



Sen. Chapin Rose

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10300SB1125sam001

LRB103 05563 DTM 58535 a

1 AMENDMENT TO SENATE BILL 1125

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1125 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 6.9 as follows:

6 (5 ILCS 375/6.9)

7 Sec. 6.9. Health benefits for community college benefit  
8 recipients and community college dependent beneficiaries.

9 (a) Purpose. It is the purpose of this amendatory Act of  
10 1997 to establish a uniform program of health benefits for  
11 community college benefit recipients and their dependent  
12 beneficiaries under the administration of the Department of  
13 Central Management Services.

14 (b) Creation of program. Beginning July 1, 1999, the  
15 Department of Central Management Services shall be responsible  
16 for administering a program of health benefits for community

1 college benefit recipients and community college dependent  
2 beneficiaries under this Section. The State Universities  
3 Retirement System and the boards of trustees of the various  
4 community college districts shall cooperate with the  
5 Department in this endeavor.

6 (c) Eligibility. All community college benefit recipients  
7 and community college dependent beneficiaries shall be  
8 eligible to participate in the program established under this  
9 Section, without any interruption or delay in coverage or  
10 limitation as to pre-existing medical conditions. Eligibility  
11 to participate shall be determined by the State Universities  
12 Retirement System. Eligibility information shall be  
13 communicated to the Department of Central Management Services  
14 in a format acceptable to the Department.

15 Eligible community college benefit recipients may enroll  
16 or re-enroll in the program of health benefits established  
17 under this Section during any applicable annual open  
18 enrollment period and as otherwise permitted by the Department  
19 of Central Management Services. A community college benefit  
20 recipient shall not be deemed ineligible to participate solely  
21 by reason of the community college benefit recipient having  
22 made a previous election to disenroll or otherwise not  
23 participate in the program of health benefits.

24 (d) Coverage. The health benefit coverage provided under  
25 this Section shall be a program of health, dental, and vision  
26 benefits.

1           The program of health benefits under this Section may  
2 include any or all of the benefit limitations, including but  
3 not limited to a reduction in benefits based on eligibility  
4 for federal Medicare benefits, that are provided under  
5 subsection (a) of Section 6 of this Act for other health  
6 benefit programs under this Act. The Director shall also  
7 provide community college benefit recipients the option to  
8 decline dental coverage under this Act for themselves and  
9 their dependent beneficiaries.

10           (e) Insurance rates and premiums. The Director shall  
11 determine the insurance rates and premiums for community  
12 college benefit recipients and community college dependent  
13 beneficiaries. Rates and premiums may be based in part on age  
14 and eligibility for federal Medicare coverage. The Director  
15 shall also determine premiums that will allow for the  
16 establishment of an actuarially sound reserve for this  
17 program.

18           The cost of health benefits under the program shall be  
19 paid as follows:

20           (1) For a community college benefit recipient, up to  
21 75% of the total insurance rate shall be paid from the  
22 Community College Health Insurance Security Fund.

23           (2) The balance of the rate of insurance, including  
24 the entire premium for any coverage for community college  
25 dependent beneficiaries that has been elected, shall be  
26 paid by deductions authorized by the community college

1 benefit recipient to be withheld from his or her monthly  
2 annuity or benefit payment from the State Universities  
3 Retirement System; except that (i) if the balance of the  
4 cost of coverage exceeds the amount of the monthly annuity  
5 or benefit payment, the difference shall be paid directly  
6 to the State Universities Retirement System by the  
7 community college benefit recipient, and (ii) all or part  
8 of the balance of the cost of coverage may, at the option  
9 of the board of trustees of the community college  
10 district, be paid to the State Universities Retirement  
11 System by the board of the community college district from  
12 which the community college benefit recipient retired. The  
13 State Universities Retirement System shall promptly  
14 deposit all moneys withheld by or paid to it under this  
15 subdivision (e)(2) into the Community College Health  
16 Insurance Security Fund. These moneys shall not be  
17 considered assets of the State Universities Retirement  
18 System.

19 (f) Financing. All revenues arising from the  
20 administration of the health benefit program established under  
21 this Section shall be deposited into the Community College  
22 Health Insurance Security Fund, which is hereby created as a  
23 nonappropriated trust fund to be held outside the State  
24 Treasury, with the State Treasurer as custodian. Any interest  
25 earned on moneys in the Community College Health Insurance  
26 Security Fund shall be deposited into the Fund.

1 Moneys in the Community College Health Insurance Security  
2 Fund shall be used only to pay the costs of the health benefit  
3 program established under this Section, including associated  
4 administrative costs and the establishment of a program  
5 reserve. Beginning January 1, 1999, the Department of Central  
6 Management Services may make expenditures from the Community  
7 College Health Insurance Security Fund for those costs.

8 (g) Contract for benefits. The Director shall by contract,  
9 self-insurance, or otherwise make available the program of  
10 health benefits for community college benefit recipients and  
11 their community college dependent beneficiaries that is  
12 provided for in this Section. The contract or other  
13 arrangement for the provision of these health benefits shall  
14 be on terms deemed by the Director to be in the best interest  
15 of the State of Illinois and the community college benefit  
16 recipients based on, but not limited to, such criteria as  
17 administrative cost, service capabilities of the carrier or  
18 other contractor, and the costs of the benefits.

19 (h) Continuation of program. It is the intention of the  
20 General Assembly that the program of health benefits provided  
21 under this Section be maintained on an ongoing, affordable  
22 basis. The program of health benefits provided under this  
23 Section may be amended by the State and is not intended to be a  
24 pension or retirement benefit subject to protection under  
25 Article XIII, Section 5 of the Illinois Constitution.

26 (i) Other health benefit plans. A health benefit plan

1 provided by a community college district (other than a  
2 community college district subject to Article VII of the  
3 Public Community College Act) under the terms of a collective  
4 bargaining agreement in effect on or prior to the effective  
5 date of this amendatory Act of 1997 shall continue in force  
6 according to the terms of that agreement, unless otherwise  
7 mutually agreed by the parties to that agreement and the  
8 affected retiree. A community college benefit recipient or  
9 community college dependent beneficiary whose coverage under  
10 such a plan expires shall be eligible to begin participating  
11 in the program established under this Section without any  
12 interruption or delay in coverage or limitation as to  
13 pre-existing medical conditions.

14 This Act does not prohibit any community college district  
15 from offering additional health benefits for its retirees or  
16 their dependents or survivors.

17 (Source: P.A. 100-1017, eff. 8-21-18.)".