates and
3 procedures specified by the Director, except that, for a
4 survivor, the dependent sought to be added on or after the
5 effective date of this amendatory Act of the 97th General
6 Assembly must have been eligible for coverage as a dependent
7 under the deceased member upon whom the survivor's annuity is
8 based in order to be eligible for coverage under the survivor.

9 Except as otherwise provided in this Act, where spouses
10 ~~husband and wife~~ are both eligible members, each shall be
11 enrolled as a member and coverage on their eligible dependent
12 children, if any, may be under the enrollment and election of
13 either. However, if both spouses are eligible members and are
14 also employees under Article 14 of the Illinois Pension Code,
15 then one spouse and only one spouse may elect to enroll the
16 other spouse in the program of group health benefits as an
17 eligible dependent if:

18 (1) both spouses provide to the Department of Central
19 Management Services, upon the request of the Department of
20 Central Management Services, an attestation that the
21 member and the member's spouse have elected for the spouse
22 to be enrolled as a dependent; and

23 (2) the spouses continue to be married.

24 Upon electing to enroll in the program of group health
25 benefits as an eligible dependent under this paragraph, a
26 member forfeits his or her rights as a member under this Act

1 with respect to the program of group health benefits during
2 the period when that election is in effect.

3 Regardless of other provisions herein regarding late
4 enrollment or other qualifications, as appropriate, the
5 Director may periodically authorize open enrollment periods
6 for each of the benefit programs at which time each member may
7 elect enrollment or change of enrollment without regard to
8 age, sex, health, or other qualification under the conditions
9 as may be prescribed in rules and regulations supplementing
10 this Act. Special open enrollment periods may be declared by
11 the Director for certain members only when special
12 circumstances occur that affect only those members.

13 (d) Eligible members may elect not to participate in the
14 program of health benefits as defined in this Act. The
15 election must be made during the annual benefit choice period
16 or upon showing a qualifying change in status as defined in the
17 U.S. Internal Revenue Code, subject to the conditions in this
18 subsection.

19 (1) (Blank).

20 (2) Members may re-enroll in the Department of Central
21 Management Services program of health benefits upon
22 showing a qualifying change in status, as defined in the
23 U.S. Internal Revenue Code, without evidence of
24 insurability and with no limitations on coverage for
25 pre-existing conditions.

26 (3) Members may also re-enroll in the program of

1 health benefits during any annual benefit choice period,
2 without evidence of insurability.

3 (4) Members who elect not to participate in the
4 program of health benefits shall be furnished a written
5 explanation of the requirements and limitations for the
6 election not to participate in the program and for
7 re-enrolling in the program. The explanation shall also be
8 included in the annual benefit choice options booklets
9 furnished to members.

10 (d-5) Beginning July 1, 2005, the Director may establish a
11 program of financial incentives to encourage annuitants
12 receiving a retirement annuity, but who are not eligible for
13 benefits under the federal Medicare health insurance program
14 (Title XVIII of the Social Security Act, as added by Public Law
15 89-97) to elect not to participate in the program of health
16 benefits provided under this Act. The election by an annuitant
17 not to participate under this program must be made in
18 accordance with the requirements set forth under subsection
19 (d). The financial incentives provided to these annuitants
20 under the program may not exceed \$150 per month for each
21 annuitant electing not to participate in the program of health
22 benefits provided under this Act.

23 (d-6) Beginning July 1, 2013, the Director may establish a
24 program of financial incentives to encourage annuitants with
25 20 or more years of creditable service but who are not eligible
26 for benefits under the federal Medicare health insurance

1 program (Title XVIII of the Social Security Act, as added by
2 Public Law 89-97) to elect not to participate in the program of
3 health benefits provided under this Act. The election by an
4 annuitant not to participate under this program must be made
5 in accordance with the requirements set forth under subsection
6 (d). The program established under this subsection (d-6) may
7 include a prorated incentive for annuitants with fewer than 20
8 years of creditable service, as determined by the Director.
9 The financial incentives provided to these annuitants under
10 this program may not exceed \$500 per month for each annuitant
11 electing not to participate in the program of health benefits
12 provided under this Act.

13 (e) Notwithstanding any other provision of this Act or the
14 rules adopted under this Act, if a person participating in the
15 program of health benefits as the dependent spouse of an
16 eligible member becomes an annuitant, the person may elect, at
17 the time of becoming an annuitant or during any subsequent
18 annual benefit choice period, to continue participation as a
19 dependent rather than as an eligible member for as long as the
20 person continues to be an eligible dependent. In order to be
21 eligible to make such an election, the person must have been
22 enrolled as a dependent under the program of health benefits
23 for no less than one year prior to becoming an annuitant.

24 An eligible member who has elected to participate as a
25 dependent may re-enroll in the program of health benefits as
26 an eligible member (i) during any subsequent annual benefit

1 choice period or (ii) upon showing a qualifying change in
2 status, as defined in the U.S. Internal Revenue Code, without
3 evidence of insurability and with no limitations on coverage
4 for pre-existing conditions.

5 A person who elects to participate in the program of
6 health benefits as a dependent rather than as an eligible
7 member shall be furnished a written explanation of the
8 consequences of electing to participate as a dependent and the
9 conditions and procedures for re-enrolling as an eligible
10 member. The explanation shall also be included in the annual
11 benefit choice options booklet furnished to members.

12 (Source: P.A. 102-19, eff. 7-1-21.)

13 (5 ILCS 375/9) (from Ch. 127, par. 529)

14 Sec. 9. (a) The eligible member shall be responsible for
15 his or her portion of the premiums, charges or other fees for
16 all elected coverages or benefits, which shall be paid by
17 means of the acceptance of a reduction in earnings or the
18 foregoing of an increase in earnings by an employee; provided,
19 however, subject to rules and regulations promulgated by the
20 Department, the eligible member may make personal payment of
21 the premium, charge or fee for any wellness programs
22 implemented under the program of health benefits. All
23 contributions and payments by the eligible members and the
24 State for all elected coverages and benefits shall be
25 deposited in the Health Insurance Reserve Fund. The Department

1 may determine the aggregate level of contribution required
2 under this Section on the basis of actual cost of services
3 adjusted for age, sex or the geographical or other demographic
4 characteristics which affect costs of the benefit.

5 (b) If a member is not entitled to receive any salary,
6 wages or other compensation during a period in which premiums,
7 charges or other fees are due or does not receive compensation
8 sufficient to allow deduction of the required payment of the
9 premium, charge or other fee, such member may continue the
10 contributory benefit in effect by making personal payment of
11 the premium, charge or other fee for the period in such manner,
12 in such amount, and for such duration, as may be prescribed in
13 rules and regulations promulgated for the administration of
14 this Act.

15 (c) If an eligible member elects coverage as a dependent
16 under subsection (c) of Section 8, the premium or charge
17 applicable to dependent coverage shall apply rather than the
18 premium or charge applicable to a member. The Department shall
19 ensure that the State's aggregate contribution for such
20 individual does not exceed the contribution that would have
21 applied had the individual enrolled as a member.

22 (Source: P.A. 91-390, eff. 7-30-99.)

23 (5 ILCS 375/10) (from Ch. 127, par. 530)

24 Sec. 10. Contributions by the State and members.

25 (a) The State shall pay the cost of basic non-contributory

1 group life insurance and, subject to member paid contributions
2 set by the Department or required by this Section and except as
3 provided in this Section, the basic program of group health
4 benefits on each eligible member, except a member, not
5 otherwise covered by this Act, who has retired as a
6 participating member under Article 2 of the Illinois Pension
7 Code but is ineligible for the retirement annuity under
8 Section 2-119 of the Illinois Pension Code, and part of each
9 eligible member's and retired member's premiums for health
10 insurance coverage for enrolled dependents as provided by
11 Section 9. The State shall pay the cost of the basic program of
12 group health benefits only after benefits are reduced by the
13 amount of benefits covered by Medicare for all members and
14 dependents who are eligible for benefits under Social Security
15 or the Railroad Retirement system or who had sufficient
16 Medicare-covered government employment, except that such
17 reduction in benefits shall apply only to those members and
18 dependents who (1) first become eligible for such Medicare
19 coverage on or after July 1, 1992; or (2) are
20 Medicare-eligible members or dependents of a local government
21 unit which began participation in the program on or after July
22 1, 1992; or (3) remain eligible for, but no longer receive
23 Medicare coverage which they had been receiving on or after
24 July 1, 1992. The Department may determine the aggregate level
25 of the State's contribution on the basis of actual cost of
26 medical services adjusted for age, sex or geographic or other

1 demographic characteristics which affect the costs of such
2 programs.

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

15 (a-1) (Blank).

16 (a-2) (Blank).

17 (a-3) (Blank).

18 (a-4) (Blank).

19 (a-5) (Blank).

20 (a-6) (Blank).

21 (a-7) (Blank).

22 (a-8) Any annuitant, survivor, or retired employee may
23 waive or terminate coverage in the program of group health
24 benefits. Any such annuitant, survivor, or retired employee
25 who has waived or terminated coverage may enroll or re-enroll
26 in the program of group health benefits only during the annual

1 benefit choice period, as determined by the Director; except
2 that in the event of termination of coverage due to nonpayment
3 of premiums, the annuitant, survivor, or retired employee may
4 not re-enroll in the program.

5 (a-8.3) Notwithstanding any other provision of this
6 Section, the Department shall not require an employee who is
7 authorized to elect and has elected to become a dependent
8 under subsection (c) of Section 8 to make contributions as a
9 member under this Section during the period when that election
10 is in effect.

11 (a-8.5) Beginning on July 1, 2012 (the effective date of
12 Public Act 97-695), the Director of Central Management
13 Services shall, on an annual basis, determine the amount that
14 the State shall contribute toward the basic program of group
15 health benefits on behalf of annuitants (including individuals
16 who (i) participated in the General Assembly Retirement
17 System, the State Employees' Retirement System of Illinois,
18 the State Universities Retirement System, the Teachers'
19 Retirement System of the State of Illinois, or the Judges
20 Retirement System of Illinois and (ii) qualify as annuitants
21 under subsection (b) of Section 3 of this Act), survivors
22 (including individuals who (i) receive an annuity as a
23 survivor of an individual who participated in the General
24 Assembly Retirement System, the State Employees' Retirement
25 System of Illinois, the State Universities Retirement System,
26 the Teachers' Retirement System of the State of Illinois, or

1 the Judges Retirement System of Illinois and (ii) qualify as
2 survivors under subsection (q) of Section 3 of this Act), and
3 retired employees (as defined in subsection (p) of Section 3
4 of this Act). The remainder of the cost of coverage for each
5 annuitant, survivor, or retired employee, as determined by the
6 Director of Central Management Services, shall be the
7 responsibility of that annuitant, survivor, or retired
8 employee.

9 Contributions required of annuitants, survivors, and
10 retired employees shall be the same for all retirement systems
11 and shall also be based on whether an individual has made an
12 election under Section 15-135.1 of the Illinois Pension Code.
13 Contributions may be based on annuitants', survivors', or
14 retired employees' Medicare eligibility, but may not be based
15 on Social Security eligibility.

16 (a-9) No later than May 1 of each calendar year, the
17 Director of Central Management Services shall certify in
18 writing to the Executive Secretary of the State Employees'
19 Retirement System of Illinois the amounts of the Medicare
20 supplement health care premiums and the amounts of the health
21 care premiums for all other retirees who are not Medicare
22 eligible.

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

25 The Director of Central Management Services shall provide
26 to the Executive Secretary of the State Employees' Retirement

1 System of Illinois such information, statistics, and other
2 data as he or she may require to review the premium amounts
3 certified by the Director of Central Management Services.

4 The Department of Central Management Services, or any
5 successor agency designated to procure health care contracts
6 pursuant to this Act, is authorized to establish funds,
7 separate accounts provided by any bank or banks as defined by
8 the Illinois Banking Act, or separate accounts provided by any
9 savings and loan association or associations as defined by the
10 Illinois Savings and Loan Act of 1985 to be held by the
11 Director, outside the State treasury, for the purpose of
12 receiving the transfer of moneys from the Local Government
13 Health Insurance Reserve Fund. The Department may promulgate
14 rules further defining the methodology for the transfers. Any
15 interest earned by moneys in the funds or accounts shall inure
16 to the Local Government Health Insurance Reserve Fund. The
17 transferred moneys, and interest accrued thereon, shall be
18 used exclusively for transfers to administrative service
19 organizations or their financial institutions for payments of
20 claims to claimants and providers under the self-insurance
21 health plan. The transferred moneys, and interest accrued
22 thereon, shall not be used for any other purpose including,
23 but not limited to, reimbursement of administration fees due
24 the administrative service organization pursuant to its
25 contract or contracts with the Department.

26 (a-10) To the extent that participation, benefits, or

1 premiums under this Act are based on a person's service credit
2 under an Article of the Illinois Pension Code, service credit
3 terminated in exchange for an accelerated pension benefit
4 payment under Section 14-147.5, 15-185.5, or 16-190.5 of that
5 Code shall be included in determining a person's service
6 credit for the purposes of this Act.

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

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

1 accidental disability benefits or retirement benefits through
2 the appropriate State retirement system or benefits under the
3 Workers' Compensation Act or the Workers' Occupational
4 Diseases Act.

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

11 (e) Where the person is in non-pay status for a period in
12 excess of 30 days or on leave of absence, other than by reason
13 of disability, educational or sabbatical leave, or military
14 leave, such person may continue coverage only by making
15 personal payment equal to the amount normally contributed by
16 the State on such person's behalf. Such payments and coverage
17 may be continued: (1) until such time as the person returns to
18 a status eligible for coverage at State expense, but not to
19 exceed 24 months or (2) until such person's employment or
20 annuitant status with the State is terminated (exclusive of
21 any additional service imposed pursuant 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 Public Act 91-617.

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

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

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

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

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

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

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

26 (j) Any rehabilitation facility within the State of

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

1 transmission of dependent premiums.

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

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

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

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

21 (k) Any domestic violence shelter or service within the
22 State of Illinois may apply to the Director to have its
23 employees, annuitants, and their dependents provided group
24 health coverage under this Act on a non-insured basis. To
25 participate, a domestic violence shelter or service must agree
26 to enroll all of its employees and pay the entire cost of

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

22 The Director shall annually determine rates of payment,
23 subject to the following constraints:

24 (1) In the first year of coverage, the rates shall be
25 equal to the amount normally charged to State employees
26 for elected optional coverages or for enrolled dependents

1 coverages or other contributory coverages on behalf of its
2 employees, adjusted for differences between State
3 employees and employees of the domestic violence shelter
4 or service in age, sex, geographic location or other
5 relevant demographic variables, plus an amount sufficient
6 to pay for the additional administrative costs of
7 providing coverage to employees of the domestic violence
8 shelter or service and their dependents.

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

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

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

1 The Director shall annually determine monthly rates of
2 payment subject to the following constraints: for those
3 community colleges with annuitants only enrolled, first year
4 rates shall be equal to the average cost to cover claims for a
5 State member adjusted for demographics, Medicare
6 participation, and other factors; and in the second year, a
7 further adjustment of rates shall be made to reflect the
8 actual first year's claims experience of the covered
9 annuitants.

10 (1-5) The provisions of subsection (1) become inoperative
11 on July 1, 1999.

12 (m) The Director shall adopt any rules deemed necessary
13 for implementation of this amendatory Act of 1989 (Public Act
14 86-978).

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

1 plan and (2) at least 50% of the employees are enrolled and the
2 child advocacy center remits the entire cost of providing
3 coverage to those employees. Employees of a participating
4 child advocacy center who are not enrolled due to coverage
5 under another group health policy or plan may enroll in the
6 event of a qualifying change in status, special enrollment, or
7 special circumstance as defined by the Director or during the
8 annual benefit choice period. A participating child advocacy
9 center may also elect to cover its annuitants. Dependent
10 coverage shall be offered on an optional basis, with the costs
11 paid by the child advocacy center, its employees, or some
12 combination of the 2 as determined by the child advocacy
13 center. The child advocacy center shall be responsible for
14 timely collection and transmission of dependent premiums.

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

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

1 their dependents.

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

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

8 (Source: P.A. 104-417, eff. 8-15-25.)