



Sen. Doris Turner

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10200SB3197sam001

LRB102 25208 RJF 35759 a

1 AMENDMENT TO SENATE BILL 3197

2 AMENDMENT NO. _____. Amend Senate Bill 3197 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of
5 1971 is amended by changing Section 3 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 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 or who meets the criteria
8 for retirement, but in lieu of receiving an annuity under that
9 Article has elected to receive an accelerated pension benefit
10 payment under Section 14-147.5 of that Article), 15 (including
11 an employee who has retired under the optional retirement
12 program established under Section 15-158.2 or who meets the
13 criteria for retirement but in lieu of receiving an annuity
14 under that Article has elected to receive an accelerated
15 pension benefit payment under Section 15-185.5 of the
16 Article), ~~paragraph paragraphs~~ (2), (3), or (5) of Section
17 16-106 (including an employee who meets the criteria for
18 retirement, but in lieu of receiving an annuity under that
19 Article has elected to receive an accelerated pension benefit
20 payment under Section 16-190.5 of the Illinois Pension Code),
21 or Article 18 of the Illinois Pension Code; (2) any person who
22 was receiving group insurance coverage under this Act as of
23 March 31, 1978 by reason of his status as an annuitant, even
24 though the annuity in relation to which such coverage was
25 provided is a proportional annuity based on less than the
26 minimum period of service required for a retirement annuity in

1 the system involved; (3) any person not otherwise covered by
2 this Act who has retired as a participating member under
3 Article 2 of the Illinois Pension Code but is ineligible for
4 the retirement annuity under Section 2-119 of the Illinois
5 Pension Code; (4) the spouse of any person who is receiving a
6 retirement annuity under Article 18 of the Illinois Pension
7 Code and who is covered under a group health insurance program
8 sponsored by a governmental employer other than the State of
9 Illinois and who has irrevocably elected to waive his or her
10 coverage under this Act and to have his or her spouse
11 considered as the "annuitant" under this Act and not as a
12 "dependent"; or (5) an employee who retires, or has retired,
13 from a qualified position, as determined according to rules
14 promulgated by the Director, under a qualified local
15 government, a qualified rehabilitation facility, a qualified
16 domestic violence shelter or service, or a qualified child
17 advocacy center. (For definition of "retired employee", see
18 (p) post).

19 (b-5) (Blank).

20 (b-6) (Blank).

21 (b-7) (Blank).

22 (c) "Carrier" means (1) an insurance company, a
23 corporation organized under the Limited Health Service
24 Organization Act or the Voluntary Health Services Plans Act, a
25 partnership, or other nongovernmental organization, which is
26 authorized to do group life or group health insurance business

1 in Illinois, or (2) the State of Illinois as a self-insurer.

2 (d) "Compensation" means salary or wages payable on a
3 regular payroll by the State Treasurer on a warrant of the
4 State Comptroller out of any State, trust or federal fund, or
5 by the Governor of the State through a disbursing officer of
6 the State out of a trust or out of federal funds, or by any
7 Department out of State, trust, federal or other funds held by
8 the State Treasurer or the Department, to any person for
9 personal services currently performed, and ordinary or
10 accidental disability benefits under Articles 2, 14, 15
11 (including ordinary or accidental disability benefits under
12 the optional retirement program established under Section
13 15-158.2), paragraph ~~paragraphs~~ (2), (3), or (5) of Section
14 16-106, or Article 18 of the Illinois Pension Code, for
15 disability incurred after January 1, 1966, or benefits payable
16 under the Workers' Compensation or Occupational Diseases Act
17 or benefits payable under a sick pay plan established in
18 accordance with Section 36 of the State Finance Act.
19 "Compensation" also means salary or wages paid to an employee
20 of any qualified local government, qualified rehabilitation
21 facility, qualified domestic violence shelter or service, or
22 qualified child advocacy center.

23 (e) "Commission" means the State Employees Group Insurance
24 Advisory Commission authorized by this Act. Commencing July 1,
25 1984, "Commission" as used in this Act means the Commission on
26 Government Forecasting and Accountability as established by

1 the Legislative Commission Reorganization Act of 1984.

2 (f) "Contributory", when referred to as contributory
3 coverage, shall mean optional coverages or benefits elected by
4 the member toward the cost of which such member makes
5 contribution, or which are funded in whole or in part through
6 the acceptance of a reduction in earnings or the foregoing of
7 an increase in earnings by an employee, as distinguished from
8 noncontributory coverage or benefits which are paid entirely
9 by the State of Illinois without reduction of the member's
10 salary.

11 (g) "Department" means any department, institution, board,
12 commission, officer, court or any agency of the State
13 government receiving appropriations and having power to
14 certify payrolls to the Comptroller authorizing payments of
15 salary and wages against such appropriations as are made by
16 the General Assembly from any State fund, or against trust
17 funds held by the State Treasurer and includes boards of
18 trustees of the retirement systems created by Articles 2, 14,
19 15, 16, and 18 of the Illinois Pension Code. "Department" also
20 includes the Illinois Comprehensive Health Insurance Board,
21 the Board of Examiners established under the Illinois Public
22 Accounting Act, and the Illinois Finance Authority.

23 (h) "Dependent", when the term is used in the context of
24 the health and life plan, means a member's spouse and any child
25 (1) from birth to age 26 including an adopted child, a child
26 who lives with the member from the time of the placement for

1 adoption until entry of an order of adoption, a stepchild or
2 adjudicated child, or a child who lives with the member if such
3 member is a court appointed guardian of the child or (2) age 19
4 or over who has a mental or physical disability from a cause
5 originating prior to the age of 19 (age 26 if enrolled as an
6 adult child dependent). For the health plan only, the term
7 "dependent" also includes (1) any person enrolled prior to the
8 effective date of this Section who is dependent upon the
9 member to the extent that the member may claim such person as a
10 dependent for income tax deduction purposes and (2) any person
11 who has received after June 30, 2000 an organ transplant and
12 who is financially dependent upon the member and eligible to
13 be claimed as a dependent for income tax purposes. A member
14 requesting to cover any dependent must provide documentation
15 as requested by the Department of Central Management Services
16 and file with the Department any and all forms required by the
17 Department.

18 (i) "Director" means the Director of the Illinois
19 Department of Central Management Services.

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

23 (k) "Employee" means and includes each officer or employee
24 in the service of a department who (1) receives his
25 compensation for service rendered to the department on a
26 warrant issued pursuant to a payroll certified by a department

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

1 Articles 2, 14, 15 (including ordinary or accidental
2 disability benefits under the optional retirement program
3 established under Section 15-158.2), ~~paragraph paragraphs~~ (2),
4 (3), or (5) of Section 16-106, or Article 18 of the Illinois
5 Pension Code, for disability incurred after January 1, 1966,
6 (2) receives total permanent or total temporary disability
7 under the Workers' Compensation Act or Occupational Disease
8 Act as a result of injuries sustained or illness contracted in
9 the course of employment with the State of Illinois, or (3) is
10 not otherwise covered under this Act and has retired as a
11 participating member under Article 2 of the Illinois Pension
12 Code but is ineligible for the retirement annuity under
13 Section 2-119 of the Illinois Pension Code. However, a person
14 who satisfies the criteria of the foregoing definition of
15 "employee" except that such person is made ineligible to
16 participate in the State Universities Retirement System by
17 clause (4) of subsection (a) of Section 15-107 of the Illinois
18 Pension Code is also an "employee" for the purposes of this
19 Act. "Employee" also includes any person receiving or eligible
20 for benefits under a sick pay plan established in accordance
21 with Section 36 of the State Finance Act. "Employee" also
22 includes (i) each officer or employee in the service of a
23 qualified local government, including persons appointed as
24 trustees of sanitary districts regardless of hours devoted to
25 the service of the sanitary district, (ii) each employee in
26 the service of a qualified rehabilitation facility, (iii) each

1 full-time employee in the service of a qualified domestic
2 violence shelter or service, and (iv) each full-time employee
3 in the service of a qualified child advocacy center, as
4 determined according to rules promulgated by the Director.

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

21 In the case of a survivor who is entitled to occupational
22 death benefits pursuant to the deceased employee's applicable
23 retirement system and first becomes a survivor on or after
24 January 1, 2022, the survivor is eligible for group health
25 insurance benefits regardless of the deceased employee's
26 minimum vesting requirements under the applicable retirement

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

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

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

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

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

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

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

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).

19 (q-6) (Blank).

20 (q-7) (Blank).

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

24 (s) "Unit of local government" means any county,
25 municipality, township, school district (including a
26 combination of school districts under the Intergovernmental

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

25 (t) "Qualified rehabilitation facility" means any
26 not-for-profit organization that is accredited by the

1 Commission on Accreditation of Rehabilitation Facilities or
2 certified by the Department of Human Services (as successor to
3 the Department of Mental Health and Developmental
4 Disabilities) to provide services to persons with disabilities
5 and which receives funds from the State of Illinois for
6 providing those services, approved by the Director and
7 participating in a program created under subsection (j) of
8 Section 10 of this Act.

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

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

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

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

24 (3) either (i) has at least 8 years of creditable
25 service under Article 16 of the Illinois Pension Code, or
26 (ii) was enrolled in the health insurance program offered

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

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

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

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

22 "TRS dependent beneficiary" does not include, as indicated
23 under paragraph (2) of this subsection (w), a dependent of the
24 survivor of a TRS benefit recipient who first becomes a
25 dependent of a survivor of a TRS benefit recipient on or after
26 January 13, 2012 (the effective date of Public Act 97-668)

1 unless that dependent would have been eligible for coverage as
2 a dependent of the deceased TRS benefit recipient upon whom
3 the survivor benefit is based.

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

9 (y) (Blank).

10 (z) "Community college benefit recipient" means a person
11 who:

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

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

21 (3) either (i) was a full-time employee of a community
22 college district or an association of community college
23 boards created under the Public Community College Act
24 (other than an employee whose last employer under Article
25 15 of the Illinois Pension Code was a community college
26 district subject to Article VII of the Public Community

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

8 (aa) "Community college dependent beneficiary" means a
9 person who:

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

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

20 "Community college dependent beneficiary" does not
21 include, as indicated under paragraph (2) of this subsection
22 (aa), a dependent of the survivor of a community college
23 benefit recipient who first becomes a dependent of a survivor
24 of a community college benefit recipient on or after January
25 13, 2012 (the effective date of Public Act 97-668) unless that
26 dependent would have been eligible for coverage as a dependent

1 of the deceased community college benefit recipient upon whom
2 the survivor annuity is based.

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

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

14 (Source: P.A. 101-242, eff. 8-9-19; 102-558, eff. 8-20-21;
15 revised 12-2-21.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law."