

1 AMENDMENT TO SENATE BILL 1859

2 AMENDMENT NO. _____. Amend Senate Bill 1859 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 8 as follows:

6 (5 ILCS 375/8) (from Ch. 127, par. 528)

7 Sec. 8. Eligibility.

8 (a) Each member eligible under the provisions of this
9 Act and any rules and regulations promulgated and adopted
10 hereunder by the Director shall become immediately eligible
11 and covered for all benefits available under the programs.
12 Members electing coverage for eligible dependents shall have
13 the coverage effective immediately, provided that the
14 election is properly filed in accordance with required filing
15 dates and procedures specified by the Director.

16 (1) Every member originally eligible to elect
17 dependent coverage, but not electing it during the
18 original eligibility period, may subsequently obtain
19 dependent coverage only in the event of a qualifying
20 change in status, special enrollment, special
21 circumstance as defined by the Director, or during the
22 annual Benefit Choice Period.

1 (2) Members described above being transferred from
2 previous coverage towards which the State has been
3 contributing shall be transferred regardless of
4 preexisting conditions, waiting periods, or other
5 requirements that might jeopardize claim payments to
6 which they would otherwise have been entitled.

7 (3) Eligible and covered members that are eligible
8 for coverage as dependents except for the fact of being
9 members shall be transferred to, and covered under,
10 dependent status regardless of preexisting conditions,
11 waiting periods, or other requirements that might
12 jeopardize claim payments to which they would otherwise
13 have been entitled upon cessation of member status and
14 the election of dependent coverage by a member eligible
15 to elect that coverage.

16 (b) New employees shall be immediately insured for the
17 basic group life insurance and covered by the program of
18 health benefits on the first day of active State service.
19 Optional coverages or benefits, if elected during the
20 relevant eligibility period, will become effective on the
21 date of employment. Optional coverages or benefits applied
22 for after the eligibility period will be effective, subject
23 to satisfactory evidence of insurability when applicable, or
24 other necessary qualifications, pursuant to the requirements
25 of the applicable benefit program, unless there is a change
26 in status that would confer new eligibility for change of
27 enrollment under rules established supplementing this Act, in
28 which event application must be made within the new
29 eligibility period.

30 (c) As to the group health benefits program contracted
31 to begin or continue after June 30, 1973, each retired
32 employee shall become immediately eligible and covered for
33 all benefits available under that program. Retired employees
34 may 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.

4 Where husband and wife are both eligible members, each
5 shall be enrolled as a member and coverage on their eligible
6 dependent children, if any, may be under the enrollment and
7 election of either.

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

18 (d) Beginning with fiscal year 2003 and for all
19 subsequent years, eligible employees may elect not to
20 participate in the program of health benefits as defined in
21 this Act. The election must be made during the annual
22 benefit choice period, subject to the conditions in this
23 subsection.

24 (1) Employees must furnish proof of health benefit
25 coverage, either comprehensive major medical coverage or
26 comprehensive managed care plan, from a source other than
27 the Department of Central Management Services in order to
28 elect not to participate in the program.

29 (2) Employees may re-enroll in the Department of
30 Central Management Services program of health benefits
31 upon showing a qualifying change in status, as defined in
32 the U.S. Internal Revenue Code, without evidence of
33 insurability and with no limitations on coverage for
34 pre-existing conditions, provided that there was not a

1 break in coverage of more than 63 days.

2 (3) Employees may also re-enroll in the program of
3 health benefits during any annual benefit choice period,
4 without evidence of insurability.

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

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

13 Section 99. Effective date. This Act takes effect upon
14 becoming law."