

SB0783



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB0783

Introduced 2/4/2015, by Sen. Michael E. Hastings

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-142.1

from Ch. 108 1/2, par. 17-142.1

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that the Board of the Fund shall have the option of administering the health insurance program, in whole or in part, if deemed to be the most efficient method of providing retiree health insurance. Effective immediately.

LRB099 07477 EFG 27599 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 17-142.1 as follows:

6 (40 ILCS 5/17-142.1) (from Ch. 108 1/2, par. 17-142.1)
7 Sec. 17-142.1. Health insurance.

8 (a) To defray health insurance costs. To provide for the
9 partial reimbursement of health insurance costs.

10 (1) On the first day of September of each year,
11 beginning in 1988, the Board may, by separate warrant, pay
12 to each recipient of a service retirement, disability
13 retirement or survivor's pension an amount to be determined
14 by the Board, which shall represent partial reimbursement
15 for the cost of the recipient's health insurance coverage.

16 (2) In lieu of the annual payment authorized in
17 subdivision (1), for pensioners enrolled in the Fund's
18 regular health care deduction plans, the Fund may pay the
19 health insurance premium reimbursement on a monthly rather
20 than annual basis, at the percentage rate established from
21 time to time by the Board. If the Board so directs, these
22 monthly payments may be made in the form of a direct
23 payment of premium and a reduction in the amount deducted

1 from the annuity, rather than in the form of reimbursement
2 by separate warrant.

3 (3) Total payments under this Section in any year may
4 not exceed \$65,000,000 plus any amount that was authorized
5 to be paid under this Section in the preceding year but was
6 not actually paid by the Board, including any interest
7 earned thereon.

8 (4) The total amount of payments under this Section in
9 any year may not exceed 75% of the total cost of health
10 insurance coverage in that year for all the recipients who
11 receive payments authorized by this Section in that year.

12 (b) To administer the retiree health insurance program. The
13 Board of the Fund shall have the option of administering the
14 health insurance program, in whole or in part, if deemed to be
15 the most efficient method of providing retiree health
16 insurance.

17 (Source: P.A. 93-677, eff. 6-28-04.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.