

# SB3310



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB3310

Introduced 2/10/2010, by Sen. Larry K. Bomke

#### SYNOPSIS AS INTRODUCED:

5 ILCS 375/10

from Ch. 127, par. 530

Amends the State Employees Group Insurance Act of 1971. Provides that the State shall pay the cost of dental benefits at the same rate that the State paid for such benefits prior to October 1, 2009 on each member who is a retiree or survivor. Effective immediately.

LRB096 16328 RPM 31590 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 Section 10 as follows:

6 (5 ILCS 375/10) (from Ch. 127, par. 530)

7 Sec. 10. Payments by State; premiums.

8 (a) The State shall pay the cost of basic non-contributory  
9 group life insurance and, subject to member paid contributions  
10 set by the Department or required by this Section, the basic  
11 program of group health benefits on each eligible member,  
12 except a member, not otherwise covered by this Act, who has  
13 retired as a participating member under Article 2 of the  
14 Illinois Pension Code but is ineligible for the retirement  
15 annuity under Section 2-119 of the Illinois Pension Code, and  
16 part of each eligible member's and retired member's premiums  
17 for health insurance coverage for enrolled dependents as  
18 provided by Section 9. The State shall pay the cost of the  
19 basic program of group health benefits only after benefits are  
20 reduced by the amount of benefits covered by Medicare for all  
21 members and dependents who are eligible for benefits under  
22 Social Security or the Railroad Retirement system or who had  
23 sufficient Medicare-covered government employment, except that

1 such reduction in benefits shall apply only to those members  
2 and dependents who (1) first become eligible for such Medicare  
3 coverage on or after July 1, 1992; or (2) are Medicare-eligible  
4 members or dependents of a local government unit which began  
5 participation in the program on or after July 1, 1992; or (3)  
6 remain eligible for, but no longer receive Medicare coverage  
7 which they had been receiving on or after July 1, 1992. The  
8 Department may determine the aggregate level of the State's  
9 contribution on the basis of actual cost of medical services  
10 adjusted for age, sex or geographic or other demographic  
11 characteristics which affect the costs of such programs.

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

23 (a-1) Beginning January 1, 1998, for each person who  
24 becomes a new SERS annuitant and participates in the basic  
25 program of group health benefits, the State shall contribute  
26 toward the cost of the annuitant's coverage under the basic

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

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

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

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

19 (a-4) (Blank).

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

1 Retirement System on the date of death, up to a maximum of 100%  
2 for a survivor of an employee or annuitant with 20 or more  
3 years of creditable service. The remainder of the cost of the  
4 new SURS survivor's coverage under the basic program of group  
5 health benefits shall be the responsibility of the survivor.

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

21 (a-7) Beginning July 1, 1998, for each person who becomes a  
22 new TRS State survivor and participates in the basic program of  
23 group health benefits, the State shall contribute toward the  
24 cost of the survivor's coverage under the basic program of  
25 group health benefits an amount equal to 5% of that cost for  
26 each full year of the deceased employee's or deceased

1 annuitant's creditable service as a teacher as defined in  
2 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
3 Pension Code on the date of death, up to a maximum of 100%;  
4 except that the State contribution shall be 12.5% per year  
5 (rather than 5%) for each full year of the deceased employee's  
6 or deceased annuitant's creditable service as a regional  
7 superintendent or assistant regional superintendent of  
8 schools. The remainder of the cost of the new TRS State  
9 survivor's coverage under the basic program of group health  
10 benefits shall be the responsibility of the survivor.

11 (a-8) A new SERS annuitant, new SERS survivor, new SURS  
12 annuitant, new SURS survivor, new TRS State annuitant, or new  
13 TRS State survivor may waive or terminate coverage in the  
14 program of group health benefits. Any such annuitant or  
15 survivor who has waived or terminated coverage may enroll or  
16 re-enroll in the program of group health benefits only during  
17 the annual benefit choice period, as determined by the  
18 Director; except that in the event of termination of coverage  
19 due to nonpayment of premiums, the annuitant or survivor may  
20 not re-enroll in the program.

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

1 eligible.

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

4 The Director of Central Management Services shall provide  
5 to the Executive Secretary of the State Employees' Retirement  
6 System of Illinois such information, statistics, and other data  
7 as he or she may require to review the premium amounts  
8 certified by the Director of Central Management Services.

9 The Department of Healthcare and Family Services, or any  
10 successor agency designated to procure healthcare contracts  
11 pursuant to this Act, is authorized to establish funds,  
12 separate accounts provided by any bank or banks as defined by  
13 the Illinois Banking Act, or separate accounts provided by any  
14 savings and loan association or associations as defined by the  
15 Illinois Savings and Loan Act of 1985 to be held by the  
16 Director, outside the State treasury, for the purpose of  
17 receiving the transfer of moneys from the Local Government  
18 Health Insurance Reserve Fund. The Department may promulgate  
19 rules further defining the methodology for the transfers. Any  
20 interest earned by moneys in the funds or accounts shall inure  
21 to the Local Government Health Insurance Reserve Fund. The  
22 transferred moneys, and interest accrued thereon, shall be used  
23 exclusively for transfers to administrative service  
24 organizations or their financial institutions for payments of  
25 claims to claimants and providers under the self-insurance  
26 health plan. The transferred moneys, and interest accrued



1 thereon, shall not be used for any other purpose including, but  
2 not limited to, reimbursement of administration fees due the  
3 administrative service organization pursuant to its contract  
4 or contracts with the Department.

5 (a-10) Notwithstanding any provision of law to the  
6 contrary, beginning on the effective date of this amendatory  
7 Act of the 96th General Assembly, the State shall pay the cost  
8 of dental benefits at the same rate that the State paid for  
9 such benefits prior to October 1, 2009 on each member who is a  
10 retiree or survivor.

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

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

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

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

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

1 benefits (exclusive of any additional service imposed pursuant  
2 to law).

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

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

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

1 an employee pursuant to this Act or such person's appointment  
2 is terminated.

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

1 must have enrolled at least 50% of its full-time employees who  
2 have not waived coverage under the district's group health plan  
3 by participating in a component of the district's cafeteria  
4 plan. A participating school district is not required to enroll  
5 a full-time employee who has waived coverage under the  
6 district's health plan, provided that an appropriate official  
7 from the participating school district attests that the  
8 full-time employee has waived coverage by participating in a  
9 component of the district's cafeteria plan. For the purposes of  
10 this subsection, "participating school district" includes a  
11 unit of local government whose primary purpose is education as  
12 defined by the Department's rules.

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

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

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

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

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

1           Monthly payments by the unit of local government or its  
2 employees for group health benefits plan or health maintenance  
3 organization coverage shall be deposited in the Local  
4 Government Health Insurance Reserve Fund.

5           The Local Government Health Insurance Reserve Fund is  
6 hereby created as a nonappropriated trust fund to be held  
7 outside the State Treasury, with the State Treasurer as  
8 custodian. The Local Government Health Insurance Reserve Fund  
9 shall be a continuing fund not subject to fiscal year  
10 limitations. All revenues arising from the administration of  
11 the health benefits program established under this Section  
12 shall be deposited into the Local Government Health Insurance  
13 Reserve Fund. Any interest earned on moneys in the Local  
14 Government Health Insurance Reserve Fund shall be deposited  
15 into the Fund. All expenditures from this Fund shall be used  
16 for payments for health care benefits for local government and  
17 rehabilitation facility employees, annuitants, and dependents,  
18 and to reimburse the Department or its administrative service  
19 organization for all expenses incurred in the administration of  
20 benefits. No other State 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 all  
5 of its employees and remit the entire cost of providing such  
6 coverage for its employees, except that the rehabilitation  
7 facility shall not be required to enroll those of its employees  
8 who are covered spouses or dependents under this plan or  
9 another group policy or plan providing health benefits as long  
10 as (1) an appropriate official from the rehabilitation facility  
11 attests that each employee not enrolled is a covered spouse or  
12 dependent under this plan or another group policy or plan, and  
13 (2) at least 50% of the employees are enrolled and the  
14 rehabilitation facility remits the entire cost of providing  
15 coverage to those employees. Employees of a participating  
16 rehabilitation facility who are not enrolled due to coverage  
17 under another group health policy or plan may enroll in the  
18 event of a qualifying change in status, special enrollment,  
19 special circumstance as defined by the Director, or during the  
20 annual Benefit Choice Period. A participating rehabilitation  
21 facility may also elect to cover its annuitants. Dependent  
22 coverage shall be offered on an optional basis, with the costs  
23 paid by the rehabilitation facility, its employees, or some  
24 combination of the 2 as determined by the rehabilitation  
25 facility. The rehabilitation facility shall be responsible for  
26 timely collection and transmission of dependent premiums.



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

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

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

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

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

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

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

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

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

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

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

26 The Director shall annually determine monthly rates of

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

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

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

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

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

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

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

26 (2) In subsequent years, a further adjustment shall be

1           made to reflect the actual prior years' claims experience  
2           of the employees of the child advocacy center.

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

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

8           Section 99. Effective date. This Act takes effect upon  
9 becoming law.