



State of Illinois  
Central Management Services  
Bureau of Benefits

Revised January 2019

# Benefits Handbook



State of Illinois Employees

July 1, 2018

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# Introduction

## Your Group Insurance Benefits

Your benefits are a very important part of your compensation package as a State of Illinois employee. **Please read this handbook carefully as it contains vital information about your benefits.**

The Bureau of Benefits within the Department of Central Management Services (Department) is the bureau that administers the State Employees Group Insurance Program (Program) as set forth in the State Employees Group Insurance Act of 1971 (Act). You have the opportunity to review your choices and change your coverage for each plan year during the annual Benefit Choice Period. If a qualifying change in status occurs, you may be allowed to make a change to your coverage that is consistent with the qualifying event. See the section 'Enrollment Periods' for more information.

## MyBenefits Service Center (MBSC)

The MyBenefits Service Center (MBSC) is a custom benefits solution service provider for the Department. The MBSC will manage the detailed enrollment process of member benefits through online technical support via the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website and telephonic support via the MyBenefits Service Center 844-251-1777. The MBSC is now the member's primary contact for answering general questions you may have about your eligibility for coverage and to assist you in enrolling or changing the benefits you have selected.

## Group Insurance Representative (GIR)

A Group Insurance Representative (GIR) is your employing agency's liaison to the Department. Every State agency has a GIR. Some of the larger agencies also have Group Insurance Preparers (GIP) who may assist the GIR with your insurance needs. GIRs and GIPs continue to be valuable resources concerning policies and rules set forth by CMS regarding members' benefits and eligibility as well as ensuring the successful enrollment process of the member.

To identify your GIR, call your agency personnel office or visit [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov). If you have a change of address, or are on leave of absence, contact your employing agency GIR. If you are on an extended disability leave, your GIR may be located at your retirement system office. If you have terminated State service and are continuing coverage under COBRA, contact the MBSC Service Center.

## Where To Get Additional Information

***If you have questions after reviewing this book, please refer to the following:***

- ◆ The Department's website contains the most up-to-date

information regarding benefits and links to plan administrators' websites. Visit [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) for information.

- ◆ Annual Benefit Choice Options booklet. This booklet contains the most current information regarding changes for the plan year. Visit [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) to view the booklet.
- ◆ Each individual plan administrator can provide you with specific information regarding plan coverage inclusions/exclusions.
- ◆ The MyBenefits Service Center (MBSC) can answer general benefits questions or refer you to the appropriate resource for assistance. MBSC can be reached at:

**MyBenefits Service Center**  
134 N. LaSalle Street, Suite 2200, Chicago, IL 60602  
844-251-1777 or TDD/TTY: 844-251-1778  
[MyBenefits.illinois.gov](http://MyBenefits.illinois.gov)

- ◆ The Department will continue to assist members on Leaves of Absence, members eligible for Medicare, with questions regarding eligibility policies and rules as well as answer your benefit questions or refer you to the appropriate resource for assistance. The Group Insurance Division can be reached at:

**DCMS Group Insurance Division**  
801 S. 7th Street, P.O. Box 19208  
Springfield, IL 62794-9208  
800-442-1300 or 217-782-2548  
TDD/TTY: 800-526-0844

## ID Cards

The plan administrators produce ID cards at the time of enrollment. Cards are mailed to the employee's current address on file with the Bureau of Benefits. To obtain additional cards, contact the plan administrator. Links to the plan administrators' websites can be found at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov).

## Health Insurance Portability and Accountability Act (HIPAA)

Title II of the federally enacted Health Insurance Portability and Accountability Act of 1996, commonly referred to as HIPAA, was designed to protect the confidentiality and security of health information and to improve efficiency in healthcare delivery. HIPAA standards protect the confidentiality of medical records and other personal health information, limit the use and release of private health information, and restrict disclosure of health information to the minimum necessary.

If you are enrolled in the Program, a copy of the Notice of Privacy Practices will be sent to you on an annual basis. Additional copies are available on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.

# Employee Responsibilities

*It is each employee's responsibility to know their benefits, including coverage limitations and exclusions, and to review the information in this publication. Referral and/or approval for treatment by a physician does not ensure coverage under the plan.*

You must notify the MyBenefits Service Center (MBSC), or your Group Insurance Representative (GIR) at your employing agency or university if:

- ◆ You and/or your dependents experience a change of address. When you move, you must notify the GIR at your employing agency. However, when your dependents move, you must utilize the Self-Service Tools online at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) to report your dependent(s)' new address. **Updating your address with the personnel office or payroll department does not automatically update your address for group insurance purposes.** If enrolled in the Commuter Savings Program (CSP), you will need to verify that the plan administrator has the correct information on their website. Changing your address does not automatically change your health plan to a plan in that geographic area.

**NOTE:** Your address may be updated based upon a forwarding order from the United States Post Office.

- ◆ Your dependent loses eligibility. Dependents that are no longer eligible under the Program (including divorced spouses or partners of a dissolved civil union or domestic partnership) must be reported immediately by completing the online process using the Self-Service Tools at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov). **Failure to report an ineligible dependent is considered a fraudulent act. Any premium payments you make on behalf of the ineligible dependent which result in an overpayment will not be refunded. Additionally, the ineligible dependent may lose any rights to COBRA continuation coverage.**
- ◆ You go on a leave of absence or have time away from work. When you go on a leave of absence and are not receiving a paycheck or are ineligible for payroll deductions, you are still responsible to pay for your group insurance coverage. You should immediately contact your GIR for your options, if any, to make changes to your current coverage. Requested changes will be effective the date of the written request if made within 60 days of beginning the leave. You will be billed by the Department for the cost of your current coverage. **Failure to pay the**

bill may result in a loss of coverage and/or the filing of an involuntary withholding order through the Office of the Comptroller.

- ◆ You get married or enter into a civil union, or your marriage, domestic partnership or civil union partnership is dissolved. If adding/dropping a dependent or changing coverage, contact MBSC. If reporting a name-change only, contact your GIR.
- ◆ You have a baby or adopt a child. If adding/dropping a dependent or changing coverage, contact MBSC.
- ◆ Your dependent's employment status changes. If adding/dropping a dependent or changing coverage, contact MBSC.
- ◆ You have or gain other coverage. If you have group coverage provided by a plan other than the Program, or if you or your dependents gain other coverage during the plan year, you must provide that information immediately by completing the online process using the Self-Service Tools at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov).
- ◆ You receive a United States court order making you financially responsible for a dependent's health insurance (e.g., a court makes a determination of a member's paternity). If adding/dropping a dependent or changing coverage, contact MBSC.

If a member changes their name or address, you must contact your GIR. For all other life-events, or if you are uncertain whether or not a life-changing event needs to be reported, contact MBSC. See the 'Enrollment Periods' section in this chapter for a complete listing of qualifying changes in status.

If you and/or your dependent experience a change in Medicare status or become eligible for Medicare benefits, a copy of the Medicare card must be provided to the State of Illinois Medicare Coordination of Benefits (COB) Unit. Failure to notify the Medicare COB Unit if you and/or your dependent's Medicare eligibility may result in substantial financial liabilities. Refer to the 'Medicare Section' for the Medicare COB Unit's contact information.

Employees should periodically review the following to ensure all benefit information is accurate:

- ◆ **Payroll Deductions.** It is your responsibility to ensure payroll deductions are accurate for the insurance coverage and benefit programs you have selected/enrolled.

# Employee Responsibilities (cont.)

◆ **Beneficiary Designations.** You should periodically review all beneficiary designations and make the appropriate updates. Remember, you may have death benefits through various State-sponsored programs, each having a separate beneficiary form:

- State of Illinois life insurance
- Retirement benefits
- Deferred Compensation

## If You Live or Spend Time Outside Illinois

Employees who move or spend time out of Illinois or the country will need to contact their plan administrator to verify whether their coverage will continue while they are outside of the service area if they are enrolled in a managed care plan. For those in certain areas contiguous to the State of Illinois, some managed care health plan options may be available. Refer to [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) and login to your account to view your available options, or contact the managed care health plan directly for information on plans available.

## Dependents Who Live Apart from the Employee

Eligible dependents who are enrolled in an HMO plan and live apart from the employee's residence and are out of the plan's service area for any part of a plan year will be limited to coverage for emergency services only. It is crucial that employees who have an out-of-area dependent (such as a college student) contact the managed care plan to understand the plan's guidelines on this type of coverage.

## Power of Attorney

Employees may want to consider having a financial power of attorney on file with the health plan to allow a representative to act on their behalf. For purposes of group insurance, a financial or property power of attorney is necessary; a healthcare power of attorney does not permit changes to health insurance coverage.

## Penalty for Fraud

Falsifying information/documentation or failing to provide information/documentation in order to obtain/continue coverage under the Program is considered a fraudulent act. The State of Illinois will impose a financial penalty, including, but not limited to, repayment of all premiums the State made on behalf of the employee and/or the dependent, as well as expenses incurred by the Program.

# Chapter 1

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## Chapter 1: Enrollment and Eligibility Information

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# Eligibility Requirements

Eligibility for the State Employees Group Insurance Program (Program) is defined by applicable federal statutes or the State Employees Group Insurance Act of 1971 (5 ILCS 375/1 et seq.) or as hereafter amended (Act), and by such policies, rules and regulations as shall be promulgated thereunder.

Eligibility for Basic Life and optional life insurance varies; see the 'Life Insurance Coverage' section in Chapter 2 for details. See the 'Premium Payment' section for cost of coverage information.

## Employee Eligibility

In order to be eligible for group insurance benefits as an employee the person must be working at least 50 percent of a normal work period and paid a salary through the Comptroller's Office or a local university payroll or certain other agencies/departments as specified in the Act, and eligible to participate in and contribute to one of the following five State retirement systems:

- State Employees' Retirement System (SERS)
- State Universities Retirement System (SURS)
- Teachers' Retirement System (TRS)
- General Assembly Retirement System (GARS)
- Judges' Retirement System (JRS)

**NOTE:** Although your employment status may be classified as full-time, your eligibility for group insurance could be classified as part-time based upon an annual review of hours worked. In this case, you will be responsible for a portion of the State's contribution (see the 'Premium Payment' section for details).

◆ **Full-time Employees** - Permanent employees who work 100 percent of a normal work period are eligible to participate in the health, dental, vision and life plans under the State Employees Group Insurance Program. Full-time employees include the following groups:

- **Employees of the State**  
Employees who work 100 percent of a normal work period, as well as part-time employees hired prior to January 1, 1980, that have been continuously employed.
- **Elected State Officials**  
Employees of the State elected by popular vote.
- **University Full-time Faculty**  
Employees working greater than or equal to 9 months of the year.

- **University Full-time Non-Faculty**  
Employees hired to work an average of 37.5 hours or more per week on a permanent basis.

◆ **Part-time Employees** - Employees who work 50-99 percent of a normal work period are eligible to participate in the health, dental, vision and life plans under the Program. Part-time employees include the following groups:

- **Permanent Part-time Employees of the State and Part-time University Non-Faculty Employees**  
Employees working at least 50 percent of the average weekly hours required of a full-time employee in a similar position. This part-time percentage requirement does not apply to those eligible for the Program and continuously employed before January 1, 1980.
- **University Part-time Faculty (Academic Year)** Faculty employees hired to work only one contract period of 4.5 continuous months (e.g., filling in for faculty on maternity leave) are eligible for insurance benefits only if their contract is 100 percent. Since the employee is only working half of a full academic year, the percentage for insurance purposes is 50 percent.
- **Agency/University Seasonal Service**  
Employees who work greater than or equal to 6 months but not less than 975 hours per 12 month work period.
- **University Part-time Non-Faculty (Academic Year)**  
Employees hired to work greater than 4, but less than 12, continuous months, but not less than 730 hours per 12 month work period.

### **Others eligible as employees include:**

- Individuals receiving ordinary or accidental disability benefits or total permanent or total temporary disability under the Workers' Compensation Act or Occupational Disease Act for injuries or illnesses contracted in the course of employment with the State of Illinois.
- Emergency appointments may participate at their own expense.

### **Ineligible employees include:**

- Contractual employees.
- Temporary employees.
- Employees whose work visa has expired.
- Employees who are ineligible to participate in and contribute to one of the five State retirement systems.

# Eligibility Requirements (cont.)

- Employees hired on or after January 1, 1980, who are working less than 50 percent of a normal work period.

## Eligible As Dependents

Eligible dependents of an employee may participate in the Program. Dependent coverage is an additional cost for all employees.

Eligible dependents of the employee include:

- ◆ **Spouse** (does not include ex-spouses, common-law spouses, persons not legally married or the new spouse of a survivor).
- ◆ **Same-Sex Domestic Partner** (enrolled prior to June 1, 2011).
- ◆ **Civil Union Partner** (enrolled on or after June 1, 2011).
- ◆ **Child from birth to age 26, limited to:**
  - Natural child.
  - Adopted child.
  - Stepchild or child of a civil union partner.
  - Child for whom the employee has permanent legal guardianship.
  - Adjudicated child for whom a U.S. court decree has established a member's financial responsibility for the child's medical, dental or other healthcare.
- ◆ **Child age 26 and older, limited to:**
  - **Adult Veteran Child.** Unmarried adult child age 26 up to, but not including, age 30, an Illinois resident and has served as a member of the active or reserve components of any of the branches of the U.S. Armed Forces and received a release or discharge other than a dishonorable discharge.
  - **Other.** (1) Recipient of an organ transplant after June 30, 2000, and eligible to be claimed as a dependent for income tax purposes by the employee, except for a dependent child who need only be eligible to be claimed for tax years in which the child is age 27 or above, or (2) an unmarried individual **continuously** enrolled as a dependent of the employee in the State Insurance Program (or CNA for university staff) since 2/11/83 with no break in coverage and eligible to be claimed as a dependent for income tax purposes by the employee. The period of time the dependent was enrolled with Golden Rule Insurance Company (prior to

April 1, 1988) **does not count** toward the requirement of continuous enrollment.

- **Disabled.** Child age 26 or older who is continuously disabled from a cause originating prior to age 26. In addition, for tax years in which the child is age 27 or above, eligible to be claimed as a dependent for income tax purposes by the employee.

## Certification of Dependent Coverage

In addition to the following certification periods, the Department may ask the employee to certify their dependent either randomly or during an audit anytime during the year.

**Birth Date Certification.** Employees must verify continued eligibility for dependents turning age 26 and 30. Employees with dependents turning age 26 and 30 will receive a letter from the Department several weeks prior to the birth month that contains information regarding continuation of coverage requirements and options. The employee must provide the required documentation prior to the dependent's birth date. Failure to certify the dependent's eligibility will result in the dependent's coverage being terminated effective the end of the birth month.

**Annual Certification.** Employees are required to certify all IRS dependents in the following categories on an annual basis: Domestic Partner, Civil Union Partner, Civil Union Partner Children, Disabled, Other and Adult Veteran Child (age 26 and older).

**Reinstatement of Dependent Coverage.** If coverage for a dependent is terminated for failure to certify and the employee provides the required documentation within 30 days from the date the termination was processed, coverage will be reinstated retroactive to the date of termination.

After 30 days the coverage will be reinstated only with a qualifying change in status (see qualifying change in status reasons in the 'Enrollment Periods' section later in this chapter). **Termination of coverage for failure to certify is not a qualifying change in status.** Nonretroactive reinstatement will cause a break in coverage which would prevent a dependent from qualifying for continued coverage in the Other category.

**NOTE:** Dependents with life insurance coverage only, as well as dependents of COBRA participants, must also certify eligibility for coverage.

**Contact the MyBenefits Service Center for questions regarding certification of a dependent.**



# Enrollment Periods

**Employees may enroll, opt out or change benefit selections with supporting documentation during the following periods (see the 'Documentation Requirements' chart in this chapter):**

- ◆ Initial Enrollment
- ◆ Annual Benefit Choice Period
- ◆ Qualifying Change in Status

## Initial Enrollment

A "new" employee is one who has not previously been enrolled in the State Employees Group Insurance Program (Program) or one who has had greater than a 10-day break in coverage (the 10-day break does not apply to coverage terminated due to nonpayment of premium). Employees with a break in employment status of less than 10 days experience no break in insurance coverage and are not considered a "new" employee, nor are they eligible for initial enrollment options.

Employees have 30-days from their initial employment date to make health, dental, vision, life and dependent coverage elections. All employees, including part-time employees, who fail to make benefit elections within the 30-day initial enrollment period will automatically be enrolled in the Quality Care Health Plan (QCHP) and the Quality Care Dental Plan (QCDDP) with no dependent coverage, and will be provided with Basic Life coverage.

Employees eligible for the employer-paid portion of premiums must be enrolled as a member in their own right. When both an employee and his/her spouse, civil union partner or domestic partner are eligible as employees, each must be enrolled as a member in their own right. **Employees must provide their social security number (SSN) to enroll in the Program.**

***New employees have the following options:***

- ◆ Elect a health plan (includes prescription, behavioral health and vision coverage).
- ◆ Elect not to participate in the health plan. See the 'Opt Out and Waiver of Coverage' section in this chapter for details.
- ◆ Elect to participate or not to participate in the dental plan (enrollment in the health plan is required if electing the dental coverage).
- ◆ Enroll eligible dependents. Documentation, including

social security numbers (SSNs), must be provided within 30 days of the employment date. Dependent coverage will not be allowed if the documentation is not provided within the 30-day period. Additional time is allotted to provide the SSN when adding newborns and newly-adopted children. See 'Dependent Coverage' later in this section for more information.

- ◆ Elect Member Optional Life insurance coverage up to 8 times the annual base salary; evidence of insurability approval is required for increments of 5 to 8 times.
- ◆ Elect optional Spouse Life, Child Life or Accidental Death and Dismemberment (AD&D). Evidence of insurability approval is not required during the Initial Enrollment Period.
- ◆ Enroll in the Flexible Spending Accounts (FSA) Program. Employees have 30 days from their hire date in which to enroll in an FSA.

***Effective Date of Coverage Due to Initial Enrollment:***

Employees scheduled to begin State employment on a day in which they are scheduled to work every available day in the pay period have an effective date of the first day of that pay period. Employees scheduled to begin State employment on a day in which they are not scheduled to work every available day in the pay period have an effective date of the first day they physically begin work. Dependent coverage is effective the same day as the employee's coverage.

## Annual Benefit Choice Period

The Benefit Choice Period is normally held annually May 1st through May 31st. During this 31-day period, employees may change their coverage elections. Coverage elected during the annual Benefit Choice Period becomes effective July 1st. Elected coverage remains in effect throughout the entire plan year, unless the employee experiences a qualifying change in status or the Department institutes a special enrollment period which would allow the member to change their coverage elections.

Documentation is required when adding dependent coverage. See the 'Documentation Requirements - Adding Dependent Coverage' chart later in this chapter.

***Employees may make the following changes during the annual Benefit Choice Period:***

- ◆ Change health plans.
- ◆ Re-enroll in the Program if coverage is currently terminated due to nonpayment of premium (subject to

## Enrollment Periods (cont.)

eligibility criteria). **NOTE:** Any outstanding premiums plus the July premium must be paid before coverage will be reinstated.

- ◆ Re-enroll in the Program following an opt out or waiver of coverage.
- ◆ Elect not to participate in the health plan. See the 'Opt Out and Waiver of Coverage' section in this chapter for details.
- ◆ Add or drop dental coverage (enrollment in the health plan is required if electing the dental coverage).
- ◆ Add or drop dependent coverage. When adding coverage, documentation, including social security numbers (SSNs), must be provided within 10 days of the last day of the Benefit Choice Period. If the documentation is not provided within the 10-day period, the dependent coverage will not be added. See 'Dependent Coverage' later in this section for more information.
- ◆ Increase, decrease or terminate Member Optional Life insurance coverage; add or drop AD&D, Spouse Life or Child Life coverage. An approved evidence of insurability is required to increase or add Member Optional Life or Spouse Life coverage. Evidence of insurability is not required to add Child Life or, to add or increase AD&D coverage.
- ◆ Enroll or re-enroll in the Flexible Spending Accounts (FSA) Program.

### **Effective Date of Coverage Due to the Annual Benefit Choice Period:**

All Benefit Choice health, dental and dependent coverage changes become effective July 1st. Life insurance coverage changes requiring evidence of insurability become effective July 1st if the approval date from the life insurance plan administrator is on or before July 1st. If the approval date is after July 1st, the effective date will be the evidence of insurability approval date.

## Qualifying Change in Status

Pursuant to Section 125 of the Internal Revenue Code, premiums paid by the employee for health, dental and life insurance coverage are tax exempt. The tax exemption applies only to premiums that are payroll deducted on a pretax basis. The Internal Revenue Code requires plans that provide the tax-exempt premium to prohibit changes in the employee's election during the plan year unless there is a qualifying change in status. See the 'Qualifying Change in Status' chart for allowable election changes consistent with the event.

Any request to change an election mid-year must be consistent with the qualifying event the employee has experienced.

### **Qualifying change in status events may include, but are not limited to:**

- ◆ Events that change an employee's legal relationship status, including marriage, civil union partnership, death of spouse or civil union partner, divorce, legal separation, civil union dissolution or annulment.
- ◆ Events that change an employee's number of dependents, including birth, death, adoption, placement for adoption or termination of a domestic partner relationship.
- ◆ Events that change the employment status of the employee, the employee's spouse or civil union partner, or the employee's dependent. Events include termination or commencement of employment, strike or lockout, commencement of, or return from, an unpaid leave of absence or change in worksite.
- ◆ Events that cause a dependent to satisfy or cease to satisfy eligibility requirements for coverage.
- ◆ A change of residential or work county for the employee, spouse, civil union partner or dependent or, a move to a foreign country by an eligible dependent.

Employees experiencing a qualifying change in status have 60 days to change certain benefit selections.

Employees are required to notify the State of any qualifying changes by using the Self-Service Tools online at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov). Employees must also submit proper supporting documentation to MBSC within the 60-day period in order for the change to become effective. See 'Effective Date of Coverage Due to a Qualifying Change in Status' later in this section.

See the 'Qualifying Changes in Status' chart in this chapter for a complete list of qualifying change in status events and corresponding options.

### **Effective Date of Coverage Due to a Qualifying Change in Status:**

Coverage election changes made due to a qualifying event are effective the later of:

- ◆ The date the request for change was made through MBSC.
- ◆ The date the event occurred.

### **Qualifying Change in Status Effective Date Exceptions:**

- ◆ **Newborns, natural or adopted.** A child is considered a newborn if they are within 60 days of birth. If the request to add the child is made within 60 days of the birth, coverage may be retroactive to the date of birth.
- ◆ **Adopted children, other than newborn.** Requests to add

## Enrollment Periods (cont.)

an adopted child who is 60 days old or older will be effective the date of the placement of the child, the filing of the adoption petition or the entry of the adoption order provided that the request is received within 60 days of the placement of the child, filing of the adoption petition or the entry of the adoption order.

- ◆ **Flexible Spending Accounts.** Requests to elect or change an FSA become effective the first day of the pay period following the date the election was made through MBSC, or the date of the qualifying event, whichever is later.

### Other Allowable Mid-year Changes

There are some coverage options that are taxable and therefore can be changed anytime during the year. Coverage options that can be changed any time during the plan year include:

- ◆ Changes in employee's life insurance coverage above \$50,000. Includes Basic Life and any Member Optional Life insurance coverage. An approved evidence of insurability is required to add or increase coverage.
- ◆ Changes to Spouse Life coverage. An approved evidence of insurability is required to add coverage, unless the spouse or civil union partner is newly acquired, in which case evidence of insurability is not required.
- ◆ Changes to Accidental Death and Dismemberment (AD&D) coverage and Child Life. Evidence of insurability is not required to add or increase AD&D and/or Child Life coverage.
- ◆ Adding or dropping dependents as long as the employee's dependent monthly contribution category remains 'Two or More Dependents.'

#### **Effective Date of Coverage for Other Allowable Mid-year Changes:**

The effective date for adding or dropping dependents when the employee is in the 'Two or More Dependents' monthly contribution category is the date the request for change was received by the MyBenefits Service Center at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov).

**EXISTING SPOUSE:** The effective date of coverage when adding or increasing Member Optional Life, or when adding Spouse Life for an existing spouse will be the evidence of insurability approval date. The life plan administrator will send a copy of the evidence of insurability approval/denial letter to the individual who requested the change.

**NEWLY ACQUIRED SPOUSE:** The effective date of coverage when adding Spouse Life for a newly acquired spouse will be the latter

of the date of marriage, or the date of request (as long as the request is made within 60 days of event).

**CHILD LIFE:** When adding or increasing AD&D and Child Life coverage the effective date is the date the request was received.

When terminating or decreasing any Optional Life coverage outside the Benefit Choice Period, the effective date will be the date of the request.

## Dependent Coverage

### **Enrolling Dependents**

Dependents must be enrolled in the same health and dental plans as the employee. Employees electing to opt out or waive health plan coverage may enroll their dependents with life insurance coverage only.

When both parents\* are employees, either employee may elect to cover the dependents; however, the same dependent cannot be enrolled under both employees for the same type of coverage. For example, eligible dependents may be enrolled under one parent for health and dental coverage and enrolled under the other for life coverage. **NOTE: Dependents whose coverage was terminated for nonpayment of premium under one parent cannot be enrolled under the other until all premiums due for that dependent are paid.**

Employees must complete the online process using the Self-Service Tools at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) to add dependent coverage.

\* The term 'parent' includes a stepparent or a civil union partner of the child's parent.

### **Documentation Requirements**

Documentation, including the dependent's social security number (SSN), is always required to enroll dependents. Failure to provide the required documentation in the allotted time period will result in denial of dependent coverage. If denied, the eligible dependent may be added during the next Benefit Choice Period or upon the employee experiencing a qualifying change in status, as long as the documentation is provided in a timely manner.

A time period of 90 days is allotted to provide the SSN of newborns and adopted children; however, the election time frames still apply to request the addition of the dependent coverage. If the SSN is not provided within 90 days of the dependents's date of birth or adoption date, coverage will be terminated. Refer to the 'Documentation Requirements - Adding Dependent Coverage' chart later in this chapter for specific documentation requirements.

## Qualifying Changes in Status

The Internal Revenue Code requires plans that provide the tax-exempt premium to prohibit changes in the employee's deduction during the plan year unless there is a qualifying change in status. The chart below indicates those changes that employees are allowed to make which are consistent with a qualifying change in status.

EMPLOYEE – Qualifying Changes in Status									
Changes affecting the Employee	Corresponding HEALTH & DENTAL Options								
	Opt Out of Health & Dental Coverage	Enroll or Re-Enroll in the Program	Add Newly Acquired Child	Add Existing Child	Add Spouse or Civil Union Partner	Terminate Dependent Coverage	Terminate Spouse or Civil Union Partner Coverage	Change Health Carrier	Waive Health & Dental Coverage
Adjudicated Child: Employee financially responsible			X						
Adoption (or placement for adoption)		X	X	X	X				
Birth		X	X	X	X				
Custody awarded and requires dependent coverage (court ordered)		X	X						
Custody loss (court ordered)/Court Order expires						X			
Divorce/Legal Separation/Annulment/Dissolution of Civil Union		X		X		X	X		
Eligibility: Employee becomes eligible for non-State group insurance coverage	O								P
Eligibility: Employee loses eligibility of non-State group insurance coverage (for other than nonpayment of premium)		X		X	X				
Employment Status: Full-time to Part-time (≥50%)						X	X		P
Employment Status: Layoff	O					X	X		
Employment Status: Part-time participating to Full-time	O								
Employment Status: Part-time waiving coverage, or working <50%, to Full-time	O	A		X	X				
Initial enrollment – within 30 days	O	A		X	X				P
Leave of Absence: Employee entering nonpay status	O					X	X		P
Leave of Absence: Employee entering nonpay status responsible for 100%	O					X	X		X
Leave of Absence: Employee returns to work from nonpay status	O	X		X	X				P
Marriage or Civil Union Partnership	O	X	X	X	X				P
Medicaid or Medicare eligibility gained	O					X	X		P
Medicaid or Medicare eligibility loss		X		X	X				
Military Leave of Absence						X	X	X	X
Military Leave of Absence: Employee returns to work		X		X	X			X	
Premium increase 30% or greater: Employee's non-State health insurance		X		X	X				
Premium increase 30% or greater: Employee's STATE health insurance						X	X		P
Residence/Work location: Employee's county changes*								X	

X = Eligible changes for all employees. P = Eligible changes for Part-time employees. O = Eligible changes for Full-time employees. A = Enrollment will be automatic. **Newly Acquired Child** = A child for which the employee gained custody within the previous 60-day period, such as a new stepchild, adopted child, adjudicated child or a child for which the employee gained court-ordered guardianship.

**Existing Child** = A child for which the employee had custody prior to the previous 60-day period, such as a natural or adopted child, adjudicated child, stepchild or a child for which the employee is guardian.

\* Change allowed if health carrier unavailable in new location.

## Qualifying Changes in Status

(Whenever the term 'Spouse' is indicated on this page it also includes a Civil Union Partner.)

SPOUSE – Qualifying Changes in Status									
Changes affecting the Spouse	Corresponding HEALTH & DENTAL Options								
	Employee May Opt Out of Program	Employee may Enroll or Re-Enroll in the Program	Add Newly Acquired Child	Add Existing Child	Add Spouse	Terminate Dependent Coverage	Terminate Spouse Coverage	Change Health Carrier	Waive Health/ Dental Coverage
Coordination of spouse's open enrollment period *	O	X		X	X	X	X		P
Death of spouse		X		X			X		
Eligibility: Spouse loses eligibility for group insurance coverage		X		X	X				
Eligibility: Spouse now provided with group insurance coverage	O					X	X		P
Employment Status: Spouse gains employment	O					X	X		P
Employment Status: Spouse loses employment		X		X	X				
LOA: Spouse enters nonpay status				X	X				
LOA: Spouse returns to work from nonpay status						X	X		
Medicare eligibility: Spouse gains							X		
Medicare eligibility: Spouse loses					X				
Premium of spouse's employer increases 30% or greater, or spouse's employer significantly decreases coverage		X		X	X				
Residence/Work location: Spouse's county changes**								X	

\* The employee's request to change coverage must be consistent with, and on account of, the spouse's election change.

\*\* Only applies to members enrolled in an HMO whose HMO plan is not available in their new county.

DEPENDENT (other than Spouse) – Qualifying Changes in Status									
Changes affecting a Dependent (other than a Spouse)	Corresponding HEALTH & DENTAL Options								
	Employee May Opt Out of Program	Employee may Enroll or Re-Enroll in the Program	Add Newly Acquired Child	Add Existing Child	Add Spouse	Terminate Dependent Coverage	Terminate Spouse Coverage	Change Health Carrier	Waive Health/ Dental Coverage
Death of Dependent						X			
Eligibility: Dependent becomes eligible for State group coverage				X					
Eligibility: Dependent loses eligibility for non-State group coverage				X					
Eligibility: Dependent now eligible for non-State group coverage						X			
LOA: Dependent enters nonpay status				X					
LOA: Dependent returns to work from nonpay status						X			
Medicare eligibility: Dependent gains						X			
Medicare eligibility: Dependent loses				X					
Residence/Work location: Dependent's county changes*								X	

X = Eligible changes for all employees.

P = Eligible changes for Part-time employees.

O = Eligible changes for Full-time employees.

Existing Child = A child for which the employee had custody prior to the previous 60-day period, such as a natural or adopted child, adjudicated child, stepchild, child of a civil union partner or a child for which the employee is guardian.

\*Only applies to members enrolled in an HMO whose HMO plan is not available in their new county.

# Documentation Requirements – Adding Dependent Coverage\*

Type of Dependent	Supporting Documentation Required
Adjudicated Child Birth up to, but not including, age 26	<ul style="list-style-type: none"> <li>Judicial Support Order from a judge; or</li> <li>Copy of DHFS Qualified Medical Support Order with the page that indicates the employee must provide health insurance through the employer</li> </ul>
Adoption or Placement for Adoption Birth up to, but not including, age 26	<ul style="list-style-type: none"> <li>Adoption Decree/Order with judge's signature and the circuit clerk's file stamp, or a</li> <li>Petition for adoption with the circuit clerk's file stamp</li> <li>Copy of an adoption agreement or pre-adoptive placement agreement establishing the member's obligation to provide support for the child in anticipation of adoption</li> </ul>
Adult Veteran Child Child age 26 up to, but not including, age 30	<ul style="list-style-type: none"> <li>Birth Certificate required, and</li> <li>Proof of Illinois residency, and</li> <li>Veterans' Affairs Release form DD-214 (or equivalent), and the</li> <li>Copy of the tax return</li> </ul>
Disabled Child age 26 and older (onset of disability must have occurred prior to age 26)	<ul style="list-style-type: none"> <li>Birth Certificate required, and a</li> <li>Statement from the Social Security Administration with the Social Security disability determination or a Court Order, and a</li> <li>Copy of the tax return</li> </ul>
Legal Guardianship Birth up to, but not including, age 26	<ul style="list-style-type: none"> <li>Court Order with judge's signature and circuit clerk's file stamp</li> </ul>
Natural Child Birth up to, but not including, age 26	<ul style="list-style-type: none"> <li>Birth Certificate required</li> </ul>
Other Organ transplant recipient	<ul style="list-style-type: none"> <li>Birth Certificate required, and</li> <li>Proof of organ transplant performed after June 30, 2000, and the</li> <li>Copy of the tax return for dependents 26 and older</li> </ul>
Spouse or Civil Union Partner	<ul style="list-style-type: none"> <li>Marriage Certificate or tax return</li> <li>Civil Union Partnership Certificate. A tax return is also required if claiming the civil union partner as a dependent.</li> </ul>
Stepchild or Child of Civil Union Partner Birth up to, but not including, age 26	<ul style="list-style-type: none"> <li>Birth Certificate required, and</li> <li>Marriage or Civil Union Partnership Certificate indicating the employee is married to, or the partner of, the child's parent. A tax return is also required if claiming the civil union partner's child as a dependent.</li> </ul>

Note: Birth Certificate from either the State or admitting hospital which indicates the employee is the parent is acceptable.

\* A valid social security number (SSN) is required to add dependent coverage. If the SSN has not yet been issued for a newborn or adopted child, the child will be added to the employee's coverage upon receipt of the birth certificate or adoption order without the SSN. The employee must provide the SSN within 90 days of the date the coverage was requested in order to continue the dependent's coverage.

# Documentation Requirements – Terminating Dependent Coverage

Qualifying Event	Supporting Documentation Required
Divorce, Dissolution of Civil Union Partnership or Annulment	Divorce Decree or Judgment of Dissolution or Annulment filed in a U.S. Court – first and last pages with judge’s signature with circuit clerk’s file stamp.
Legal Separation	Court Order with judge’s signature with circuit clerk’s file stamp.
Loss of Court-Ordered Custody	Court Order indicating the employee no longer has custody of the dependent. The order must have judge’s signature with circuit clerk’s file stamp.

## Documentation Time Limits

Dependent health, dental and vision coverage may be added with the corresponding effective date when documentation is provided to [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) or the MyBenefits Service Center within the allowable time frame as indicated below. If documentation is provided outside the time frames, adding dependent coverage will not be allowed until the next annual Benefit Choice Period or if the employee experiences a qualifying change in status. Refer to the ‘Life Insurance Coverage’ section for effective dates of life coverage.

When adding Dependent coverage due to or during the:	If the coverage is requested...	And if the documentation is provided...	Dependent coverage will be effective...
Initial Enrollment Period	Day 1 – 30 after hire date	1 – 30 days after hire date	Date of hire
Annual Benefit Choice Period (Normally held May 1 – May 31 each year)	During the Benefit Choice Period	Within 10 days of the Benefit Choice Period ending	July 1st
Qualifying Change in Status (Exception for birth or adoption – noted below)	Before, or the day of, the event	1 – 60 days after the event	Date of the event
	Day 1 – 60 after event		Date of the request
Birth of Child (Natural or Adopted)	From birth up to 60 days after the birth	From birth to 60 days after the birth	Date of birth
Adopted Children (Other than newborn)	Within 60 days of the event	Within 60 days of the event	Date of placement of the child, filing of the petition or the entry of the adoption order

### Penalty for Fraud

Falsifying information/documentation or failing to provide information/documentation in order to obtain/continue coverage under the Program is considered a fraudulent act. The State of Illinois will impose a financial penalty, including, but not limited to, repayment of all premiums the State made on behalf of the employee and/or the dependent, as well as expenses incurred by the Program.

# Opt Out and Waiver of Coverage

**Employees may opt out or waive coverage during the following periods:**

- ◆ Initial Enrollment
- ◆ Annual Benefit Choice Period
- ◆ Qualifying Change in Status (as permitted under the Internal Revenue Code)

**Employees who opt out or waive coverage are not eligible for the:**

- ◆ Free influenza immunizations offered annually
- ◆ COBRA continuation of coverage
- ◆ Smoking Cessation Program

**However, employees are still eligible for the:**

- ◆ Flexible Spending Account (FSA) Program
- ◆ Commuter Savings Program (CSP)
- ◆ Paid Maternity/Paternity Benefit
- ◆ Employee Assistance Programs
- ◆ Adoption Benefit Program

## Opting Out of Coverage (full-time employees only)

In accordance with Public Act 92-0600, full-time employees may elect to opt out of the health coverage during the Initial Enrollment Period, the annual Benefit Choice Period or upon experiencing a qualifying change in status. **The election to opt out of the health coverage includes, and will terminate, all employee and dependent health, dental, vision and prescription coverage.** The employee will be enrolled in the Program with Basic Life coverage only, and will remain eligible to elect Optional Life coverage.

Employees who elect to opt out of the Program must provide proof of other major medical insurance by an entity other than the Department of Central Management Services. Employees electing to opt out cannot be enrolled as a dependent in any plan administered by the Department.

**NOTE:** An employee's application for other health coverage is not acceptable proof of other coverage. If you provide an insurance ID card as proof of other coverage, the ID card must list the member as the covered individual and include the effective date of coverage.

## Waiver Option (part-time employees only)

Eligible part-time employees may elect to waive coverage when they are required to pay a portion of the employer-paid contribution. These employees may waive their coverage during the Initial Enrollment Period, the annual Benefit Choice Period or upon experiencing a qualifying change in status. Part-time employees may not waive coverage and become a dependent of their State-employed spouse, civil union partner or parent.

The election to waive coverage remains in effect until the eligible employee becomes full-time, elects to enroll during the next annual Benefit Choice Period or experiences a qualifying change in status.

**Exception:** Part-time employees who waived all coverage prior to July 1, 2003, and who have been continuously enrolled on their State-covered spouse's coverage, may continue to waive coverage and be covered as a dependent. This group of part-time employees is not eligible for life insurance coverage as a member.

## Employees on Leave of Absence Waiving Coverage

Employees (full and part-time) on a leave of absence for which they are required to pay 100 percent of the cost of coverage (i.e., employee contribution plus the State's contribution) have the option to waive health and dental coverage, as well as drop any or all life coverage (including Basic Life, Member Optional Life, AD&D, Spouse Life and Child Life). The request to waive coverage must be made within 60 days of the leave effective date. The effective date of the waiver will be the date of the event or the date of the request, whichever is later.

### **Full-time Employees**

The election to waive coverage remains in effect until the first day of the pay period following the date the eligible full-time employee physically returns to work. The employee will be reinstated with Basic Life coverage and the same employee health and dental coverage that they had prior to going on the leave. Eligibility to be enrolled as a dependent of their spouse or civil union partner ceases upon the employee's physical return to work; therefore, coverage for these members will be effective the date of the physical return to work.



# Opt Out and Waiver of Coverage (cont.)

## **Part-time Employees**

The election to waive coverage remains in effect until the eligible part-time employee physically returns to work and requests coverage.

Part-time employees who were enrolled in the Program prior to the leave and who request their coverage be reinstated upon returning to work will be reinstated with Basic Life coverage and the same health and dental coverage that they had prior to going on the leave. The request must be made within 60 days of the physical return to work and will be effective the first day of the pay period following the date of the request for coverage.

## **Reinstating Dependent Coverage**

Dependent coverage is not automatically reinstated upon the employee's return to work. Employees who would like to have their dependent coverage reinstated **must request the coverage** within 60 days of returning to work. Coverage will be effective the date of the event (i.e., the physical return to work) or the date of the request, whichever is later.

## Special Provisions when Both Spouses or Civil Union Partners are State Members

Employees whose spouse or civil union partner has coverage through the State may elect to become a dependent of their State-covered spouse or civil union partner while they are on a leave of absence **only** if the employee on the leave is required to pay 100 percent of the cost of coverage (i.e., employee contribution plus the State's contribution). Exception: Employees who owe 100 percent premium due to intermittent dock/suspension time in excess of the 30 calendar days are not eligible to become a dependent. Employees electing this option must waive all coverage, including health, dental, Basic Life and all Optional Life coverage. Eligibility to be enrolled as a dependent ceases upon the employee's physical return to work.

**Reinstating Member Optional Life Coverage.** In order to reinstate Member Optional Life coverage upon returning to work without being subject to evidence of insurability approval, the spouse or civil union partner who was not on the leave must have elected Spouse Life coverage while their spouse or civil union partner was on the leave of absence.

**Transferring Dependent Coverage.** Any dependents that are covered by the spouse or civil union partner who is going on the leave of absence may be transferred to the other's coverage or dropped from coverage if requested within 60 days of beginning the leave.

**NOTE:** Upon the employee's return to work, the dependent coverage will remain under the state-employed spouse or civil union partner. Dependent coverage may be moved back to the original member's coverage as long as the move is requested within 60 days of the employee's physical return to work date.

### **Penalty for Fraud**

Falsifying information/documentation or failing to provide information/documentation in order to obtain/continue coverage under the Program is considered a fraudulent act. The State of Illinois will impose a financial penalty, including, but not limited to, repayment of all premiums the State made on behalf of the employee and/or dependent, as well as expenses incurred by the Program.

# Premium Payment

The State covers the majority of the cost of health and dental insurance coverage and all of the cost of vision and Basic Life insurance coverage for most employees. Employees are responsible for a salary-based contribution for health insurance, as well as an additional cost for any optional coverage elected, including dental, life and dependent coverage.

Salary-based contributions, as well as the premiums for optional coverage, are established annually and reflected in the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website. These contributions/premiums are subject to change each plan year and are effective July 1st. **It is each employee's responsibility to verify the accuracy of premiums paid, whether payroll deducted or direct billed, and to notify the GIR of any errors.**

## Employee Contributions

### Salary-Based Contribution

All employees are responsible for a salary-based contribution for health insurance coverage. The amount required is contingent upon the:

- ◆ employee's status (i.e., full-time, part-time or leave of absence),
- ◆ type of health plan elected (i.e., managed care plan or the Quality Care Health Plan),
- ◆ employee's annual salary as of the preceding April 1st and
- ◆ coverage elections in effect on the first day of the pay period.

This salary-based contribution will remain in effect throughout the plan year (July 1 through June 30) unless the employee (1) retires, (2) accepts a voluntary salary reduction or (3) returns to State employment at a different salary. Returning to work at a different salary applies to employees who return to work after having a 10-day or greater break in State service after terminating employment and does not apply to employees who return from a leave of absence.

**NOTE:** Employees who are off payroll, or exceed the 30-calendar days of dock, may be responsible for additional premium amounts (see the 'Time Away from Work' section for more information).

**Premiums will not be prorated if an employee changes their coverage elections or terminates from the Program on a day other than the first day of the pay period.**

### Optional Coverage Contributions

All employees are responsible for a portion of the cost of elective dental and dependent coverage, as well as the full cost of any Optional Life coverage.

Special provisions apply for the following types of dependents if they cannot be claimed as a dependent under the IRS tax code: adult veteran children age 26 through age 29, domestic partners, civil union partners and children of civil union partners. All premiums for non-IRS tax dependents must be paid on a post-tax basis.

- ◆ The premium for a non-IRS domestic partner, a non-IRS civil union partner or the non-IRS child(ren) of a civil union partner, is the 'One Dependent' or 'Two or More Dependent' rate depending on the number of non-IRS dependents in these categories being covered.
- ◆ The premium for a non-IRS adult veteran child ages 26 through 29 is 100 percent of the cost of coverage (employee portion plus the State contribution).

The value of the coverage for a domestic partner, civil union partner and any children of the civil union partner is considered "imputed income" and will be reported as income at the end of each calendar year. The premiums for these dependents and imputed income amounts are indicated in the Domestic Partner/Civil Union Partner FAQ located on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website.

## Full-time Employees

The salary-based contribution and optional coverage premiums for full-time active employees are payroll deducted.

## Part-time Employees

In addition to the salary-based contribution required of all employees, part-time employees participating in the Program are required to pay a portion of the State's cost for health, dental and any dependent coverage. The portion the State contributes is the same percentage that the employee works.

For example, for a 75 percent part-time employee, the State will contribute 75 percent of the State's cost and the employee will be responsible for the remaining 25 percent of the State's cost, in addition to the employee's salary-based contribution. Part-time employees should check with the

# Premium Payment (cont.)

MyBenefits Service Center to determine the exact premium contribution required.

Premiums for most part-time active employees are payroll deducted. There are certain part-time employees, including employees whose paycheck is not sufficient to deduct the part-time premiums or whose agency/university cannot payroll deduct part-time premiums, who must be direct billed by the Department.

## Employees in Nonpay Status

Employees who are in nonpay status on the first work day of a pay period will be direct billed by the Department.

Additionally, employees in dock/suspension status greater than 30 calendar days, regardless of whether the days were consecutive or intermittent, will be billed by the Department for every pay period in which time in nonpay status occurs.

## Employees Direct Billed by the Department

### *Billing Procedure and Time Frames*

The Department bills the following:

- ◆ Employees on a leave of absence.
- ◆ Employees in a dock or suspension status.
- ◆ Employees on a voluntary furlough.
- ◆ Employees who have returned to work on a reduced work schedule due to a medical condition and have a doctor's statement.
- ◆ Employees who are working a reduced work schedule due to a FMLA-protected family situation.
- ◆ Part-time employees who work for an agency or university that cannot payroll deduct premiums.
- ◆ Part-time employees whose paycheck is not sufficient to payroll deduct premiums.
- ◆ Military employees who are not receiving a paycheck or whose paycheck is not sufficient to payroll deduct premiums.

- ◆ Employees on an emergency appointment and former General Assembly employees.

A bill will be generated by the Department for the premium amount due. Bills are generated and mailed the first week of each month. Payment must be made by the final due date to ensure continuation of coverage. Employees who do not receive a bill within 30 days of going off payroll should contact their agency GIR or the Department at 800-442-1300.

## Nonpayment of Premium

If payment is not received by the due date on the final billing notice, the Department will exercise its right under the State Comptroller's Act to collect delinquent group insurance premiums through involuntary withholding. Coverage may be terminated depending on the employee's work status, as indicated below:

- ◆ **Employees who have physically returned to their normal work schedule** from a leave of absence will not have their insurance coverage terminated; however, they remain responsible for all outstanding premiums. An order of involuntary withholding will be filed to collect the amount owed.

Employees who return to their normal work schedule after coverage has been terminated will have member-only health, dental and Basic Life coverage reinstated. The effective date of coverage will be the date the employee physically returns to work.

- ◆ **Employees who have not returned to work, or who have not returned to their normal work schedule**, will have their insurance coverage terminated effective the first day of the month following the final billing notice. An order of involuntary withholding will be filed at the time the coverage is terminated.

An employee, terminated for non-payment of premiums, may have their insurance reinstated with no break in coverage if payment for all past due and current premiums are paid in full within six months from the date of termination.

Employees who return to work within 10 days of the coverage being terminated will have their coverage reinstated with no break. These employees are responsible for the premiums due for that pay period.

## Premium Payment (cont.)

- ◆ Part-time employees who are direct billed (because their payroll cannot deduct part-time premiums) will have their insurance coverage terminated effective the first day of the month following the final billing notice. An order of involuntary withholding will be filed to collect the amount owed. These employees may elect to re-enroll in the Program during the next Benefit Choice Period as long as all outstanding premiums have been paid.

Dependent coverage terminated due to nonpayment of premium will not be automatically reinstated. Refer to "Enrollment Periods" for re-enrollment opportunities for dependent coverage.

**NOTE:** Employees and/or their dependents who have had coverage terminated for nonpayment of premium, or owe any outstanding premium to CMS, are not eligible to be covered under another member, nor are they eligible for coverage at retirement or through COBRA. Additionally, a member and/or their dependents owing outstanding premium cannot be enrolled as a member in any plan administered by the Department.

## COBRA Participants

While a plan participant is on COBRA, a monthly bill is generated by the Department for the premium amount due. Bills are mailed the first week of each month and must be paid by the due date to ensure continuation of coverage. Plan participants who do not receive a bill should contact the Department for assistance. **Failure to submit payment will result in termination of coverage retroactive to midnight the last day of the month for which full payment was received.**

## Premium Refunds

Premium refunds based on corrections to an employee's insurance elections may be processed retroactively up to six months. Employees who fail to notify the MyBenefits Service Center within 60 days of the dependent's ineligibility will **not** receive a premium refund.

## Premium Underpayments

Underpaid premiums are the responsibility of the employee and must be paid in full, regardless of the time period for which the underpayment occurred.

# Time Away from Work

Employees who are away from work for reasons including, but not limited to, an agency-approved medical or personal leave of absence, or for disciplinary reasons, continue insurance coverage through the Program for a specified period of time. Depending upon the type of leave taken, the employee may be eligible to opt out/waive or modify their coverage elections. Employees should refer to the 'Opt Out and Waiver of Coverage' section for options.

**NOTE:** Although the personnel office of each agency must determine the type of leave for which an employee qualifies, the type of leave for group insurance purposes may differ from what personnel designates. For example, a Family Responsibility Leave may be designated an FMLA or Personal Leave for insurance purposes.

The Department is responsible for billing employees for their coverage when the member is off payroll on the first day of a pay period or who is off payroll at any other time during the

pay period when the employee has dock/suspension time greater than 30-calendar-days (accumulative) in the fiscal year.

There are several categories of employees that must be billed by the Department, including:

- ◆ Employees on an approved leave of absence.
- ◆ University Employees on a summer break.
- ◆ Employees in a dock or suspension status.
- ◆ Employees who have returned to work on a reduced work schedule due to a medical condition with a doctor's statement.
- ◆ Employees who are working a reduced work schedule due to an FMLA-protected family situation.

Refer to the 'Premium Payment' section in this chapter for information regarding premium payments.

The Family Medical Leave Act of 1993 (FMLA) is a federal statute providing 12 weeks of job protection to employees who are off work due to their own serious health condition, to care for a family member with a serious health condition, for the birth of a child, or to care for or bond with a newborn, foster or adopted child. Family members under the nonmilitary provisions of FMLA include a spouse, parent, son or daughter (biological, adopted, foster, stepchild, legal ward or child of a person standing *in loco parentis*) who is under 18 years of age, or who is 18 years of age or older and incapable of self care because of a mental or physical disability. Grandparents, siblings, in-laws, aunts/uncles, civil union partners and domestic partners do not count as family members, unless there is an *in loco parentis* relationship.

FMLA also provides 12 weeks of job protection when an employee misses work to address certain qualifying exigencies arising out of the fact that the employee's spouse, son, daughter or parent has been called to, or is on, active duty as a covered service member. A parent, spouse, child or next of kin of a covered military service member who is injured or becomes ill in the line of duty is provided with 26 weeks of job protection.

While on an FMLA-qualifying leave of absence, the State continues to make the employer contribution toward the insurance coverage. In order to qualify for FMLA

protection, employees must have been employed by the State for at least 12 months, have worked at least 1250 hours over the 12 months prior to taking the leave and cannot have used all of their allotted FMLA coverage for the same condition or any other FMLA covered condition in the preceding 12 months.

For purposes of calculating the length of time the State will continue the employer contribution toward the insurance coverage, the time period begins the day the employee physically leaves work for an FMLA-qualifying reason. This period includes all time away from work, including paid and unpaid time off, i.e., vacation, sick, personal, maternity/paternity and dock and leave time taken for an FMLA-qualifying reason. The FMLA protection runs concurrent with any other time away from work, whether paid or unpaid.

Full-time employees using intermittent FMLA are limited to 12 workweeks of leave in which the State maintains the employer contribution and may choose this time as paid or unpaid. Part-time employees are also entitled to 12 workweeks; however, the number of hours they are eligible for is based on the average number of hours they work per week. For example, a part-time employee who works 30 hours per week would be eligible for 360 hours of FMLA benefits (12 workweeks x 30 hours).

# Time Away from Work (cont.)

Employees on any of the following approved leave types continue to pay the employee contribution while the State maintains the employer contribution for a specified period. A physical return to work of one pay period or less, or a return to payroll in order to pay out benefit time (such as sick or vacation time), does not extend the maximum length of the employer contribution. Refer to the 'Time Away from Work' chart later in this section to determine the maximum length of the employer contribution.

## **Employer Contributes to Cost of Coverage**

- Disability Leaves (Nonoccupational and Occupational)
- Medical or Bonding Family Leave
- Military Caregiver or Qualifying Exigency Family Leave
- Educational/Sabbatical Leave
- Seasonal Leave
- Military Leave (activation)
- University Annual Break
- Dock or Suspension Status (limited to the first 30 calendar days)

## **Employee Responsible for All Contributions**

- Family Leave Nonmedical
- Personal/General Leave
- Dock or Suspension Status (after the first 30 calendar days)
- Military Family Leave (when employee is the spouse, civil union partner or parent of a military person)
- Military Leave (deactivation)

## **Disability Leaves of Absence**

Employees who are eligible for Medicare benefits are required to notify the State of Illinois Medicare Coordination of Benefits (COB) Unit. Failure to notify the Medicare COB Unit of Medicare eligibility may result in substantial financial liabilities. Refer to the 'Medicare' section for contact information for the Medicare COB Unit.

## **Occupational Disability (receiving Workers' Compensation benefits)**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA may apply

Employees are eligible for the employer contribution toward their group insurance coverage for as long as they are receiving occupational disability benefits through Workers' Compensation. Part-time employees on an Occupational Disability Leave electing to remain in the Group Insurance Program are treated as full-time for insurance premium purposes.

Employees approved by their personnel office for a disability leave **who return to work on a reduced schedule** due to a medical condition may be eligible for a benefit that allows them to continue coverage for a certain period of time with no change in premium. Employees must continue to provide acceptable medical documentation to their personnel office in order to be eligible for this benefit.

Employees who return to work on a reduced schedule continue to directly pay premiums to the Department. Employees should contact the Department if they have questions regarding the cost of the coverage or the maximum time frame that the employer contribution may continue.

**NOTE:** Workers' Compensation only pays for medical expenses associated with the job-related injury/illness. **Employees on an Occupational Disability Leave must continue to pay the employee portion of insurance premiums to the Department to ensure that any nonwork related illnesses or injuries of the employee and any dependents are covered.**

## **Nonoccupational Disability**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA may apply

Employees on an agency-approved Nonoccupational Disability Leave **receiving a disability benefit check** from a retirement system are eligible for the employer contribution as long as the employee is receiving disability benefits from a retirement system.

Employees on an agency-approved Nonoccupational Disability Leave **not receiving a disability benefit check** from a retirement system are eligible for the employer contribution for up to 24 months. At the end of the 24-month period, the employee will be terminated from the Group Insurance Program and offered COBRA.

# Time Away from Work (cont.)

**NOTE:** If an employee receives a benefit check from Workers' Compensation or a disability check from a retirement system for less than 24 months, but remains on an agency-approved Nonoccupational Disability Leave after the benefit ends, the employee is eligible for the employer contribution for the remainder of the 24 months.

Employees approved by their personnel office for a disability leave **who return to work on a reduced schedule** due to a medical condition and are no longer receiving a disability benefit may be eligible for a benefit that allows them to continue coverage for a certain period of time with no change in premium. Employees must continue to provide acceptable medical documentation to their personnel office in order to be eligible for this benefit.

Employees who return to work on a reduced schedule continue to directly pay premiums to the Department. Employees should contact the Department if they have questions regarding the cost of the coverage or the maximum time frame that the employer contribution may continue.

## Family Leaves of Absence

### **Medical or Bonding Family Leave**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA may apply

Employees on an agency-approved family leave are eligible for the employer contribution toward their group insurance coverage. The length of the employer contribution period varies – see the 'Time Away from Work' chart for details.

The following reasons qualify for a Medical or Bonding Family Leave (refer to page 20 for a more detailed description):

- A leave taken to care for a temporarily disabled, incapacitated or bedridden spouse, civil union partner, child or parent with a serious health condition;
- A leave taken for the employee to care for a spouse, civil union partner, child or parent in extraordinary need of medical or health care due to a serious health condition;
- A leave taken to provide nursing and/or custodial care for or to bond with the employee's newborn or newly adopted child.

**NOTE:** FMLA does not apply to civil union partners or their children, unless the child is also the employee's child or the employee stands, or intends to stand, *in loco parentis* to the child.

Employees who return to work on a reduced schedule or begin working a reduced schedule that is approved by their

personnel office for a Medical or Bonding Family Leave may be eligible for a benefit that allows them to continue coverage for a certain period of time with no change in premium. Employees must continue to provide acceptable medical documentation to their personnel office in order to be eligible for this benefit.

Employees who return to work on a reduced schedule continue to directly pay premiums to the Department. Employees should contact the Department if they have questions regarding the cost of the coverage or the maximum time frame allowed for the employer contribution.

### **Military Caregiver or Military Qualifying Exigency Family Leave**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA may apply

Employees on an agency-approved family leave who are off work to care for a military member with a serious health condition or to address certain qualifying exigencies arising out of the fact that the employee's spouse, civil union partner, son, daughter or parent has been called to or is on covered active duty as a military member and is deployed to a foreign country are eligible for the employer contribution toward their group insurance coverage. The length of the employer contribution period varies (see 'Time Away from Work' chart in this section).

### **Military Family Leave (when employee is the spouse/parent/civil union partner of a military person)**

- ◆ Not Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Employees who do not meet the FMLA qualifying requirements may request an unpaid agency-approved family leave for a period of up to 30 days for a reason arising out of the fact that the employee's spouse, civil union partner, son, daughter has been called to or is on covered active duty as a military member. These employees are not eligible for the employer contribution toward their group insurance coverage while on the unpaid leave.

### **Nonmedical Family Leave**

- ◆ Not Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

The family leave reasons listed below are not medical or healthcare related and therefore do not qualify for FMLA

# Time Away from Work (cont.)

protection. Employees on a Nonmedical Family Leave are eligible to continue coverage in the Program for up to 24 months provided the employee pays 100 percent of the employee and employer contribution.

- A leave taken to respond to the temporary dislocation of the family due to a natural disaster, crime, insurrection, war or other disruptive event;
- A leave taken to settle the estate of a deceased member of the employee's family or to act as conservator if so appointed and providing the exercise of such functions precludes the employee from working;
- A leave taken to perform family responsibilities.

## Other Leaves of Absence

### *Personal/General Leave*

- ◆ Not Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Employees on an agency-approved Personal Leave are eligible to participate in the Group Insurance Program for a maximum of 24 months. Employees on a Personal Leave are not eligible for the employer contribution; therefore, continued participation will be entirely at the employee's expense. If the employee does not return to work at the end of the 24-month period, coverage will be terminated and the employee will be offered COBRA.

Employees who are granted a part-time or intermittent Personal Leave will be considered a part-time employee for premium purposes (see 'Part-time Employees' in the 'Premium Payment' section). If the employee's intermittent work schedule is less than 50 percent, the employee will be placed on a Personal Leave and will be responsible for the entire amount of the employee and employer contribution.

### *Educational/Sabbatical Leave*

- ◆ Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Employees on an agency-approved, **work-related** Educational Leave are eligible for the employer contribution for a **24-month lifetime benefit**. Employees receiving a partial salary

while on the leave are still considered as being on a leave of absence for group insurance purposes and will be billed by the Department. Employees who are receiving full pay (100 percent of their regular salary) are not considered as being on a Sabbatical Leave for group insurance purposes.

For purposes of calculating the 24-month lifetime benefit, only the time spent on the Educational/Sabbatical Leave is counted when not a 100 percent leave. For example, an employee who is on a 50 percent Educational/Sabbatical Leave and is working the other 50 percent of the time for one year has used only six months of the lifetime benefit. If the employee does not return to work at the end of the 24-month period, coverage will be terminated and the employee will be offered COBRA.

### *Dock and Suspension Time*

- ◆ Eligible for the Employer Contribution for up to 30 calendar days per fiscal year
- ◆ Intermittent FMLA days counted separately from non-FMLA dock/suspension days
- ◆ FMLA may apply \*

For insurance purposes, dock time is any unpaid absence from work, whether authorized (excused) or unauthorized (unexcused); whereas, a suspension is any absence from work for disciplinary reasons.

Employees in dock or suspension status are eligible for the employer contribution for up to 30 calendar days per fiscal year. Once the 30 days have been exhausted, employees are no longer eligible for the employer contribution and must pay 100 percent of the cost of the coverage for each applicable pay period in which nonpay status occurs. The 30 calendar day period does not reset for dock/suspension time that continues past June 30th until the employee physically returns to work.

\* FMLA protection may apply when dock days are taken for an FMLA-qualifying reason.

### *Voluntary Furlough*

- ◆ Eligible for the Employer Contribution for up to 30 instances per fiscal year
- ◆ FMLA may apply \*

Employees in voluntary furlough status are eligible for the employer contribution for up to 30 instances per fiscal year. Once the 30 instances have been exhausted, employees are no longer eligible for the employer contribution and must pay 100



# Time Away from Work (cont.)

percent of the cost of the coverage for each applicable pay period in which nonpay status occurs. The 30 instances do not reset for voluntary furlough time that continues past June 30th until the employee physically returns to work.

\* FMLA protection may apply when furlough days are taken for an FMLA-qualifying reason.

## **Seasonal Leave**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Part-time agency and university seasonal workers on an agency-approved seasonal leave are required to pay the same premium on leave as when actively working. The maximum period for this type of leave is 6 months. Coverage will be terminated at the end of the 6 month period if the employee has not returned to work.

## **University Annual Break**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Full-time faculty and academic year nonfaculty employees who do not take their pay over 12 months may retain insurance coverage over the summer break period even if they are not returning for the fall semester. These employees pay the same premium during the summer break period as when actively working. The maximum period for this type of leave is 3 months. If the employee has not returned to work by September 1st, coverage will be terminated effective September 1st.

An employee who provides a resignation to the University while on University Annual Break, will have coverage terminated the first day of the pay period following the receipt of termination of employment by the Group Insurance Division. Employees who choose not to return from a University Annual Break and date their termination\* as of the last day of the leave period, will maintain coverage through the entire period.

\*Coverage may never be terminated retroactively.

## **Military Leave (Activation)**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Employees who are on a military-connected leave for reasons that include basic training, special/advanced training,

annual training, emergency call up by the President or Governor or any other training or duty in service to the United States Armed Forces are eligible for the employer contribution for their group insurance coverage while on the leave. The duration of the coverage will coincide with the length of the time specified on the orders.

## **Military Leave (Deactivation)**

- ◆ May be Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Employees who have been released from covered active duty are entitled to up to 90 days of group insurance coverage, depending on the length of military service. Employees using unpaid time for their leave are not eligible for the employer contribution toward their group insurance coverage and will be responsible for 100 percent of the State and employee portions of the premium. Employees using paid benefit time, or otherwise receiving compensation from the State during the leave, may be eligible for the employer contribution.

## **Furlough (ISD/ISVI only)**

- ◆ Eligible for the Employer Contribution
- ◆ FMLA Does Not Apply

Certain employees, as defined in the AFSCME contract, who work for the Illinois School for the Deaf and Illinois School for the Visually Impaired, and their dependents, receive premium-free health, dental and life coverage through the summer months. If the employee has not returned to work by September 1st, coverage will be terminated effective September 1st.

## **Permanent Layoff**

Employees who have been permanently laid off may be eligible for 6 – 24 months of premium-free coverage equivalent to the coverage that was in place on the date preceding the layoff. Employees should contact their Group Insurance Representative (GIR) to ascertain if they are eligible for the premium-free coverage.

Employees who do not qualify for the premium-free coverage have the option to continue health, dental and vision coverage under COBRA. Life insurance coverage may be continued for one year entirely at the employee's expense. If interested in continuing life insurance coverage, the employee should contact the MyBenefits Service Center (MBSC).

# Time Away from Work Chart

If the 'State Maintains Employer Contribution' column indicates 'Yes', that means the State will continue to pay the same portion of the premium as when the employee was active on payroll. An exception is made for part-time employees on an Occupational Disability leave, in which case the employee will be treated the same as a full-time employee for insurance purposes.

If the 'State Maintains Employer Contribution' column indicates 'No', that means the employee is required to pay 100 percent of the State and employee portions of the premium.

FMLA Protected			<u>NOT</u> FMLA Protected		
<ul style="list-style-type: none"> <li>◆ In order to receive the employer contribution, the employee must not only meet FMLA eligibility requirements and qualify for the leave with an FMLA-qualifying reason, but also cannot have exhausted his/her annual 12 weeks of FMLA protection.</li> <li>◆ All time away from work categories listed below may run concurrently for FMLA purposes.</li> </ul>			Time Away from Work Category	State Maintains Employer Contribution	Maximum Coverage Period
Family Leave * – Medical/Bonding is a leave that is medical in nature and/or to care for or to bond with a newborn or newly adopted child. Employees who return to work on a reduced schedule are also eligible for this leave.	YES (no State contribution if the leave is to care for a civil union partner)	12 weeks (agencies not under the Governor)	Family Leave – Not Medical Related (or Family Leave coverage period expired or FMLA eligibility requirements were not met)	NO	24 months
		6 months (agencies under the Governor)	Military Family Leave can run concurrent with FMLA	NO	30 days
Family Leave * – Military Caregiver	YES	26 weeks	Military Leave (Activation)	YES	n/a
Family Leave * – Military Qualifying Exigency	YES	12 weeks	Military Leave (Deactivation)	NO	90 days
Nonoccupational Disability <u>receiving a disability check</u>	YES	n/a	Permanent Layoff	VARIES	24 months
Nonoccupational Disability <u>not receiving a disability check</u>	YES	24 months	Furlough (ISD/ISVI only)	YES	4 months
Nonoccupational Disability <u>not receiving a disability check</u> and on a reduced schedule (cannot exceed the 24 month maximum benefit for a Nonoccupational Leave)	YES	3 months	Voluntary Furlough ≤ 30 instances **	YES	30 instances
Occupational Disability, includes employees who return to work on a reduced schedule	YES	n/a	Voluntary Furlough > 30 instances ** ***	NO	n/a
			Personal/General Leave	NO	24 months
			Dock/Suspension ≤ 30 days **	YES	30 days
			Dock/Suspension > 30 days ** ***	NO	24 months
			Seasonal Leave	YES	6 months
			University Annual Break	YES	3 – 6 months
			Educational/Sabbatical (must be work related)	YES	24 months lifetime

\* When both spouses are employees, time taken by either spouse accumulates toward the maximum coverage period.

\*\* FMLA protection may apply when unpaid time is taken for an FMLA-qualifying reason.

\*\*\* Intermittent FMLA days counted separately from non-FMLA dock/suspension days

*A physical return to work of one pay period or less, or a return to payroll in order to pay out benefit time (such as sick or vacation time), does not extend the maximum length of the employer contribution.*

# Termination

This section describes the events and timing of the termination of benefits. In most cases, health, dental and vision insurance coverage can be continued under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Employees may be eligible to continue life insurance coverage under portability and conversion options. See the 'Life Insurance Coverage' section in Chapter 2 for details.

## Termination of Employee Coverage

An employee's coverage terminates at midnight:

- ◆ On the date of termination of State employment. The date of termination is not extended by any type of lump sum payment.
- ◆ On the day in which a change to less than 50 percent part-time employment status occurs. This applies to any employee who actually works less than 50 percent of a normal work period, measured yearly, regardless of classification as full-time or part-time.
- ◆ On the date of the employee's death.
- ◆ On the last day of the month in which payment is not received following the issuance of a final notice of premium due from the Department (employee and all dependents will be ineligible for COBRA).
- ◆ On the date that the maximum period allowed for permanent layoff is reached as defined in the 'Time Away from Work' section.
- ◆ On the date that the maximum period allowed for a leave of absence is reached as defined in the 'Time Away from Work' section. **NOTE:** Coverage will not terminate for employees whose FMLA-qualifying leave of absence reaches the maximum coverage period. Instead, these employees will be changed to being on a Personal/General leave of absence.

## Termination of Dependent Coverage

An enrolled dependent's coverage terminates at midnight:

- ◆ Simultaneous with termination of employee's coverage.
- ◆ On the last day of the month in which a dependent loses eligibility.
- ◆ On June 30th for dependents who are voluntarily terminated during the Benefit Choice Period (these dependents will be ineligible for COBRA).
- ◆ On the requested date of a voluntary termination of a dependent (these dependents will be ineligible for COBRA).
- ◆ On the date of dependent's death.
- ◆ On the last day of the month in which the employee fails to certify continued eligibility for coverage of the dependent child.
- ◆ On the day preceding the dependent's:
  - enrollment in the Program as a member.
  - divorce or civil union partnership dissolution from the employee. The divorce or civil union partnership dissolution terminates the coverage for the spouse or civil union partner and all applicable stepchildren or children of the civil union partner.

**NOTE:** Employees who fail to notify the MyBenefits Service Center (MBSC) within 60 days of the dependent's ineligibility will not receive a premium refund, nor will the dependent be eligible for COBRA.

# COBRA Coverage

## Overview

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The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and Sections 367.2, 367e and 367e.1 of the Illinois Insurance Code provides eligible covered employees and their eligible dependents the opportunity to temporarily extend their health coverage when coverage under the health plan would otherwise end due to certain qualifying events. COBRA rights are restricted to certain conditions under which coverage is lost. The election to continue coverage must be made within a specified election period. If elected, coverage will be reinstated retroactive to the date following termination of coverage.

An initial notice is provided to all new employees upon enrollment in the Group Insurance Program. This notice is to acquaint individuals with COBRA law, notification obligations and possible rights to COBRA coverage if loss of group health coverage should occur. If an initial notice is not received, employees should contact the MyBenefits Service Center (MBSC).

## Eligibility

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Covered employees and dependents who lose coverage due to certain qualifying events (see the 'COBRA Qualifying Events' chart at the end of this section) are considered qualified beneficiaries and may be allowed to continue coverage under the provisions of COBRA. A **qualified beneficiary** is an individual (including employee, spouse, civil union partner, domestic partner or child) who loses employer-provided group health coverage and is entitled to elect COBRA coverage. The individual must have been covered by the plan on the day before the qualifying event occurred and enrolled in COBRA effective the first day of eligibility or be a newborn or newly adopted child of the covered employee. COBRA coverage is also available for members who are already enrolled in Medicare or in other group insurance coverage. **Any voluntary termination of coverage will render the employee and any dependents ineligible for COBRA coverage.**

Coverage available under COBRA for qualified beneficiaries is identical to the health, dental and vision insurance coverage provided to employees. Individuals converting to COBRA who elected not to participate in the dental plan prior to becoming eligible for COBRA may not enroll in the dental plan until the annual Benefit Choice Period. The life insurance coverage in force on the date of termination is not available through

COBRA; however, the employee and/or dependent may be eligible to convert or port their life insurance coverage. See the Life Insurance Coverage Certificate for details.

Covered dependents retain COBRA eligibility rights even if the employee chooses not to enroll. Qualified beneficiaries electing continuation of coverage under COBRA will be enrolled as a member. **NOTE: If the employee's spouse, civil union partner or dependent child(ren) live at another address, you must immediately complete the online process using the Self-Service Tools at [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) so that notification can be sent to the proper address(es).**

Employees who are terminated for gross misconduct or who have opted out or waived health, dental and vision insurance coverage, and their dependents, are not eligible to participate in COBRA.

## Notification of COBRA Eligibility

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The MyBenefits Service Center (MBSC) will send a letter to the qualified beneficiary regarding COBRA rights within 14 days of receiving notification from MBSC of the termination. Included with the letter will be an enrollment form, premium payment information and important deadlines. If a letter is not received within 30 days and you completed notification to MBSC within the 60-day period, you should contact the MBSC Service Center immediately for information.

## COBRA Enrollment

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Individuals have 60 days from the date of the COBRA eligibility letter to elect enrollment in COBRA and 45 days from the date of election to pay all premiums. Failure to complete and return the enrollment form or to submit payment by the due dates will terminate COBRA rights. If the enrollment form and all required payments are received by the due dates, coverage will be reinstated retroactive to the date of the qualifying event.

# COBRA Coverage (cont.)

## Medicare or Other Group Coverage - Impact on COBRA

Qualified beneficiaries who become eligible for Medicare or obtain other group insurance coverage (which does not impose preexisting condition limitations or exclusions) after enrolling in COBRA are required to notify MBSC by completing the online process using the Self-Service Tools at [MyBenefits.illinois.gov](https://mybenefits.illinois.gov). These individuals are ineligible to continue COBRA coverage and will be terminated from the COBRA program.

The Department reserves the right to retroactively terminate COBRA coverage if an individual is deemed ineligible. Premiums will not be refunded for coverage terminated retroactively due to ineligibility.

## COBRA Extensions

### ◆ Disability Extension

Qualified beneficiaries covered under COBRA who have been determined to be disabled by the Social Security Administration (SSA) may be eligible to extend coverage from 18 months to 29 months at an increased cost. Enrolled nondisabled family members are also eligible for the extension. See 'Premium Payment under COBRA' later in this section for premium information.

To be eligible for the extension, the qualified beneficiary must either (1) become disabled during the first 60 days of COBRA continuation coverage or (2) be determined disabled prior to the date of COBRA eligibility. In either case, the determination must have been made by the Social Security Administration (SSA) and a copy of the SSA determination letter must be submitted to the Department within 60 days of the date of the SSA determination letter or the first day of COBRA coverage, whichever is later.

The affected qualified beneficiary must also notify the Department of any SSA final determination of loss of disability status. This notification must be provided within 30 days of the SSA determination letter.

### ◆ Second Qualifying Event Extension

If an employee who experienced a qualifying event that resulted in an 18-month maximum continuation period experiences a second qualifying event before the end of the original 18-month COBRA coverage period, the spouse, civil union partner, domestic partner and/or

dependent child (must be a qualified beneficiary) may extend coverage an additional 18 months for a maximum of 36 months.

## Waiver of COBRA Rights and Revocation of that Waiver

A qualified beneficiary may waive rights to COBRA coverage during the 60-day election period and can revoke the waiver at any time before the end of the 60-day period. Coverage will be retroactive to the qualifying event.

## Premium Payment under COBRA

The qualified beneficiary has 45 days from the date coverage is elected to pay all premiums. Individuals electing COBRA are considered members and will be charged the member rate. A divorced or widowed spouse (including a former civil union partner) who has a dependent child on their coverage would be considered the member and charged the member rate, with the child being charged the applicable dependent rate. If only a dependent child elects COBRA, then each child would be considered a member and charged the member rate.

Once the COBRA enrollment form is received and the premium is paid, coverage will be reinstated retroactive to the date coverage was terminated. Monthly billing statements will be mailed to the member's address on file on or about the 5th of each month. Bills for the current month are due by the 25th of the same month. Final notice bills (those with a balance from a previous month) are due by the 20th of the same month. Failure to pay the premium by the final due date will result in termination of coverage retroactive to the last day of the month in which premiums were paid.

It is the member's responsibility to promptly notify the Department in writing of any address change or billing problem.

The State does not contribute to the premium for COBRA coverage. Most COBRA members must pay the applicable premium plus a 2 percent administrative fee for participation. COBRA members who extend coverage for 29 months due to SSA's determination of disability must pay the applicable premium plus a 50 percent administrative fee for all months covered beyond the initial 18 months.

# COBRA Coverage (cont.)

## Adding Dependents While on COBRA

**Newly-acquired dependents**, including spouses, civil union partners, children of civil union partners and stepchildren, may be added to existing COBRA coverage. Even though these dependents are eligible for COBRA coverage, unless they are a newborn child or newly adopted child, they are not considered “qualified beneficiaries” and therefore would be ineligible for an extension if a second qualifying event would occur.

**Existing dependents** who are not enrolled on the first day the member becomes eligible for COBRA continuation coverage are not considered qualified beneficiaries. These dependents may only be added during the annual Benefit Choice Period and are also not eligible for second qualifying event extensions.

Documentation requirements must be met to add dependents. See the ‘Documentation Requirements – Adding Dependent Coverage’ chart in this chapter for details.

## Termination of Coverage under COBRA

***COBRA coverage terminates when the earliest of the following occurs:***

- ◆ Maximum continuation period ends.
- ◆ Failure to make timely payment of premium.
- ◆ Covered member or dependent becomes a participant in another group health plan which does not impose a preexisting condition exclusion or limitation (for example, through employment or marriage).
- ◆ Covered member or dependent becomes entitled to Medicare. Special rules apply for End-Stage Renal Disease. Contact the Department for more information.
- ◆ Covered member or dependent reaches the qualifying age for Medicare.
- ◆ Covered dependent gets divorced from COBRA member (includes when the COBRA member's civil union partnership with the covered dependent is dissolved).

- ◆ Covered dependent child or domestic partner loses eligibility.
- ◆ Upon the member's death for any dependent not considered a qualified beneficiary.

Refer to the ‘COBRA Qualifying Events’ chart in this chapter for more information.

## Conversion Privilege for Health Coverage

When COBRA coverage terminates, members may have the right to convert to an individual health plan. This conversion privilege applies to health coverage only. Members are eligible for this conversion unless group health coverage ended because:

- ◆ the required premium was not paid, or
- ◆ the coverage was replaced by another group health plan, including Medicare, or
- ◆ the COBRA coverage was voluntarily terminated.

Approximately two months before COBRA coverage ends, the Department will send a letter providing instructions on how to apply for conversion. To be eligible for conversion, members must have been covered by the current COBRA health plan for at least 3 months and requested conversion within 31 days of exhaustion of COBRA coverage. The converted coverage, if issued, will become effective the day after COBRA coverage ended. Contact the appropriate health plan administrator for information regarding conversion. The Department is not involved in the administration or premium rate structure of coverage obtained through conversion.

# COBRA Coverage (cont.)

## COBRA QUALIFYING EVENTS

A COBRA qualifying event is any of the events shown below that result in a loss of coverage. The term 'Spouse' in this chart includes civil union partners; 'Ex-spouse' includes civil union partners whose partnership has been dissolved.

Qualifying Events	Maximum Eligibility Period
<b>EMPLOYEE</b>	
Termination of employment for any reason, including layoff, except for gross misconduct	18 months
Termination of disability benefits	18 months
Maximum leave of absence period expires	18 months
Loss of eligibility due to reduction in work hours	18 months
<b>DEPENDENT</b>	
Employee's termination of employment for any reason	18 months
Employee's termination of disability benefits	18 months
Employee's maximum leave of absence period expires	18 months
Employee's loss of eligibility due to reduction in work hours	18 months
Legal separation from member*	36 months
Loss of eligibility as a dependent child or domestic partner	36 months
Employee's death	
<ul style="list-style-type: none"> <li>Spouse under age 55</li> </ul>	36 months
<ul style="list-style-type: none"> <li>Spouse age 55 or older if already enrolled in Medicare</li> </ul>	36 months
<ul style="list-style-type: none"> <li>Spouse age 55 or older</li> </ul>	Until obtains Medicare or reaches the qualifying age for Medicare
<ul style="list-style-type: none"> <li>Dependent child</li> </ul>	36 months
<ul style="list-style-type: none"> <li>Domestic partner</li> </ul>	36 months
Dissolution of Marriage or Civil Union Partnership*	
<ul style="list-style-type: none"> <li>Ex-Spouse under age 55</li> </ul>	36 months
<ul style="list-style-type: none"> <li>Ex-Spouse age 55 or older if already enrolled in Medicare</li> </ul>	36 months
<ul style="list-style-type: none"> <li>Ex-Spouse age 55 or older</li> </ul>	Until obtains Medicare or reaches the qualifying age for Medicare
<ul style="list-style-type: none"> <li>Stepchild or Child of a Civil Union Partner</li> </ul>	36 months

\* Dropping a spouse's coverage during the annual Benefit Choice Period in anticipation of a divorce, civil union partnership dissolution or legal separation will result in the spouse losing coverage effective July 1st. The spouse will be eligible for COBRA only once the divorce, dissolution or legal separation actually occurs. Spouses whose coverage was terminated due to a divorce, dissolution or legal separation must contact our office within 30 days of the event in order to be offered COBRA coverage.

Falsifying information/documentation or failing to provide information/documentation in order to obtain/continue coverage under COBRA is considered a fraudulent act. Premiums paid will not be refunded for coverage terminated retroactively due to ineligibility.

# COBRA Coverage (cont.)

A qualified beneficiary is an individual (including employee, spouse, civil union partner, domestic partner or child) who loses employer-provided group health coverage and is entitled to elect COBRA coverage. The individual must have been covered by the plan on the day before the qualifying event occurred and enrolled in COBRA effective the first day of eligibility or be a newborn or newly adopted child of the covered employee.

<b>SECOND QUALIFYING EVENTS</b>	
The events shown below will extend coverage for a qualified beneficiary if it occurs during the original 18-month COBRA period.	
The term 'Spouse' in this chart includes civil union partners; 'Ex-spouse' includes civil union partners whose partnership has been dissolved.	
Qualifying Events	Maximum Eligibility Period
<b>COBRA MEMBER (Previously an Employee)</b>	
SSA disability determination within the first 60 days of COBRA	Additional 11 months for a maximum of 29 months
<b>COBRA DEPENDENT</b>	
Loss of eligibility as a dependent child or as a domestic partner	Additional 18 months for a maximum of 36 months
Legal separation from COBRA member*	Additional 18 months for a maximum of 36 months
COBRA member's death	
<ul style="list-style-type: none"> <li>• Spouse under age 55</li> <li>• Spouse age 55 or older if already enrolled in Medicare</li> </ul>	
<ul style="list-style-type: none"> <li>• Spouse age 55 or older</li> </ul>	Until obtains Medicare or reaches the qualifying age for Medicare
<ul style="list-style-type: none"> <li>• Dependent child</li> <li>• Domestic partner</li> </ul>	Additional 18 months for a maximum of 36 months
Divorce from/Dissolution of civil union partnership with COBRA member*	
<ul style="list-style-type: none"> <li>• Ex-Spouse under age 55</li> <li>• Ex-Spouse age 55 or older if already enrolled in Medicare</li> </ul>	
<ul style="list-style-type: none"> <li>• Ex-Spouse age 55 or older</li> </ul>	Until obtains Medicare or reaches the qualifying age for Medicare
<ul style="list-style-type: none"> <li>• Stepchild or Child of Civil Union Partner</li> </ul>	Additional 18 months for a maximum of 36 months

\* Dropping a spouse's coverage during the annual Benefit Choice Period in anticipation of a divorce, civil union partnership dissolution or legal separation will result in the spouse losing coverage effective July 1st. The spouse will be eligible for COBRA only once the divorce, dissolution or legal separation actually occurs. Spouses whose coverage was terminated due to a divorce, dissolution or legal separation must contact our office within 30 days of the event in order to be offered COBRA coverage.

Falsifying information/documentation or failing to provide information/documentation in order to obtain/continue coverage under COBRA is considered a fraudulent act. Premiums paid will not be refunded for coverage terminated retroactively due to ineligibility.



# Chapter 2

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## Chapter 2: Health, Dental, Vision and Life Coverage Information

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# Health Plan Options

## Overview

The State offers a variety of health plans from which to choose. Each plan provides health, behavioral health and prescription drug benefits; however, the benefit levels, exclusions and limitations may differ. When making choices, employees should consider health status, coverage needs and service preferences. Dependents will have the same health and dental plan as the employee under whom they are enrolled.

The [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website provides a listing of the health plans available and the Illinois counties in which they provide coverage.

Employees who change their health plan outside the Benefit Choice Period, regardless of the basis for the change, will be responsible for any deductibles required by the new plan (including prescription deductibles), even if the plan participant met all deductibles while covered by the previous health plan.

## Types of Health Plans

The types of health plans available are:

- ◆ Managed Care Plans
  - Health Maintenance Organizations (HMOs)
  - Open Access Plans (OAPs)
- ◆ Quality Care Health Plan (QCHP)

## Disease Management Programs and Wellness Offerings

Disease management programs are utilized by the health plans as a way to improve the health of plan participants. Plan participants may be contacted by their health plan to participate in these programs.

Wellness options and preventive measures are offered and encouraged by the health plans. Offerings range from health risk assessments to educational materials and, in some cases, discounts on items such as gym memberships and weight loss programs. These offerings are available to plan participants and are provided to help plan participants take control of their personal health and well-being. Information about the various offerings is available on the plan administrators' websites.

## Managed Care Health Plans

Managed care is a method of delivering healthcare through a system of network providers. Managed care plans provide comprehensive health benefits at lower out-of-pocket costs by utilizing network providers. Managed care health plans coordinate all aspects of a plan participant's healthcare including medical, prescription drug and behavioral health services.

There are two types of managed care plans, health maintenance organizations (HMOs) and open access plans (OAPs). Employees who enroll in an HMO must select a primary care physician (PCP) from the health plan's provider directory, which can be found on the plan's website. Plan participants should contact the physician's office or the HMO plan administrator to find out if the PCP is accepting new patients. Plan participants are required to use network physicians and hospitals for maximum benefits. Employees enrolled in an OAP do not need to select a PCP. For complete information on specific plan coverage or provider networks, contact the managed care health plan and review the Summary Plan Document (SPD).

Like any health plan, managed care plans have plan limitations including geographic availability and limited provider networks. Managed care coverage is offered in certain counties called service areas. Ordinarily, managed care plans only cover members within the State; however, plans that have networks outside the State of Illinois may provide coverage. Employees should contact the managed care plan administrator to ascertain if coverage is available outside their geographic area. Eligible dependents that live apart from the employee's residence for any part of a plan year may be subject to limited service coverage. It is critical that employees who have an out-of-area dependent (such as a college student) contact the managed care plan to understand the plan's guidelines on out-of-area coverage. The open access health plans are self insured, meaning all claims are paid by the State of Illinois even though managed care health plan benefits apply. These plans are not regulated by the Illinois Department of Insurance and are not governed by the Employees Retirement Income Security Act (ERISA).

In order to have the most detailed information regarding a particular managed care health plan, employees should ask the plan administrator for its summary plan document (SPD) which describes the covered services, benefit levels, and exclusions and limitations of the plan's coverage. The SPD

# Health Plan Options (cont.)

may also be referred to as a certificate of coverage or SPD may also be referred to as a certificate of coverage or a summary plan document.

Employees should pay particular attention to the managed care plan's exclusions and limitations. It is important that plan participants understand which services are not covered under the plan. Employees deciding to enroll in a managed care health plan should read the SPD before seeking medical attention. It is the plan participant's responsibility to become familiar with all of the specific requirements of the health plan. Most managed care health plans impose benefit limitations on a plan year basis (July 1 through June 30); however, some managed care health plans impose benefit limitations on a calendar year basis (January 1 through December 31). Refer to the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website for plan administrator information.

## **Health Maintenance Organization (HMO)**

HMO members must choose a primary care physician/ provider (PCP) who will coordinate the healthcare, hospitalizations and referrals for specialty care. In most cases a referral for specialty care will be restricted to those services and providers authorized by the designated PCP. Additionally, referrals may also require prior authorization from the HMO. To receive the maximum hospital benefit, your PCP or specialist must have admitting privileges to a network hospital.

Like any health plan, HMOs have plan limitations including geographic availability and participating provider networks. HMO coverage is offered in certain counties called service areas. There is no coverage outside these service areas unless preapproved by the HMO. When traveling outside of the health plan's service area, coverage is limited to life-threatening emergency services. For specific information regarding out-of-area services or emergencies, call the plan administrator. **NOTE:** When an HMO plan is the secondary plan and the plan participant does not utilize the HMO network of providers or does not obtain the required referral, the HMO plan is not required to pay for services. Refer to the plan's description of coverage for additional information.

Preventive care is paid at 100 percent when services are obtained through a network provider.

HMO provider networks are subject to change. Employees will be notified in writing by the plan administrator when a PCP network change occurs. Employees will have 60 days from the date the provider leaves the network to make a

health plan change. If the designated PCP leaves the HMO network, you must choose another PCP within that plan.

When an HMO member's primary care physician (PCP) leaves the plan's network, the member will only be allowed to change health plans if the HMO network experienced a significant change in the number of medical providers offered, as determined by CMS.

## **HMO Out-of-Pocket Maximum**

After the out-of-pocket maximum has been satisfied, the plan will pay 100 percent of covered expenses for the remainder of the plan year for eligible medical, behavioral health and prescription drug charges. Charges that apply toward the out-of-pocket maximum for HMOs are:

- ◆ Annual prescription plan year deductible
- ◆ Medical and prescription copayments
- ◆ Medical coinsurance.

## **Open Access Plans (OAPs)**

Open access plans combine similar benefits of an HMO with the same type of coverage benefits as a traditional health plan. Members who elect an OAP will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted. Members enrolled in an OAP can mix and match providers and tiers.

- ◆ Tier I offers a managed care network which provide enhanced benefits and require copayments which mirror HMO copayments, but do not require a plan year deductible.
- ◆ Tier II offers another managed care network, in addition to the managed care network offered in Tier I, and also provides enhanced benefits. Tier II requires copayments, coinsurance and is subject to an annual plan year deductible.
- ◆ Tier III covers all providers which are not in the managed care network of Tiers I or II (i.e., out of network providers) and does not have an out-of-pocket maximum. Using Tier III can offer members flexibility in selecting healthcare providers, but involve higher out-of pocket costs. Tier III has a higher plan year deductible and has a higher coinsurance amount than Tier II services. In addition, certain services, such as preventive/wellness care, are not covered when obtained under Tier III. Furthermore, plan

# Health Plan Options (cont.)

participants who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges, Usual and Customary charges (U&C), Maximum Reimbursable Charges (MRC), Maximum Allowable Charges (MAC)), which could result in much higher out-of-pocket costs. When using out-of-network providers, it is recommended that the participant obtain a preauthorization of benefits to ensure that medical services/stays will meet medical necessity criteria and be eligible for benefit coverage.

Members who use providers in Tiers II and III will be responsible for the plan year deductible. **In accordance with the Affordable Care Act, beginning July 1, 2014, these deductibles will accumulate separately from each other and will not 'cross accumulate.'** This means that amounts paid toward the deductible in one tier will not apply toward the deductible in the other tier.

Preventive care is paid at 100 percent without having to meet the annual deductible when services are obtained through a Tier I or Tier II network provider.

## **OAP Out-of-Pocket Maximum**

Eligible medical, behavioral health and prescription drug charges will be covered at 100 percent for the remainder of the plan year after the plan's out-of-pocket maximum has been satisfied. Charges that apply toward the out-of-pocket maximum for an OAP plan (only applies to Tier I and Tier II providers) are:

- ◆ Annual medical plan year deductible (Tier II)
- ◆ Annual prescription plan year deductible
- ◆ Medical and prescription copayments
- ◆ Medical coinsurance.

Eligible charges from Tiers I and II will be added together when calculating the out-of-pocket maximum. **Tier III does not have an out-of-pocket maximum.**

For complete information regarding specific plan coverage and the plan administrator's network, refer to the summary plan document on the plan administrator's website.

## Quality Care Health Plan (QCHP)

The Quality Care Health Plan (QCHP) is the State's self-insured health plan offering a comprehensive range of benefits. All claims and costs are paid by the State through a third-party administrator. Benefit enhancements are available by utilizing the:

- ◆ Nationwide QCHP physician, hospital, ancillary services and transplant network.
- ◆ Pharmacy network.
- ◆ Behavioral health network.

Each of these three components is discussed separately in this section. Each component has its own plan administrator.

For complete information regarding specific plan coverage and the plan administrator's network, refer to the summary plan document on the plan administrator's website.

## **Hospital Bill Audit Program**

The Hospital Bill Audit Program applies to QCHP and non-QCHP hospital charges. Under the program, a member or dependent who discovers an error or overcharge on a hospital bill and obtains a corrected bill is eligible for 50 percent of the resulting savings. There is no cap on the savings amount. Related nonhospital charges, such as radiologists and surgeons are not eligible charges under this program. This program applies only when QCHP is the primary payer.

### **Reimbursement documentation required:**

- Original incorrect bill,
- Corrected copy of the bill, and
- Employee's name, telephone number and last four digits of the SSN.

### **Submit Documentation to:**

Hospital Bill Audit Program  
DCMS Group Insurance Division  
801 S. 7th Street  
P.O. Box 19208  
Springfield, IL 62794-9208

# Prescription Coverage

## Overview

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Plan participants enrolled in any State health plan have prescription drug benefits included in the coverage. Regardless of the plan chosen, a prescription deductible applies to each plan participant each plan year. An annual prescription deductible must be satisfied before the prescription copayments apply; however, if the cost of the prescription is less than the plan's prescription copayment, the plan participant will pay the cost of the prescription. Once the prescription deductible has been satisfied, the participant will pay the copayment of the prescription. However, if a plan participant elects a brand name drug and a generic is available, the plan participant must pay the cost difference between the brand product and the generic product, in addition to the brand copayment.

Prescription copayments and the prescription deductible paid by participants will apply toward the out-of-pocket maximum. Once the maximum has been met, eligible medical, behavioral health and prescription drug charges will be covered at 100 percent for the remainder of the plan year. The out-of-pocket maximum amount for each type of health plan varies and is outlined on the [MyBenefits.illinois.gov](https://www.mybenefits.illinois.gov) website.

Employees who change health plans outside the annual Benefit Choice Period will be responsible for satisfying the prescription deductible of the new health plan even if they previously met the prescription deductible of their previous health plan.

Plan participants who have additional prescription drug coverage, including Medicare, should contact their prescription plan administrator for coordination of benefits (COB) information.

Prior authorization may be required for a select group of medications. If a prescription is presented for one of these medications, the pharmacist will indicate that a prior authorization is needed before the prescription can be filled. To receive a prior authorization, the prescribing physician must provide medical information including a diagnosis to the prescription drug plan administrator for review. Once a prior authorization is in place, the prescriptions may be filled until the authorization expires, usually one year.

### **Formulary List**

All prescription medications are compiled on a formulary list (i.e., drug list) maintained by each health plan's prescription benefit manager (PBM). Formulary lists categorize drugs

into levels. Each level requires a different copayment amount. Formulary lists are subject to change any time during the plan year. To compare formulary lists, cost-savings programs and to obtain a list of network pharmacies that participate in the various health plans, plan participants should visit the website of their health plan or PBM. Certain health plans or the PBM notify plan participants by mail when a prescribed medication they are currently taking is reclassified into a different formulary category. If a formulary change occurs, plan participants should consult with their physician to determine if a change in prescription is appropriate.

## Health Maintenance Organizations (HMOs)

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Health maintenance organizations (HMOs) use a separate prescription benefit manager (PBM) to administer their prescription drug benefits. Employees who elect one of these health plans must utilize a pharmacy participating in the plan's pharmacy network or the full retail cost of the medication will be charged. If the employee uses a nonparticipating pharmacy, partial reimbursement may be provided if the plan participant files a claim with the health plan. It should be noted that most plans do not cover over-the-counter drugs or drugs prescribed by medical professionals (including dentists), other than the plan participant's primary care physician (PCP) or any specialist the plan participant was referred to by their PCP.

## Open Access Managed Care Plans and the Quality Care Health Plan (QCHP)

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Open access managed care plans and the Quality Care Health Plan (QCHP) have prescription drug benefits administered through the self-funded insurance plans' prescription benefit manager (PBM). Prescription drug benefits are independent of other medical services and are not subject to the medical plan year deductible. Most drugs purchased with a prescription from a physician or a dentist are covered; however, most over-the-counter drugs are not covered, even if purchased with a prescription.

# Prescription Coverage (cont.)

**Prescription Drug Step Therapy (PDST)** is required for members who have their prescription drug benefits administered through QCHP or one of the open access managed care plans. PDST requires the member to first try one or more specified drugs to treat a particular condition before the plan will cover another (usually more expensive) drug that their doctor may have prescribed. PDST is intended to reduce costs to both the member and the plan by encouraging the use of medications that are less expensive but still treat the member's condition effectively.

**Members taking a brand medication that requires PDST, which has not received prior authorization approval, will receive a rejection at a retail or mail order pharmacy as the plan requires a generic in that drug class be tried first. If the physician believes the original brand medication is needed, he/she may request a review to override the step therapy requirement.**

**Compound drugs** are covered under the prescription drug plan. If the compound drug contains an ingredient not covered by the plan, the entire compound drug will be denied.

**Injectable and intravenous medications** may be obtained through a retail network pharmacy or through the prescription drug plan administrator's mail order pharmacy.

If a network pharmacy does not stock a particular drug or supply and is unable to obtain it, call the prescription drug plan administrator for further direction.

**Prepackaged prescriptions** – A copayment is based on a 1 to 30-day supply as prescribed by the physician. Since manufacturers sometimes prepackage products in amounts that may be more or less than a 30-day supply as prescribed, more than one copayment may be required.

**Prescribed medical supplies** are supplies necessary for the administration of prescription drugs such as covered hypodermic needles and syringes. Copayments may apply.

**Diabetic supplies and insulin** that are purchased with a prescription are covered through the plan and are subject to the appropriate copayment.

**Some diabetic supplies** are also covered under Medicare Part B. If the plan participant is not Medicare Part B primary, the appropriate copayment must be paid at the time of purchase at a network pharmacy. If Medicare Part B is primary, the plan participant is responsible for the Medicare coinsurance at the time of purchase. The claim must first be submitted to Medicare for reimbursement. Upon receipt of the Medicare Summary Notice (MSN), a claim may be filed with the prescription drug plan administrator for any secondary benefit

due. If the diabetic supplies are billed by a physician or medical supplier, the supplies would be paid by the health plan administrator.

**Insulin pumps and their related supplies are not covered under the prescription drug plan.** In order to receive coverage for these items, contact the health plan administrator listed on the [MyBenefits.illinois.gov](https://www.MyBenefits.illinois.gov) website.

## **Nonmaintenance Medication**

### **In-Network Pharmacy**

Retail pharmacies that contract with the prescription benefit manager (PBM) and accept the copayment amount for medications are referred to as in-network pharmacies. Plan participants who use an in-network pharmacy must present their prescription ID card/number or they will be required to pay the full retail cost. If, for any reason, the pharmacy cannot verify eligibility when they submit the claim electronically, the plan participant will need to submit a claim form to the plan administrator.

The maximum supply of nonmaintenance medication allowed at one fill is 60 days. Two copayments will be charged for any 31-60 day supply. A list of in-network pharmacies, as well as claim forms, is available on the [MyBenefits.illinois.gov](https://www.MyBenefits.illinois.gov) website.

### **Out-of-Network Pharmacy**

Pharmacies that do not contract with the plan administrator are referred to as out-of-network pharmacies. In most cases, prescription drug costs will be higher when an out-of-network pharmacy is used. If a medication is purchased at an out-of-network pharmacy, the plan participant must pay the full retail cost at the time the medication is dispensed. Reimbursement of eligible charges may be obtained by submitting a paper claim and the original prescription receipt to the PBM. Reimbursement will be provided at the applicable brand or generic in-network price minus the appropriate in-network copayment. Prescription claim forms are available at [MyBenefits.illinois.gov](https://www.MyBenefits.illinois.gov) website or contacting the MyBenefits Service Center (toll-free) 844-251-1777.

## **Maintenance Medication**

The **Maintenance Medication Program (MMP)** was developed to provide an enhanced benefit to plan participants who use maintenance medications. The MMP is comprised of a Maintenance Pharmacy Network and a Mail Order Pharmacy. A maintenance medication is medication that is

# Prescription Coverage (cont.)

taken on a regular basis for conditions such as high blood pressure and high cholesterol. To determine whether a medication is considered a maintenance medication, contact a maintenance network pharmacy or the PBM.

## Maintenance Pharmacy Network

The **Maintenance Pharmacy Network** is a network of retail pharmacies that contract with the PBM to accept the copayment amount for maintenance medication. When plan participants use the Maintenance Pharmacy Network for maintenance medications they will receive a **90-day supply of medication (equivalent to 3 fills) for only two and a half copayments**. Pharmacies in this network may also be an in-network retail pharmacy as described in the 'Nonmaintenance Medication' section. **Participants will be charged a penalty in an amount equal to double the prescription copayment if they obtain a maintenance medication from a non-maintenance network pharmacy or a prescription for a maintenance medication that is written for a 30-day supply instead of a 90-day supply. The penalty will be forgiven only for the first two 30-day fills (or first 60-day fill), but will apply thereafter.** A list of pharmacies participating in the Maintenance Pharmacy Network is available on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.

## Mail Order Pharmacy

The **Mail Order Pharmacy** provides participants the opportunity to receive medications directly from the PBM. Both maintenance and nonmaintenance medications may be obtained through the mail order process. When plan participants use the Mail Order Pharmacy for maintenance medications they will receive a **90-day supply of medication (equivalent to 3 fills) for only two and a half copayments**. To utilize the Mail Order Pharmacy, plan participants must submit an original prescription from the attending physician. For maintenance medication, the prescription should be written for a 90-day supply and include up to three 90-day refills totaling one year of medication. The original prescription must be attached to a completed Mail Order form and sent to the address indicated on the form. Order forms can be obtained by contacting the PBM or by accessing the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.

## *Special Note Regarding Medications for Nursing Home/Extended Care Facility Patients*

Due to the large amounts of medication generally administered at nursing homes and extended care facilities, many of these types of facilities cannot maintain more than a 30-day supply of prescriptions per patient. In order to avoid being charged a double copayment for a 30-day supply, the patient or person who is responsible for the patient's healthcare (such as a spouse, civil union partner, power of attorney or guardian) should submit a letter requesting an 'exception' to the double copayment for their medication. The effective date of the exception is the receipt date of the request. **NOTE:** Since each request is based on a specific list of medications, any newly prescribed medication(s) must be sent as another request.

## Request Requirements

- ◆ Must be in the form of a letter.
- ◆ Must include the patient's name, a list of all medications the patient is taking and the dosage of each medication.

## Submit Documentation to:

DCMS Group Insurance Division  
Benefits and Claims Support Unit  
801 S. 7th Street  
P.O. Box 19208  
Springfield, IL 62794-9208

## Coordination of Benefits

This Program coordinates with Medicare and other group plans. The appropriate copayment will be applied for each prescription filled.

## Exclusions and Limitations

The Program reserves the right to exclude or limit coverage of specific prescription drugs or supplies.

# Employee Assistance Program

Whether you are just beginning your career, you've been working for a while, or you're nearing retirement we recognize that you have changing needs at work and at home and you could benefit from a comprehensive program designed to assist you with a variety of services. The Employee Assistance Program (EAP) provides you and your family members with no-cost, confidential services available 24/7/365.

EAP is a great resource for assistance with those daily dilemmas and with help to cope with more difficult situations like stress, the loss of a loved one or substance abuse issues.

Program resources include:

- ◆ **Coaching** – Coaches are available by telephone or video teleconference and to help you work on improving relationships, managing stress, parenting, getting enough sleep and other issues
- ◆ **Discount center** - millions of discount offers on groceries, computers, care, travel, movie tickets, and a variety of items
- ◆ **Financial Services** - financial experts provide one free 60 minute telephone consultation on issues such as budgeting, debt consolidation, loans, mortgage assistance, retirement, saving for college and IRS matters, also included is a resource library
- ◆ **Legal Services** – One free 60 minute telephone or face-to-face consultation with an attorney on any type of legal matter and access to a legal forms library. For services beyond the 60 minutes, there is a discount rate of 25% to 35% off the hourly fee based on the types of services utilized.
- ◆ **Personal Counseling** - Up to three, confidential counseling sessions at cost are available to you and your family members.
- ◆ **Web-based Confidential Care** – self-paced, online programs to help with depression, anxiety, sleep problems, substance abuse and obsessive compulsive disorder

Getting help is easy, convenient and confidential. Trained, EAP clinicians are available via a toll-free telephone number (phone numbers can be found on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website).

## Authorization

EAP is a benefit at no cost to the member, however authorization is required before services are rendered. If help is needed beyond the scope of the EAP services, the EAP counselor may refer the individual for additional help. Call the plan administrator for further information.

## Getting Assistance

The EAP counselor will help clarify the reason the individual is seeking assistance, identify available options and help develop a plan. Short-term counseling may be all that is required with the EAP counselor.

## Privacy and Confidentiality

All calls and counseling sessions are confidential. Information will not be disclosed unless written consent is given or as required by law.

## Eligibility

Active State employees and their dependents participating in the State Employees Group Insurance Program may access this benefit regardless of their choice of health plan. Active employees who opt out or waive health, dental and vision coverage remain eligible for this benefit.

## Accessing Services

There are two separate Employee Assistance Programs for active employees: the Personal Support Program (PSP) through AFSCME Council 31 and the EAP through the EAP behavioral health administrator.

- ◆ Bargaining unit employees represented by AFSCME Council 31 and covered under the collective bargaining agreement between the State of Illinois and AFSCME must access EAP services through the Personal Support Program. See the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website for plan administrator information.
- ◆ All other active and eligible employees NOT represented or covered by the collective bargaining agreement between the State of Illinois and AFSCME must contact the EAP behavioral health administrator. See the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website for plan administrator information.

## Services beyond EAP

If the individual is referred for additional help beyond the scope of services provided by the EAP and elects to use those services, the resulting costs and copayments, as applicable, are the individual's responsibility.

## Management Support

EAP provides specialized workplace support consultants to assist managers and supervisors in effectively assessing challenging situations and to determine the appropriate level of intervention based on departmental policies. Managers can call Workplace Support for a confidential management consultation on how to approach team dynamics or individual concerns including:

- ◆ Providing guidance on how to communicate a performance issue to an employee.
- ◆ Explaining how to offer assistance in the most productive and appropriate manner.
- ◆ Offering suggestions on how to approach a referral and identify important actions to document.
- ◆ Discussing options for dealing with a difficult situation.

EAP is a voluntary and confidential program. An employee is not required to use EAP, however, EAP is a valuable resource that can help with many of the situations that employees struggle with. Supervisor referrals are not disciplinary measures and do not replace standard policies and procedures for dealing with poor work performance, drug testing, or federal regulations.



# Behavioral Health

## Overview

Behavioral health services are for the diagnosis and treatment of mental health and/or substance abuse disorders. Eligible charges are for those covered services deemed medically necessary by the plan administrator. The coverage of behavioral health services (mental health and substance abuse) complies with the federal Mental Health Parity and Addiction Equity Act of 2008. This federal law requires health plans to cover behavioral health services at benefit levels equal to those of the plan's medical benefits.

## Managed Care Plans

Coverage for behavioral health services is provided under all of the managed care plans. There are no restrictions regarding the number of visits and hospital days allowed per plan year. Covered services for behavioral health must still meet the managed care plan administrator's medical necessity criteria and will be paid in accordance with the managed care benefit schedule. Please contact the managed care plan for specific benefit information.

## Quality Care Health Plan (QCHP)

Covered services for behavioral health which meet the plan administrator's medical necessity criteria are paid in accordance with the Quality Care Health Plan (QCHP) benefit schedule for in-network and out-of-network providers. Please contact the behavioral health plan administrator for specific benefit information and for a listing of in-network hospital facilities and participating providers.

### ***Authorization Requirements for Behavioral Health Services***

## Behavioral Health

In an emergency or a life-threatening situation, call 911, or go to the nearest hospital emergency room. Plan participants must call the behavioral health plan administrator within 48 hours to avoid a financial penalty. Authorization requirements still apply when plan participants have other coverage.

- ◆ Inpatient services must be authorized prior to admission or within 48 hours of an emergency admission to receive in-network or out-of-network benefits. Authorization is required with each new admission. Failure to notify the behavioral health plan administrator of an admission to an

inpatient facility within 48 hours could result in a financial penalty and risk incurring noncovered charges.

- ◆ Partial hospitalization and intensive outpatient treatment must be authorized prior to admission to receive in-network or out-of-network benefits. Authorization is required before beginning each treatment program. Failure to notify the behavioral health plan administrator of a partial hospitalization or intensive outpatient program could result in a financial penalty and risk incurring noncovered charges.
- ◆ Outpatient services received at the in-network benefit level must be provided by a QCHP network provider. Most routine outpatient services (such as therapy sessions and medication management) will be covered without the need for prior authorization. Authorization requirements for certain specialty outpatient services are noted below. Outpatient services that are not consistent with usual treatment practice for a plan participant's condition will be subject to a medical necessity review. The behavioral health administrator will contact the plan participant's provider to discuss the treatment if a review will be applied. Outpatient services received at the out-of-network benefit level must be provided by a licensed professional including licensed clinical social worker (LCSW), registered nurse, clinical nurse specialist (RN CNS), licensed clinical professional counselor (LCPC), licensed marriage and family therapist (LMFT), psychologist or psychiatrist to be eligible for coverage.
- ◆ Electroconvulsive therapy, psychological testing and applied behavioral analysis must be authorized to receive in-network or out-of-network benefits. Failure to obtain authorization will result in the risk of incurring noncovered charges.
- ◆ Residential services must be authorized prior to admission to receive in-network or out-of-network benefits. Authorization is required with each new residential admission. Failure to notify the behavioral health plan administrator of an admission to a residential facility could result in a financial penalty and risk incurring noncovered charges.

## Exclusions

Wilderness programs and/or therapeutic boarding schools that are not licensed as residential treatment centers.

# Dental Coverage

## Overview

The Quality Care Dental Plan (QCDP) is designed to offer plan participants coverage for basic dental services regardless of the health plan chosen. Employees who opt out of the health plan are not eligible for dental coverage.

Each plan participant is subject to an **annual dental plan deductible** for all dental services, except those listed in the Dental Schedule of Benefits as 'Diagnostic' or 'Preventive'. Once the deductible has been met, the plan participant is subject to a maximum annual dental benefit. See the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website for the amount of the maximum benefit.

- ◆ Plan participants may go to any dentist.
- ◆ The maximum benefit amount paid for eligible services is listed in the Dental Schedule of Benefits. Dental procedure codes that are not listed in the Dental Schedule of Benefits are not covered by the plan and are not eligible for payment. Employees are responsible for all charges over the scheduled amount and/or over the annual maximum benefit. The Dental Schedule of Benefits is available on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.
- ◆ Plan participants may obtain dental identification cards from the dental plan administrator.

Employees may enroll in the dental plan at the time of initial hire, upon opting into the health plan or during the annual Benefit Choice Period. A monthly premium will apply for dental coverage.

Employees may opt out of the dental plan at the time of initial hire or during the annual Benefit Choice Period. The election to drop coverage will remain in effect the entire plan year, **without exception**.

## Choosing a Provider

With QCDP, plan participants can choose any dental provider for services; however, plan participants will receive enhanced benefits, resulting in lower out-of-pocket costs, when they receive services from a network provider. There are two separate networks of providers that a plan participant may utilize for dental services: the PPO network and the Premier network.

- **PPO Network:** If you receive services from a PPO dentist, your out-of-pocket expenses will often be less because these providers accept a reduced PPO fee (less any deductible). If the PPO fee is higher than the amount listed on the Schedule of Benefits, you will be required to pay the difference.
- **Premier Network:** If you receive services from a Premier dentist, your out-of-pocket expenses may be less because Premier providers accept the allowed Premier fee (less any deductible). If the allowed fee is higher than the amount listed on the Schedule of Benefits, you will be required to pay the difference.

### **Out-of-Network Services**

If you receive services from a dentist who does not participate in either the PPO or Premier network, the amount paid by the plan will be in accordance with the Schedule of Benefits.

## Preventive and Diagnostic Services

Preventive and diagnostic services are not subject to the annual deductible and include, but are not limited to:

- Two periodic oral examinations per person per plan year.
- Two adult or child prophylaxis (scaling and polishing of teeth) per person per plan year.
- Two bitewing radiographs per person per plan year.
- One full mouth radiograph per person every three plan years.

## Prosthodontics

Prosthodontics, which include implants, crowns, bridges and dentures, are subject to the following limitations:

- Prosthodontics to replace missing teeth are covered **only for teeth that are lost while the person is covered under this plan**.
- Immediate dentures are covered only if five or more teeth are extracted on the same day.
- Permanent dentures to replace immediate dentures are covered only if placed in the person's mouth within two years from the placement of the immediate denture.
- Replacement dentures are covered only under one of the following circumstances:

## Dental Coverage (cont.)

- Existing denture is at least 5 years old, or
- Structural changes in the person's mouth require new dentures.
- Replacement crowns are covered only when the existing crown is at least 5 years old.
- Replacement bridges are covered only when the existing bridge is at least 5 years old.

## Child Orthodontics

The child orthodontia benefit is available only to children who begin treatment prior to the age of 19. A maximum lifetime benefit for child orthodontia applies regardless of the number of courses of treatment. The annual plan year deductible will need to be satisfied unless it was previously satisfied for other dental services incurred during the plan year.

The maximum lifetime benefit amount applies to each plan participant and does not start over with each course of treatment. A course of treatment can be for any orthodontic services, not only the placement of braces. For example, a child may have a retaining device when they are 8 years old and then have braces installed when they are 15. The benefit amount for the retainer plus the benefit amount for the braces can not exceed the maximum lifetime benefit amount allowed.

The benefit amount that will be paid for orthodontic treatment depends on the length of treatment plan as determined by the orthodontist. The length of treatment time frames and the associated benefit amount allowed is listed on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.

Twenty-five percent (25 percent) of the applicable orthodontia benefit, based on the length of treatment, will be reimbursed after the initial banding. The remaining benefit will be prorated over the remaining length of treatment period.

## Provider Payment

If you use a network dentist, you will not have to pay the dentist at the time of service (with the exception of applicable deductibles, charges for noncovered services, charges over the amount listed on the Schedule of Benefits and/or amounts over the annual maximum benefit). Network dentists will automatically file the dental claim for their patients. Employees who use a network provider and do not have any out-of-pocket costs for their visit will not receive an

explanation of benefits (EOB). The employee may, however, view their EOB on the dental plan administrator's website.

Participants who use an out-of-network dentist may have to pay the entire bill at the time of service and/or file their own claim form depending on the payment arrangements the plan participant has with their dentist. Out-of-network dentists can elect to accept assignment from the plan or may require other payment terms. Coordination of benefits applies to any other dental coverage.

## Pretreatment Estimate

For both prosthodontics and orthodontics, although not required, a pretreatment estimate is strongly encouraged to assist plan participants in determining the benefits available. To obtain a pretreatment estimate plan participants should contact their dental provider.

## Benefits for Services Received While Outside the United States

The plan covers eligible charges incurred for services received outside of the United States. All plan benefits are subject to plan provisions and deductibles.

Payment for the services may be required at the time service is provided and a paper claim must be filed with the dental plan administrator. When filing the claim, enclose the itemized bill with a description of the service translated to English and converted to U.S. currency along with the name of the patient, date of service, diagnosis, procedure code and the provider's name, address and telephone number.

# Dental Coverage (cont.)

## Dental Exclusions and Limitations

### ***No benefits shall be payable for:***

1. Dental services covered under the health plan.
2. Services rendered prior to the plan participant's effective date of coverage or subsequent to the date of termination of coverage.
3. Services not listed in this plan description or for services rendered prior to the date a service or procedure became a covered benefit as indicated in this plan description.
4. Services performed to correct congenital and/or developmental conditions including but not limited to malformations, retention of deciduous (baby) teeth, impaction or absence of permanent teeth, cleft palate, mandibular prognathism or retrognathism, enamel hypoplasia, amelogenesis imperfecta, fluorosis, and anodontia (i.e., the absence of teeth) are excluded from coverage.
5. Dental services relating to the diagnosis or treatment, including appliances, for temporomandibular joint disorders (TMJ) and myofunctional disorders, craniofacial pain disorders and orthognathic surgery. However, occlusal guards are covered.
6. Services not necessary or not consistent with the diagnosis or treatment of a dental condition, as determined by the dental plan administrator.
7. Orthodontia of deciduous (baby) teeth or adult orthodontia.
8. Services compensable under the Workers' Compensation Act or Employer's Liability Law.
9. Procedures or surgeries undertaken for primarily cosmetic reasons.
10. Construction of duplicate dentures.
11. Replacement of a fixed or removable prosthesis for which benefits were paid under this plan for the same tooth/teeth, if the replacement occurs within five years from the date the expense was incurred, unless:
  - The prosthesis is a stayplate or a similar temporary prosthesis and is being replaced by a permanent prosthesis; or
  - The prosthesis, while in the oral cavity, has been damaged beyond repair, as a result of injury while eligible under the plan.
12. Customization of dental prosthesis, including personalized, elaborate dentures or specialized techniques.
13. Expenses associated with obtaining, copying or completing any dental or medical reports.
14. Charges for procedures considered experimental in nature.
15. Service or care performed by a family member or other person normally residing with the participant.
16. Services provided or paid for by a governmental agency or under any governmental program or law, except for charges which the person is legally obligated to pay. This exception extends to any benefits provided under the U.S. Social Security Act and its amendments.
17. General anesthesia, conscious sedation or intravenous sedation services (with the exception of children under age 6) unless medically necessary. Supporting documentation from a physician will be reviewed by the dental plan administrator.
18. Fixed or removable prosthodontics for a patient under age 18.
19. Sealants for adults over age 18.
20. Amalgam and resin-based composite fillings more than once per surface in a 12-month interval.

# Vision Coverage

## Overview

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The vision plan is designed to assist with the costs of well-vision care and to encourage the maintenance of vision through regular eye exams. Periodic eye exams can detect and prevent ailments not only in the eyes, but throughout the body. The plan provides coverage when glasses or contacts are required. For more information, contact the vision plan administrator.

## Eligibility

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All plan participants covered by any of the health plans offered by the State Employees Group Insurance Program are eligible for vision care benefits. Benefit levels are published on an annual basis on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website.

## Frequency of Benefits

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Each service component is available once every 24 months from the last time the benefit component was used, except for the eye examination, spectacle lenses and contact lens benefits which are available once every 12 months from the last time used. Each service component is independent and may be obtained at separate times from separate providers. For example, a plan participant may receive an eye examination from one provider and purchase frames/lenses from a different provider.

## Provider Services

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Materials and services obtained from a network provider are paid at the network provider coverage benefit level. Applicable copayments and additional charges must be paid at the time of service. Eligible services or materials may be obtained from any licensed optometrist, ophthalmologist or optician. A directory of network providers can be found on the plan administrator's website.

If an out-of-network provider is used, the plan participant must pay the provider in full and request reimbursement from the vision plan administrator. To request reimbursement, send an itemized receipt and a claim form requesting reimbursement to the vision plan administrator. Reimbursement will be paid up to the maximum allowance amount as detailed in the schedule of benefits, out-of-network provider coverage chart on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website. Out-of-network provider benefits are paid directly to the covered employee. Claim forms are available on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website and through the plan administrator.

# Life Insurance Coverage

## Overview

There are two types of coverage available: Basic Life insurance coverage and Optional Life insurance coverage. Life insurance options change upon retirement. Refer to the Retiree, Annuitant and Survivor Benefits Handbook for life insurance options available to retirees and survivors. For more information regarding life insurance coverage and benefits, consult the State of Illinois Group Term Life Certificate of Insurance or contact the life insurance plan administrator.

## Basic Life Coverage

Term life insurance coverage is provided automatically at no cost to eligible employees through the State Employees Group Insurance Program. This coverage is provided to full-time and part-time employees. Each eligible active employee, regardless of age, is insured for an amount equal to their annual basic salary.

## Optional Life Coverage

Employees may purchase Optional Life insurance coverage. All premiums for Optional Life insurance coverage are at the employee's expense. Member Optional Life premiums are based on age. Rates are published each year on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.

### **Optional Life insurance coverage choices include:**

- ◆ **Member Optional Life.** Coverage up to eight times the Basic Life amount.
- ◆ **Accidental Death and Dismemberment (AD&D).** Accidental Death and Dismemberment (AD&D) is available to members in either (1) an amount equal to their Basic Life amount, or (2) the combined amount of their Basic and Member Optional Life, subject to a total maximum of five times the Basic Life insurance amount or \$3,000,000, whichever is less.
- ◆ **Spouse Life.** Term coverage of \$10,000. Spouse Life applies to civil union partners, but does not apply to domestic partners.
- ◆ **Child Life.** Term coverage of \$10,000 per child. Once a member elects Child Life coverage for one child, all eligible, MBSC-reported, dependent children age 25 and under will have Guaranteed Issue Child Life coverage, except individuals enrolled in the Other category. Children

in the Disabled category are eligible for life coverage as long as they continue to meet eligibility requirements.

## Changes to Coverage

Certain changes to life insurance coverage may be made any time during the plan year.

### **Adding or Terminating AD&D, Spouse Life and/or Child Life**

The following life insurance options may be added or dropped any time without a qualifying change in status:

- AD&D coverage
- Spouse Life coverage \*
- Child Life coverage

\* *Evidence of Insurability approval is required (see 'Evidence of Insurability Approval' in this section) to add coverage unless the spouse or civil union partner is newly acquired.*

### **Member Optional Life Coverage**

Employees may add, increase, terminate or decrease Member Optional Life any time during the plan year without experiencing a qualifying change in status event.

## Evidence of Insurability Approval

When an employee requests to increase Member Optional Life, or requests to add Spouse Life coverage, an evidence of insurability is required. If approved, coverage will be effective the date the evidence of insurability was approved by the life insurance plan administrator.

Evidence of insurability is not required for Child Life coverage, for newborns added within 60 days of birth, or for newly-acquired dependents (adopted child, stepchild, child of civil union partner or child for whom the employee has obtained legal guardianship) added within 60 days of the qualifying event. Evidence of insurability applications are available on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website.

# Life Insurance Coverage (cont.)

## Effective Date of Life Coverage Change

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When increasing Member Optional Life, or when adding Member Optional Life or Spouse Life, the effective date of the coverage will be the evidence of insurability approval date. The life plan administrator will send a letter to the employee and the MyBenefits Service Center (MBSC) that indicates whether the evidence of insurability application was approved or denied.

When adding or increasing AD&D and/or Child Life coverage the effective date will be the date the request was received by the MBSC.

When terminating or decreasing any Optional Life coverage outside the Benefit Choice Period, the effective date will be the date of the request.

Requests made during the Benefit Choice Period to add, increase, decrease or terminate any Optional Life coverage will be effective July 1st.

## Accelerated Benefits

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Life insurance benefits may be paid prior to death under certain circumstances. Accelerated benefits offer access to a portion of life insurance benefits if the employee is diagnosed with a terminal illness with a life expectancy of 24 months or less. Contact the life insurance plan administrator for more information.

## Beneficiary Form

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A life insurance beneficiary form must be completed by the employee at the time of employment. It is the employee's responsibility to contact the life insurance plan administrator with any changes to the beneficiary designation and/or beneficiary address.

## Continuing Life Insurance Coverage after Employment Terminates

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When State employment terminates, life insurance coverage may be continued at the member's expense. Basic Life and Member Optional Life coverage may be converted to a form of individual whole life insurance offered by the life insurance plan administrator. Member Optional Life insurance coverage may be ported to a term life insurance policy in lieu of converting it to a whole life policy. In order to continue coverage, the member must contact the plan administrator within 31 days of the date the member terminates employment. Contact the life insurance plan administrator for additional information regarding conversion and portability options.

Should the member choose to continue coverage through one of the available insurance products, the full premium must be paid directly to the plan administrator. Once the member makes the selection, the Program is no longer involved in the administration or premium rate structure of these insurance products.

## Life Insurance Coverage upon Retirement

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Employees under age 60 who retire are insured for an amount equal to their annual basic salary as of their last day of employment. Once the retired employee reaches age 60, Basic Life coverage decreases to \$5,000. For Optional Life insurance options refer to the Retiree, Annuitant and Survivor Benefits Handbook.

## Death of a Plan Participant

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In the case of a member or dependent's death, the survivor should contact the agency GIR or the life plan administrator, Securian Financial, for assistance with filing a claim for death benefits. A copy of the death certificate will be required by the life plan administrator. Securian Financial can be contacted toll-free at 888-202-5525.

# Chapter 3

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## Chapter 3: Optional Programs

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# Flexible Spending Accounts

The Flexible Spending Account (FSA) Program offers two tax-savings plans, the **Medical Care Assistance Plan (MCAP)** and the **Dependent Care Assistance Plan (DCAP)**.

- ◆ **Medical Care Assistance Plan (MCAP).** This plan uses tax-free dollars to pay eligible medically-necessary expenses incurred by the employee, spouse and dependent(s) during the plan year.
- ◆ **Dependent Care Assistance Plan (DCAP).** This plan uses tax-free dollars to pay eligible child (age 12 and under) and/or adult daycare expenses during the plan year.

The FSA plan year runs from July 1 through June 30. Eligible State employees may set aside tax-free monies each year to MCAP (per employee) and/or DCAP (per household). Employees should refer to the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website for the maximum amount allowed for an FSA.

Employees may enroll in DCAP up to the maximum amount allowed under the IRS guidelines; however, the total maximum contribution for a married couple cannot exceed the maximum contribution amount allowed under the IRS rules per calendar year.

When enrolling in an FSA, employees designate the amount they wish to have deducted from each paycheck. The designated amount is deposited into the employee's MCAP and/or DCAP account before any state, federal or social security taxes are withheld, resulting in reduced taxes and greater disposable income.

Only the expenses of eligible dependents may be reimbursed. Dependents must qualify under the Internal Revenue Code in order to be eligible. See the FSA Booklet on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website for dependent eligibility qualifications.

## Employee Eligibility

In order to be eligible to participate in an FSA, employees must:

- ◆ work full-time or part-time not less than 50 percent; and
- ◆ be eligible to participate in one of the State's health plans.

In addition to the two eligibility requirements that apply to all FSA enrollments, a DCAP participant and their spouse must be unavailable to care for the qualifying individual (child or adult). **Therefore, the following eligibility rule also applies to all DCAP enrollments.**

- ◆ The employee's spouse must be either (1) gainfully employed; (2) a full-time student; (3) disabled and incapable of self-care; or (4) seeking employment and have income for the year.

Temporary, intermittent and contractual employees, as well as retirees, are not eligible to participate in the FSA Program.

## Enrollment

Enrolling in an FSA must take place during the annual Benefit Choice Period, with the following two exceptions:

- ◆ **Initial Hire:** New employees have 30 days from the date of employment to enroll.
- ◆ **Flex-Spending-Qualifying Change in Status:** Employees who experience an eligible change in status have 60 days from the date of the flex-spending-qualifying event to enroll. The enrollment must be on account of and consistent with the nature of the event. Flex-spending-qualifying events and the associated allowable change are indicated on the Flex-Spending-Qualifying-Change in Status form available on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website.

Employees who enroll in MCAP and/or DCAP during the annual Benefit Choice Period have an effective date of July 1st. Employees who enroll in either plan during the plan year have an effective date of the first day of the event or the date the enrollment was completed online at [MyBenefits.illinois.gov](https://mybenefits.illinois.gov), or the date of the qualifying event, whichever is later. Employees may begin submitting eligible expenses and/or services for reimbursement on or after the effective date.

Employees who experience a qualifying change in status which **terminates their participation in the program** (either voluntarily or involuntarily, such as termination of employment) will have an effective date of the last day worked. Eligible expenses may only be submitted for reimbursement if they were incurred on or prior to that date.

## Leave of Absence, Termination and Retirement

In general, FSA participants who go off payroll are not eligible to participate in an FSA. Reasons for ineligibility include termination of employment, retirement or being on an unpaid leave of absence. MCAP participants who are ineligible for any of these reasons may continue participation in MCAP by continuing to make their deduction payment through the direct pay MCAP COBRA option (post-tax) or by having all remaining plan year MCAP deductions taken from their final paycheck or supplemental check (pretax). These continuation options apply only to MCAP participants.

- ◆ **MCAP COBRA Option:** Employees who are **terminating** employment or **retiring** from State service may continue

# Flexible Spending Accounts (cont.)

participation in MCAP for the remainder of the plan year. Payment for the remaining deductions may be taken on a pre-tax basis from the final paycheck or the final lump-sum payment check (sick/vacation time). Payment may also be made on a post-tax basis through a lump-sum payment mailed directly to the Optional Tax (OT) Unit.

Employees who go off payroll due to a **leave of absence**, may elect to continue participation in MCAP throughout the period they are off payroll. Payment for the period of time the employee is off payroll may be made through personal payments mailed directly to the OT Unit, in either a monthly or lump-sum amount. Payments must be sent to the OT Unit until the participant returns to payroll.

Participants electing the post-tax option will not receive the pretax benefit; however, the participant will be permitted to file claims for reimbursement through the end of the period for which they have paid.

Those interested in continuing participation in MCAP through direct payments should complete the MCAP Continuation Election form (available on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website) and contact the OT Unit at CMS. The OT Unit at CMS will coordinate the continued enrollment and explain the payment process. The participant is responsible for submitting the MCAP COBRA payment each month; no monthly bill will be sent.

## Re-enrollment in FSA

Re-enrollment in the FSA Program is not automatic. Employees must re-enroll in the program each year during the annual Benefit Choice Period. **Employees are responsible for making sure they re-enroll each year via the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website, or by calling the MyBenefits Service Center.** The effective date of Benefit Choice enrollments is July 1st.

Employees who return to work from a leave of absence in which their enrollment in FSA was terminated, must re-enroll online at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website within 60 days of their return to payroll. The effective date of the FSA will be the first day of the pay period following the date of enrollment or the date of employee returned to payroll, **whichever is later.**

## The Following Applies to MCAP Accounts Only

### ***Reimbursement of Over-the-Counter Items***

Certain over-the-counter (OTC) items are reimbursable through an employee's MCAP account. The main factor in determining whether an OTC item will be eligible for reimbursement is

whether or not the item is, or contains, a medicine or a drug. Items that are not, or do not contain, a medicine or a drug, such as Band-Aids or saline, are reimbursable. Over-the-counter items that do contain a medicine or a drug may be reimbursable as long as the request is accompanied by a prescription. All OTC items must meet IRS regulations in order to be reimbursed.

Throughout the plan year, an over-the-counter item may be added to the IRS's list of items eligible for reimbursement. If this occurs, reimbursement for the item may be requested even if the item was purchased prior to the date the item was added to the list. Employees cannot, however, enroll in the MCAP program or increase their MCAP contribution simply because an OTC item they use is added to the list of eligible items.

A list of eligible OTC categories can be found on the plan administrator's website.

### ***MCAP Rollover Option***

In accordance with Section 125 of the IRS Code, eligible participants may roll over up to \$500 of the remaining balance in their MCAP account to the next plan year. To become eligible for the rollover benefit, employees must be in active status and enrolled in the MCAP for the next plan year. The rollover may be used to pay for medical expenses under the MCAP plan incurred during the next plan year. MCAP participants may still elect an amount up to the maximum allowed salary reduction amount under Section 125 for the new plan year. Thus, the rollover amount of up to \$500 does not count against, or otherwise affect the salary reduction limit applicable to each plan year. Any account balance in excess of \$500 that remains unused at the end of the run-out period will be forfeited.

Any amount remaining in an employee's health FSA upon termination of employment or retirement also is forfeited unless, if applicable, the employee elects COBRA continuation coverage.

### ***Reimbursement Options for Orthodontic Braces***

Employees who are planning to pay orthodontia expenses out of their MCAP account should request a pretreatment estimate from the dental plan administrator prior to the annual Benefit Choice Period for purposes of accurately estimating their annual deduction amount. Under or over estimating the cost of braces is not a qualifying event to allow an employee to change their MCAP election. Employees should allow 4-6 weeks to obtain the estimate.

The orthodontist's office will design a treatment plan for the individual receiving the braces. The amount remaining after the insurance payment and the deductible is subtracted is

# Flexible Spending Accounts (cont.)

reimbursable through MCAP. The employee can be reimbursed in any of the following methods:

- ◆ **One Lump Sum Payment.** Employees can request a lump sum payment of the full amount only in the plan year in which the banding occurred.
- ◆ **Two Lump Sum Payments.** Employees, who have a contract that designates two lump-sum payments, one in each plan year, can request reimbursement for the first lump sum payment in the first plan year and the remaining payment in the second plan year.
- ◆ **Initial Down Payment and Monthly Contract.** The amount that an employee is required to pay as a down payment on the first visit is reimbursable in that plan year. The remaining balance is reimbursable through monthly payments if the employee has a monthly contract (copy of the patient's contract is required).
- ◆ **Monthly Contract.** Employees who have a contract indicating monthly payments will be reimbursed the monthly payment amount each month. If the contract extends more than a 12-month period, the monthly payments will be reimbursable throughout both plan years (copy of the patient's contract is required).

Orthodontic treatment, other than braces, is reimbursed just as any other dental claim.

## FSA Card

The State of Illinois offers employees enrolled in MCAP an FSA card to electronically access their MCAP account for immediate reimbursement. There is no fee for the card. The card is loaded each year the employee enrolls in MCAP with the elected annual amount and can be used the first day of eligibility. Funds in an MCAP account can be accessed by either using the FSA card or by submitting a paper claim.

When using the FSA card, prescriptions, eligible over-the-counter items and copayments are paid directly out of the employee's account without the need to provide documentation to the plan administrator. **NOTE:** Purchases made at drugstores that are not IIAS\* certified will need to have documentation submitted to the plan administrator. For a list of IIAS-certified merchants, visit the plan administrator's website.

The State's dental and vision insurance benefits are based upon a schedule of benefits that allows a maximum amount to be paid for the eligible service. Since benefit levels are not known 'copayments,' but are instead a 'maximum benefit amount,' these amounts cannot be automatically adjudicated; therefore, documentation must be submitted to the plan

administrator for these services. This documentation must indicate the provider's name and address, date of service, dollar amount charged, patient name, type of service performed and lastly, the patient responsibility after insurance pays. Usually, an Explanation of Benefits (EOB) provided by the health, dental, or vision insurance provider will include the appropriate information needed to substantiate a claim.

**When using the card for dental and vision services, participants should ask the provider to exclude the portion that will be paid by insurance from the amount swiped. If the provider does not exclude the insurance portion when swiping the card, the employee will be responsible for reimbursing the FSA plan any amount that was paid by insurance.**

Repayment to the plan can be in the form of substituting another eligible, unreimbursed claim from another date of service or a personal check made payable to the plan administrator for the ineligible amount.

## Employees Who Have Waived or Opted Out of Health Coverage

Part-time employees who waive health, dental and vision coverage or full-time employees who opt out of the coverage may still elect to receive the FSA card; however, since these employees do not have coverage through the State of Illinois, the copayment amounts are not known by the FSA plan administrator. For this reason, **follow-up documentation may be required for all transactions, except prescriptions\* and eligible OTC\*.**

**Employees, who have transactions for which follow-up documentation is required, but not provided, may have their FSA debit card suspended until documentation is received.**

\* The automatic adjudication system that allows eligible medical FSA expenses to be purchased with the FSA card is called the Inventory Information Approval System (IIAS). This system is only used for auto adjudication of prescription and eligible over-the-counter items.

## Claim Reimbursement

Employees enrolled in MCAP are eligible to be reimbursed the entire amount for which they enrolled effective their eligibility begin date.

Employees enrolled in DCAP may be reimbursed only the amount that is in their DCAP account at the time the claim is received by the plan administrator. If the claim amount exceeds the balance in the DCAP account, the outstanding

# Flexible Spending Accounts (cont.)

balance will be carried over until the next payroll deduction is received by the plan administrator. At that time, the remaining portion of the claim will be paid. DCAP expenses incurred while the employee and/or the employee's spouse is not actively at work or looking for work are ineligible for reimbursement.

## Claim Submission

Employees must use a separate claim form for each plan and calendar year's expenses. Claims for reimbursement may be made via the online claims submission process on the plan administrator's website, mobile upload, fax or mail. Reimbursement requests must contain dates of service that occurred on or after the eligibility begin date. Claim forms that are incomplete or do not have adequate supporting documentation or that cross plan years (with the exception of dates of service occurring during the 'MCAP grace period,' explained later in this section) will not be paid. The plan administrator will send a letter (or email if the employee has signed up for paperless exchange) to the employee indicating the reason the claim was unpaid and will request that the employee send the missing and/or correct information for processing.

Per IRS guidelines, if requested by the plan administrator, the participant must provide a statement from the provider or insurance company, showing the date of service, description of service(s), the name of the person receiving services, the charge for the service and the participant expense after the insurance coverage has been paid their contracted amount.

State of Illinois employees have access to view their paid or unpaid health, dental, vision and prescription account Explanation of Benefits (EOBs) through their chosen vendor websites. These web addresses can be found in the annual Benefits Choice Booklet, or at [benefitschoice.il.gov](http://benefitschoice.il.gov) under Plan Administrator Directory, or at [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) under Provider Directories.

Employees have three months from the close of the plan year (i.e., September 30) to submit claims for reimbursement. This three-month period is referred to as the 'run-out period.' Unused funds of up to \$500 will automatically rollover to the next plan year after the run-out period ends for employees who do not terminate employment or retire. Any amount over \$500 will be forfeited.

## FSA Account Statements

Employees may access their account statement anytime by logging onto their website account and selecting 'Statements' under the 'Accounts and Balances' tab. Members who prefer a statement to be mailed to their home address may call the plan administrator to request this option.

MCAP services/items indicated with an orange flag are transactions that must be substantiated (i.e., follow-up documentation must be provided to the plan administrator). Items indicated on the website in orange for more than 60 days will cause the employee's MCAP payment card to be suspended. Paper claims submitted after the payment card has been suspended, will be automatically substituted for any outstanding card transactions. It is the employee's responsibility to carefully review their website account.

## For More Information

For more information regarding the FSA Program, please contact the Optional Tax (OT) Unit at 800-442-1300 or 217-558-4509.

# Commuter Savings Program

## Overview

The Commuter Savings Program (CSP) is an IRS-approved, optional benefit that gives eligible employees the opportunity to use tax-free dollars to pay out-of-pocket, work-related commuting and/or parking expenses (up to IRS limits). CSP contributions are deducted from the participant's paycheck before federal, state and social security taxes are withheld. Refer to the current Benefit Choice Options booklet for current monthly maximum limits.

## Eligibility

Full-time and part-time employees working 50 percent or greater of a normal work period who have payroll checks processed through the Office of the Comptroller may enroll in CSP at any time. Employees who enter a nonpay status due to a leave of absence, dock time or suspension, retirement or termination of employment are not eligible to continue in the program.

## Transit Benefit

CSP allows eligible employees to use pretax dollars to pay for mass-transit or vanpooling expenses incurred for work-related commuting costs. The transit media selected (e.g., CTA, Metra, etc.) is conveniently mailed directly to the participant prior to the beginning of the benefit month, or by reloading a Visa debit card for each month's order.

## Parking Benefit

CSP allows eligible employees to use pretax dollars to pay for work-related parking expenses. Participants may elect to have payments made directly to the parking provider or may elect to be reimbursed by the plan administrator for their parking expenses. Direct payments to the parking provider will be made prior to the beginning of the benefit month. Employees electing to be reimbursed for their parking expenses must request the reimbursement via the plan administrator's website. Reimbursement for parking expenses cannot be made until the employee's CSP payroll deduction is received by the plan administrator.

## Electing, Changing or Cancelling the CSP Benefit

Commuter Savings Program (CSP) benefits may be elected, changed or cancelled at any time. Enrollment in CSP is on a month-to-month basis. Participants may select a 'recurring' option that allows the benefit to continue until the participant cancels or changes it via the plan administrator's website. Enrolling, changing or cancelling a benefit is done via the plan administrator's website or by calling the plan administrator. All enrollments, changes and cancellations must be completed by close of business the 10th of each month to be effective the 1st of the following month. For example, in order to receive a transit pass for the month of November; the employee must elect the benefit no later than October 10th.

## Payroll Deductions

Contributions are deducted from participant's paycheck in the same month as the benefit month. For example, employees enrolled to receive a transit pass for the benefit month of November will have payroll deductions for that benefit taken on the November payrolls. It is each participant's responsibility to verify the accuracy of CSP payroll deductions.

## Lost or Missing Passes or Vouchers

Participants should call the plan administrator if they fail to receive their pass or voucher by the third workday of the month for which the benefit is effective. In order to receive reimbursement for a lost pass, a receipt proving purchase of a replacement pass is required. The receipt must be submitted with a completed Special Handling Form. A copy of the Special Handling Form can be found on the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website or the plan administrator's website.

## For More Information

For more information regarding CSP, please contact the Optional Tax (OT) Unit at 800-442-1300 or 217558-4509.

# Adoption Benefit Program

## Overview

Recognizing adoption as a meaningful and viable way to build a family, the Department provides an Adoption Benefit Program to assist employees who adopt a child. To encourage adoption, especially of children who traditionally wait longer for families, the Adoption Benefit Program will reimburse eligible employees for some adoption expenses.

## Eligibility

The Adoption Benefit Program is available to all active employees who are eligible for benefits under the State Employees Group Insurance Program (Program). Active employees who opt out or waive health coverage under the Program remain eligible for the Adoption Benefit Program.

The adoption must be final before expenses are eligible for reimbursement. The request for reimbursement must be received within one year from the end of the plan year the adoption became final. If both husband and wife are State employees, only one adoption benefit is available per child.

## Waiting Children

Hundreds of children in Illinois are waiting to be adopted. Most live in foster homes, group homes or residential centers operated by child welfare agencies. Because many of these children wait too long for families, the State of Illinois is determined to shorten their wait by finding permanent homes for more of them. The Adoption Benefit Program will help in this effort.

### ***Waiting Children are defined as:***

- ◆ Minority children age three (3) and over and Caucasian children age eleven (11) and over, or
- ◆ Children with a diagnosis of a specific mental, physical or emotional disability, or
- ◆ Children who need to be adopted with brothers and sisters, or
- ◆ Foreign children age three (3) and over.

## Benefit Amount

The Adoption Benefit Program pays eligible expenses up to a maximum of \$1,500 for a waiting child and up to a maximum of \$1,000 for any other child. All adoption benefits are subject to Medicare and social security taxes. If more than one child is adopted, benefits are available for each child.

## Eligible Expenses

The following adoption charges are eligible for reimbursement:

- ◆ Legal fees.
- ◆ Court fees.
- ◆ Adoption agency fees, including foreign adoption fees (adoption agency must be licensed by the State of Illinois).
- ◆ Required medical exams for the child.
- ◆ Initial immunizations for the child.
- ◆ Transportation costs to bring the child to the adopting parents (or for the adult accompanying the child to the United States).

## Ineligible Expenses

The following charges are not eligible for payment:

- ◆ Expenses for adopting stepchildren or the children of a civil union partner.
- ◆ Expenses for adopting children related to either parent, such as grandchildren, nephews, nieces, cousins, brothers or sisters.
- ◆ Transportation for the adopting parents.
- ◆ Medical examination fees for the adopting parents.
- ◆ Cost of personal items for either parents or child during or after the adoption, such as clothing or food.
- ◆ Expenses provided by other adoption assistance programs.
- ◆ Pledges, gifts or support fees to an adoption agency.

### ***The following documentation must be submitted:***

- ◆ Receipts of eligible expenses.
- ◆ An informal memo or letter to the Department stating that an adoption has been completed of a child who is not related to the employee, civil union partner or spouse.
- ◆ The memo or letter must include the State employee's name, address, employee work and/or home telephone number and agency name.
- ◆ A copy of the adoption decree from a court in the United States or the Department of Children and Family Services (DCFS) home study approval letter for adoption of a child outside the United States.

# Adoption Benefit Program (cont.)

## **Submit Documentation to:**

Adoption Benefit Program  
DCMS Group Insurance Division  
801 S. 7th Street  
P.O. Box 19208  
Springfield, IL 62794-9208

## Leave of Absence for Adoption

For details concerning an eligible leave of absence for adoption, contact your agency's personnel office.

# Smoking Cessation Program

## Overview

Eligible plan participants are entitled to receive a rebate towards the cost of a smoking cessation program. The maximum rebate is \$200, limited to one per plan year and available only upon completion of a smoking cessation program. Please note that many managed care plans offer smoking cessation programs separate from the Department's Smoking Cessation Program. Employees who utilize a smoking cessation program through their managed care plan are not eligible for a Smoking Cessation Program benefit through the Department. Contact the managed care plan for more information regarding their smoking cessation program options and limitations.

## Eligibility

The Smoking Cessation Program is available to all employees who are eligible for benefits under the State Employees Group Insurance Program and their enrolled dependents. Active employees who opt out or waive health coverage under the Program are not eligible for the Smoking Cessation Program.

## **Ineligible for Reimbursement**

The following therapies are not eligible for reimbursement unless they are an integral part of a smoking cessation program.

- ◆ Hypnosis (even if an integral part, will not be reimbursed unless performed by a medical doctor);
- ◆ Acupuncture;
- ◆ Prescription drug therapy;

## For More Information

The Department is the plan administrator of the Adoption Benefit Program. Questions regarding the Adoption Benefit Program or enrollment of the child in group insurance benefits should be directed to the Department. For questions about adoptions in general, please contact the Adoption Information Center of Illinois at 800-572-2390.

- ◆ Nonprescription drug therapy;
- ◆ Aricular therapy.

## **Reimbursement Documentation Requirements**

- ◆ Receipt indicating payment for a smoking cessation program.
- ◆ Program certificate verifying the number of sessions and date of completion of a smoking cessation program.
- ◆ Employee's name, address, agency name and agency telephone number.
- ◆ Requests for the Smoking Cessation Program reimbursements must be submitted to the Department within one year from the date of the receipt.

## **Submit Documentation to:**

Smoking Cessation Program  
DCMS Group Insurance Division  
801 S. 7th Street  
P.O. Box 19208  
Springfield, IL 62794-9208

## For More Information

The Department of Central Management Services (Department) is the plan administrator of the Smoking Cessation Program. Questions regarding the Smoking Cessation Program should be directed to the Department at 800-442-1300.

# Weight-Loss Benefit Program

## Overview

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As a commitment to an employee's overall wellness, eligible plan participants are entitled to receive a rebate towards the cost of an approved weight-loss program. The maximum rebate is \$200 once every three plan years. Employees who utilize a weight-loss program are eligible for the weight-loss benefit through the Department.

The weight-loss benefit is available to all employees who are eligible for benefits under the State Employees Group Insurance Program. Active employees who opt out or waive health coverage under the Program are not eligible for this benefit, nor are dependents, annuitants or survivors.

### ***Reimbursement Documentation Requirements***

- ◆ Receipt indicating payment for the weight-loss program.
- ◆ Employee's name, address and telephone number.
- ◆ Requests for the Weight-Loss Program reimbursements must be submitted to the Department within one year from the date of the receipt.

### ***Ineligible for Reimbursement***

The following services are not eligible for reimbursement unless they are an integral part of the weight loss program.

- ◆ Fitness club membership
- ◆ Over-the-counter supplements or drug therapy
- ◆ Dietary food products
- ◆ Hypnosis
- ◆ Acupuncture

### ***Submit Documentation to:***

Weight-Loss Benefit  
DCMS Group Insurance Division  
801 S. 7th Street, P.O. Box 19208  
Springfield, IL 62794-9208

### ***For More Information***

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The Department of Central Management Services (Department) is the plan administrator of the Weight-Loss Benefit. Questions regarding the Weight-Loss Benefit should be directed to the Benefits and Claims Support Unit at 800-442-1300 or 217-558-4486.



# Chapter 4

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## Chapter 4: Miscellaneous

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# Coordination of Benefits

If a plan participant enrolled in the Program is entitled to primary benefits under another group plan, the amount of benefits payable under the Program may be reduced. The reduction may be to the extent that the total payment provided by all plans does not exceed the total allowable expense incurred for the service. Allowable expense is defined as a medically necessary service for which part of the cost is eligible for payment by this plan or another plan(s).

Under coordination of benefits (COB) rules, the Department's plan first calculates what the benefit would have been for the claim if there was no other plan involved. The Department's plan then considers the amount paid by the primary plan and pays the claim up to 100 percent of the allowable expense.

**NOTE:** When a managed care health plan is the secondary plan and the plan participant does not utilize the managed care health plan's network of providers or does not obtain the required referrals, the managed care health plan is not required to pay. Refer to the managed care plan's summary plan document for additional information.

The State of Illinois coordinates benefits with the following:

- ◆ Any group insurance plan.
- ◆ Medicare.
- ◆ Any Veterans' Administration (VA) plan.
- ◆ Any "no-fault" motor vehicle plan. This term means a motor vehicle plan which is required by law and provides medical or dental care payments which are made, in whole or in part, without regard to fault. A person who has not complied with the law will be deemed to have received the benefits required by the law.

The State of Illinois does not coordinate benefits with the following:

- ◆ Private individual insurance plans.
- ◆ Any student insurance policy (elementary, high school and college).
- ◆ Medicaid or any other State-sponsored health insurance program.
- ◆ TRICARE.

It is the member's responsibility to provide other insurance information (including Medicare) to the Department's Medicare COB Unit. Any changes to other insurance coverage must be reported promptly to the Department's Medicare COB Unit (contact information located in the Medicare section).

## Order of Benefit Determination

The Department's medical and dental plans follow the National Association of Insurance Commissioners (NAIC) model regulations. These regulations dictate the order of benefit determination, except for members who are eligible for Medicare due to End-Stage Renal Disease (ESRD). Refer to the 'Medicare' section for details regarding coordination of benefits for plan participants eligible for Medicare. **The rules below are applied in sequence.** If the first rule does not apply, the sequence is followed until the appropriate rule that applies is found. Special rules apply for adult children and children of civil union partners. Contact the Department for more information.

### *Employee or Member*

The plan that covers the plan participant as an active employee or member is primary:

1. over the plan that covers the plan participant as a dependent.
2. over the plan that covers the plan participant as a laid-off employee or retiree.
3. over the plan that covers the plan participant under COBRA.
4. if it has been in effect the longest, back to the original effective date under the employer group, whether or not the insurance company has changed over the course of coverage.

### *Dependent Children of Parents Not Separated or Divorced*

The following "Birthday Rule" is used if a child is covered by more than one group plan. The plans must pay in the following order:

1. The plan covering the parent whose birthday\* falls earlier in the calendar year is the primary plan.
2. If both parents have the same birthday, the plan that has provided coverage longer is the primary plan.

\* *Birthday refers only to the month and day in a calendar year, not the year in which the person was born.*

**NOTE:** Some plans not covered by state law may follow the Gender Rule for dependent children. This rule states that the father's coverage is the primary carrier. In the event of a disagreement between two plans, the Gender Rule applies.

# Coordination of Benefits (cont.)

## ***Dependent Children of Separated or Divorced Parents***

If a child is covered by more than one group plan and the parents are separated or divorced, the plans must pay in the following order:

1. The plan of the parent with custody of the child;
2. The plan of the spouse of the parent with custody of the child;
3. The plan of the parent not having custody of the child.

**NOTE:** If the terms of a court order state that one parent is responsible for the healthcare expenses of the child and the health plan has been advised of the responsibility, that plan is primary payer over the plan of the other parent.

## ***Dependent Children of Parents with Joint Custody***

The Birthday Rule applies to dependent children of parents with joint custody.

# Medicare

## Overview

Medicare is a federal health insurance program for individuals age 65 and older, individuals under age 65 with certain disabilities and individuals of any age with End-Stage Renal Disease (ESRD).

The Social Security Administration (SSA) or the Railroad Retirement Board (RRB)\*\* determines Medicare eligibility upon application and enrolls eligible plan participants into the Medicare Program. The Medicare Program is administered by the Centers for Medicare and Medicaid Services (also known as the federal CMS).

### **Medicare has the following parts:**

- ◆ **Part A** is insurance that helps pay for inpatient hospital facility charges, skilled nursing facility charges, hospice care and some home healthcare services. Medicare Part A does not require a monthly premium contribution from plan participants with enough earned work credits. Plan participants without enough earned work credits have the option to enroll in Medicare Part A and pay a monthly premium contribution.
- ◆ **Part B** is insurance that helps pay for outpatient services including physician office visits, labs, x-rays and some medical supplies. Medicare Part B requires a monthly premium contribution.
- ◆ **Part C** (also known as Medicare Advantage) is insurance that helps pay for a combination of the coverage provided in Medicare Parts A, B and sometimes D. An individual must already be enrolled in Medicare Parts A and B in order to enroll in a Medicare Part C plan. Medicare Part C requires a monthly premium contribution.
- ◆ **Part D** is insurance that helps pay for prescription drugs. Generally, Medicare Part D requires a monthly premium contribution.

## Medicare Due to Age

### **Plan Participants Age 65 and older**

***The State Employees Group Insurance Program requires all plan participants to contact the SSA and apply for Medicare benefits three months prior to turning age 65.***

### **Medicare Part A**

Eligibility for premium-free Medicare Part A occurs when an individual is age 65 or older and has earned at least 40 work credits from paying into Medicare through Social Security. An individual who is not eligible for premium-free Medicare Part A benefits based on his/her own work credits may qualify for premium-free Medicare Part A benefits based on the work history of a current, former or deceased spouse. All plan participants that are determined to be ineligible for Medicare Part A based on their own work history are required to apply for premium-free Medicare Part A on the basis of a spouse (when applicable).

If the SSA determines that a plan participant is eligible for premium-free Medicare Part A, **the State Employees Group Insurance Program requires that the plan participant accept the Medicare Part A coverage** and submit a copy of the Medicare identification card to the Department's Medicare COB Unit upon receipt.

If the SSA determines that a plan participant is **not eligible** for Medicare Part A benefits at a premium-free rate, the State Employees Group Insurance Program does not require the plan participant to purchase Medicare Part A coverage; however, the State does require the plan participant to provide a written statement from the SSA advising of his/her Medicare Part A ineligibility. The plan participant is required to submit a copy of the SSA statement to the Department's Medicare COB Unit.

**In order to apply for Medicare benefits, plan participants should contact the local Social Security Administration (SSA) office or call the SSA at 800-772-1213. Plan participants may enroll in Medicare on the SSA website at [ssa.gov/Medicare](https://ssa.gov/Medicare).**

**\*\*Railroad Retirement Board (RRB) participants should contact their local RRB office or call the RRB at 877-772-5772 to apply for Medicare.**

# Medicare (cont.)

## **Medicare Part B**

Most plan participants are eligible for Medicare Part B upon turning the age of 65.

The State Employees Group Insurance Program does **not** require plan participants to enroll in Medicare Part B if they are still actively working. The SSA allows plan participants to delay enrollment in Medicare Part B (without penalty) until the plan participant either retires or loses current/active employment status (usually due to a disability-related leave of absence). At that time, the State requires the plan participant to enroll in Medicare Part B.

## Medicare Due to Disability

### **Plan Participants Age 64 and Under**

**Plan participants are automatically eligible for Medicare (Parts A and B) disability insurance after receiving Social Security disability payments for a period of 24 months.**

### **Medicare Part A**

Plan participants who become eligible for Medicare disability benefits are **required** to accept the Medicare Part A coverage and submit a copy of the Medicare identification card to the Department's Medicare COB Unit upon receipt.

### **Medicare Part B**

Actively working plan participants who become eligible for Medicare disability benefits are **not required** to accept the Medicare Part B coverage. The SSA allows plan participants to delay enrollment into Medicare Part B until retirement or the loss of current/active employment status occurs. At that time, the State requires the plan participant to enroll in Medicare Part B.

Plan participants who are no longer working (without current/active employment status due to retirement or a disability-related leave of absence) are **required** to enroll in Medicare Part B. The Medicare Part B requirement remains in effect as long as the employee is without current/active employment status and does not permanently return to work. Refer to the 'Failure to Enroll in Medicare' section for more information.

## Medicare Due to End-Stage Renal Disease (ESRD)

All State Employees Group Insurance Program plan participants who are receiving regular dialysis treatments or who have had a kidney transplant on the basis of ESRD are required to apply for Medicare benefits.

Plan participants eligible for Medicare on the basis of ESRD, must contact the Department's Medicare Coordination of Benefits (COB) Unit at 800-442-1300. The Department's Medicare COB Unit calculates the 30-month coordination period in order for plan participants to sign up for Medicare benefits on time and avoid additional out-of-pocket expenditures.

### **Medicare Part A**

Plan participants who become eligible for Medicare benefits on the basis of ESRD are **required** to accept the Medicare Part A coverage and submit a copy of the Medicare identification card to the Department's Medicare COB Unit upon receipt.

### **Medicare Part B**

The State Employees Group Insurance Program allows actively working plan participants who are eligible for Medicare on the basis of ESRD to delay enrollment in Medicare Part B until the end of the ESRD coordination period. **Medicare Part B is required at the end of the ESRD coordination period.** Refer to the 'Failure to Enroll in Medicare' section for more information.

## Medicare Coordination with the Quality Care Health Plan (QCHP)

When Medicare is the primary payer, QCHP will coordinate benefits with Medicare as follows:

### **Medicare Part A - Hospital Insurance**

**In-Network Provider:** After Medicare Part A pays, QCHP pays 85 percent of the Medicare Part A deductible after the QCHP annual plan deductible has been met.

**Out-of-Network Provider:** After Medicare Part A pays, QCHP pays 60 percent of the Medicare Part A deductible after the QCHP annual plan deductible has been met.

# Medicare (cont.)

## Medicare Part B - Medical Insurance

**In-Network Provider:** After Medicare Part B pays, QCHP pays 85 percent of the balance after the QCHP annual plan deductible has been met.

**Out-of-Network Provider:** After Medicare Part B pays, QCHP pays 60 percent of the balance after the QCHP annual plan deductible has been met.

## Failure to Enroll in Medicare (Medicare Parts A and B Reduction)

Members who do not enroll in Medicare Parts A and B, are responsible for the portion of healthcare costs that Medicare would have covered. Failure to enroll or remain enrolled in Medicare when Medicare is determined to be the primary payer will result in a reduction of eligible benefit payments.

## Services and Supplies Not Covered by Medicare

Services and supplies that are not covered by Medicare will be paid in the same manner (i.e., same benefit levels and deductibles) as if the plan participant did not have Medicare (provided the services and supplies meet medical necessity and benefit criteria and would normally be eligible for coverage).

## Medicare Crossover - QCHP Members

Medicare Crossover is an electronic transmittal of claim data from Medicare (after Medicare has processed their portion of the claim) to the QCHP plan administrator for secondary benefit determination.

In order to set up Medicare Crossover, plan participants must contact the QCHP plan administrator and provide the Medicare Health Insurance Claim Number (HICN) located on the front side of the Medicare identification card.

## Medicare COB Unit Contact Information

Department of Central Management Services  
Medicare Coordination of Benefits Unit  
801 S. 7th Street, P.O. Box 19208  
Springfield, Illinois 62794-9208

Phone: 800-442-1300 or 217-782-7007  
Fax: 217-557-3973

## Private Contracts with Providers who Opt Out of Medicare

Some healthcare providers choose to opt out of the Medicare program. When a plan participant has medical services rendered by a provider who has opted out of the Medicare program, a private contract is usually signed explaining that the plan participant is responsible for the cost of the medical services rendered. Neither providers nor plan participants are allowed to bill Medicare. Therefore, Medicare will not pay for the service (even if it would normally qualify as being Medicare eligible) or provide a Medicare Summary Notice to the plan participant. If the service(s) would have normally been covered by Medicare, the plan administrator will estimate the portion of the claim that Medicare would have paid. The plan administrator will then subtract that amount from the total charge and adjudicate the claim for an eligible secondary reimbursement amount is the member's responsibility.

# Subrogation and Reimbursement

## Overview

Department plans will not pay for expenses incurred for injuries received as the result of an accident or incident for which a third party is liable. These plans also do not provide benefits to the extent that there is other coverage under nongroup medical payments (including automobile liability) or medical expense type coverage to the extent of that coverage.

However, the plans will provide benefits otherwise payable under one of these plans, to or on behalf of its covered persons, but only on the following terms and conditions:

- ◆ In the event of any payment under one of these plans, the plan shall be subrogated to all of the covered person's rights of recovery against any person or entity. The covered person shall execute and deliver instruments and documents and do whatever else is necessary to secure such rights. The covered person shall do nothing after loss to prejudice such rights. The covered person shall cooperate with the plan and/or any representatives of the plan in completing such documents and in providing such information relating to any accident as the plan by its representatives may deem necessary to fully investigate the incident. The plan reserves the right to withhold or delay payment of any benefits otherwise payable until all executed documents required by this provision have been received from the covered person.
- ◆ The plan is also granted a right of reimbursement from the proceeds of any settlement, judgment or other payment obtained by or on behalf of the covered person. This right of reimbursement is cumulative with and not exclusive of the subrogation right granted in the preceding paragraph, but only to the extent of the benefits paid by the plan.
- ◆ The plan, by payment of any proceeds to a covered person, is thereby granted a lien on the proceeds of any settlement, judgment or other payment intended for, payable to or received by or on behalf of the covered person or a representative. The covered person in consideration for such payment of proceeds, consents to said lien and shall take whatever steps are necessary to help the plan secure said lien.
- ◆ The subrogation and reimbursement rights and liens apply to any recoveries made by or on behalf of the covered person as a result of the injuries sustained, including but not limited to the following:
  - Payments made directly by a third party tortfeasor or any insurance company on behalf of a third party tortfeasor or any other payments on behalf of a third party tortfeasor.
  - Any payments or settlements or judgments or arbitration awards paid by any insurance company under an uninsured or underinsured motorist coverage, whether on behalf of a covered person or other person.
  - Any other payments from any source designed or intended to compensate a covered person for injuries sustained as the result of negligence or alleged negligence of a third party.
  - Any Workers' Compensation award or settlement.
- ◆ The parents of any minor covered person understand and agree that the State's plan does not pay for expenses incurred for injuries received as a result of an accident or incident for which a third party is liable. Any benefits paid on behalf of a minor covered person are conditional upon the plan's express right of reimbursement. No adult covered person hereunder may assign any rights that such person may have to recover medical expenses from any tortfeasor or other person or entity to any minor child or children of the adult covered person without the express prior written consent of the plan. In the event any minor covered child is injured as a result of the acts or omissions of any third party, the adult covered persons/parents agree to promptly notify the plan of the existence of any claim on behalf of the minor child against the third party tortfeasor responsible for the injuries. Further, the adult covered persons/parents agree, prior to the commencement of any claim against the third party tortfeasors responsible for the injuries to the minor child, to either assign any right to collect medical expenses from any tortfeasor or other person or entity to the plan, or at their election, to prosecute a claim for medical expenses on behalf of the plan.

## Subrogation and Reimbursement (cont.)

In default of any obligation hereunder by the adult covered persons/parents, the plan is entitled to recover the conditional benefits advanced plus costs (including reasonable attorneys' fees), from the adult covered persons/parents.

- ◆ No covered person shall make any settlement which specifically excludes or attempts to exclude the benefits paid by the plan.
- ◆ The plan's right of recovery shall be a prior lien against any proceeds recovered by a covered person, which right shall not be defeated nor reduced by the application of any so-called "Made-Whole Doctrine," "Rimes Doctrine" or any other such doctrine purporting to defeat the plan's recovery rights by allocating the proceeds exclusively to nonmedical expense damages.
- ◆ No covered person under the plan shall incur any expenses on behalf of the plan in pursuit of the plan's rights to subrogation or reimbursement, specifically, no court costs nor attorneys' fees may be deducted from the plan's recovery without the prior express written consent of the plan. This right shall not be defeated by any so-called "Fund Doctrine," "Common Fund Doctrine" or "Attorney's Fund Doctrine."
- ◆ The plan shall recover the full amount of benefits paid hereunder without regard to any claim of fault on the part of any covered person, whether under comparative negligence or otherwise.
- ◆ The benefits under this plan are secondary to any coverage under no-fault, medical payments or similar insurance.
- ◆ This subrogation and reimbursement provision shall be governed by the laws of the State of Illinois.
- ◆ In the event that a covered person shall fail or refuse to honor its obligations hereunder, the plan shall have a right to suspend the covered person's eligibility and be entitled to offset the reimbursement obligation against any entitlement for future medical benefits, regardless of how those medical benefits are incurred. The suspension and offset shall continue until such time as the covered person has fully complied with his obligations hereunder.



# Claim Filing

In general, most dental, medical and behavioral health providers file claims for reimbursement with the insurance carrier. Out-of-network vision claims and pharmacy expenses typically must be filed by the member. In situations where a claim is not filed by the provider, the member must file the claim within a specific period of time.

All claims should be filed promptly. Claim forms are available on the plan administrators' website and on the [MyBenefits.illinois.gov](https://mybenefits.illinois.gov) website.

- ◆ In-network **QCHP** medical and behavioral health claims must be filed within 90 days from the date in which the charge was incurred.
- ◆ Out-of-network **QCHP** medical and behavioral health claims must be filed within 180 days from the date in which the charge was incurred.
- ◆ Out-of-network **dental claims** must be filed no later than one-year from the ending date of the plan year in which the charge was incurred.
- ◆ Out-of-network **pharmacy claims for the Open Access Plans (OAPs) and QCHP** must be filed no later than one-year from the ending date of the plan year in which the charge was incurred.
- ◆ Out-of-network **vision claims** are required to be filed no later than 180 days (6 months) from the date of service in order to be considered for reimbursement.

Filing deadlines for managed care plans, including behavioral health services offered under the managed care plan, may be different. Contact the managed care plan directly for deadlines and procedures.

## Claim Filing Procedures

All communication to the plan administrators must include the employee's social security number (SSN) and appropriate group number as listed on the identification card. This information must be included on every page of correspondence.

- ◆ Complete the claim form obtained from the appropriate plan administrator.
- ◆ Attach the itemized bill from the provider of services to the claim form. The itemized bill must include name of patient, date of service, diagnosis, procedure code and the provider's name, address and telephone number.
- ◆ If the person for whom the claim is being submitted has primary coverage under another group plan or Medicare, the explanation of benefits (EOB) or the Medicare Summary Notice (MSN) from the other plan must also be attached to the claim.
- ◆ The plan administrator may communicate directly with the plan participant or the provider of services regarding any additional information that may be needed to process a claim.
- ◆ The benefit check will be sent and made payable to the employee and under certain circumstances to the dependent, unless benefits have been assigned directly to the provider of service.
- ◆ If benefits are assigned, the benefit check will be made payable to the provider of service and mailed directly to the provider. An EOB is sent to the plan participant to verify the benefit determination.
- ◆ QCHP claims are adjudicated using industry standard claim processing software and criteria. Claims are reviewed for possible bundling and unbundling of services and charges.

# Claim Appeal Process

Under the State Employees Group Insurance Program (Program) there are formal procedures to follow in order to file an appeal of an adverse benefit determination. **The appropriate plan administrator will provide more information regarding the plan administrator's internal appeal process.**

## Categories of Appeal

There are two separate categories of appeals: medical and administrative. The plan administrator determines the category of appeal and will send the plan participant written notification regarding the category of appeal, the plan participant's appeal rights and information regarding how to initiate an appeal from the plan administrator.

- ◆ **Medical Appeals.** Medical appeals pertain to benefit determinations involving medical judgment, including claim denials determined by the plan administrator to be based on lack of medical necessity, appropriateness, healthcare setting, level of care or effectiveness; denials pursuant to Section 6.4 of the State Employees Group Insurance Act; and denials for services determined by the plan administrator to be experimental or investigational. Medical appeals also pertain to retroactive cancellations or discontinuations of coverage, unless the cancellation or discontinuation relates to a failure to pay required premiums or contributions.
- ◆ **Administrative Appeals.** Administrative appeals pertain to benefit determinations based on plan design and/or contractual or legal interpretations of plan terms that do not involve any use of medical judgment.

## Quality Care Health Plan (QCHP) and Open Access Managed Care Plans Appeal Process

Members enrolled in either the QCHP or one of the open access managed care plans may utilize an internal appeal process which may be followed by an external review, if needed. For urgent care situations, the plan participant may bypass the internal appeal process and request an expedited external review (see "Expedited External Review- Medical Appeals Only" for urgent care situations in the box).

### ***Expedited External Review - Medical Appeals Only***

For medical appeals involving urgent care situations, the plan participant may make a written or oral request for expedited external review after the plan administrator makes an adverse benefit determination, even if the plan administrator's internal appeal process has not been exhausted. The external reviewer will review the request to determine whether it qualifies for expedited review. If the external reviewer determines that the request qualifies for expedited review, the external reviewer will provide a final external review decision within 72 hours after the receipt of the request. If the external reviewer decides in favor of the plan participant, the decision shall be final and binding on the plan administrator.

### ***Step 1: Internal Appeal Process***

The internal appeal process is available through the health plan administrator. The plan administrator's internal appeal process must be followed before the plan participant may seek an external review, except for urgent care situations. For urgent care situations, the plan participant may request an expedited external review (see "Expedited External Review- Medical Appeals Only" for urgent care situations).

#### **First-Level Internal Appeals**

First-level appeals must be initiated with the plan administrator within 180 days of the date of receipt of the initial adverse benefit determination. All appeals will be reviewed and decided by an individual(s) who was not involved in the initial claim decision. Each case will be reviewed and considered on its own merits. If the appeal involves a medical judgment, it will be reviewed and considered by a qualified healthcare professional. In some cases, additional information, such as test results, may be required to determine if additional benefits are available. Once all required information has been received by the plan administrator, the plan administrator shall provide a decision within the applicable time frame: 15 days for pre-service authorizations, 30 days for post-service claims, or 72 hours for urgent care claims.

# Claim Appeal Process (cont.)

## **Step 2: External Review Process**

After the completion of the plan administrator's internal appeal process, the plan participant may request an external review of the plan administrator's final internal benefit determination. The process for external review will depend on whether the appeal is an administrative appeal or medical appeal.

### **Administrative Appeals**

For administrative appeals, if, after exhausting every level of review available through the plan administrator, the plan participant still feels that the final benefit determination by the plan administrator is not consistent with the published benefit coverage, the plan participant may appeal the plan administrator's decision to CMS' Group Insurance Division. For an appeal to be considered by CMS' Group Insurance Division, the plan participant must appeal in writing within sixty (60) days of the date of receipt of the plan administrator's final internal adverse benefit determination. All appeals must be accompanied by all documentation supporting the request for reconsideration.

### **Submit Administrative Appeal Documentation to:**

CMS Group Insurance Division  
801 S. 7th Street  
P.O. Box 19208  
Springfield, IL 62794-9208

The decision of CMS' Group Insurance Division shall be final and binding on all parties.

### **Medical Appeals**

#### **External Review**

For medical appeals, if, after exhausting every level of review available through the plan administrator, the plan participant still feels that the final benefit determination is not consistent with the published benefit coverage, the plan participant may request an independent external review of the plan administrator's decision. A request for an external review must be filed in writing within four (4) months of the date of receipt of the plan administrator's final internal adverse benefit determination. The plan administrator will provide more information regarding how to file a request for external review. The plan participant will be given the opportunity to submit additional written comments and supporting medical documentation regarding the claim to the external reviewer.

The external reviewer will provide a final external review decision within 45 days of the receipt of the request. If the external reviewer decides in favor of the plan participant, the decision shall be final and binding on the plan administrator.

## **Appeal Process for Fully-Insured Managed Care Health Plans**

The Department of Central Management Services (CMS) does not have the authority to review or process fully-insured managed care health plan appeals. Fully-insured managed care health plans must comply with the Managed Care Reform and Patient Rights Act. In order to file a formal appeal, refer to the process outlined in the managed care health plan's summary plan document (SPD) or certificate of coverage. Specific timetables and procedures apply. Plan participants may call the customer service number listed on their identification card to request a copy of such documents.

### **Assistance with the Appeal Process**

For questions regarding appeal rights and/or assistance with the appeal process, a plan participant may contact the Employee Benefits Security Administration at 866-444-EBSA (3272). A consumer assistance program may also be able to assist the plan participant. Requests for assistance from the consumer assistance program should be sent to:

Office of Consumer Health Insurance  
Consumer Services Section  
122 S. Michigan Ave., 19th FL  
Chicago, IL 60603  
insurance.illinois.gov  
877-527-9431  
Email: doi.director@illinois.gov

or

Illinois Department of Insurance  
320 W. Washington St, 4th Floor  
Springfield, IL 62727

# Chapter 5

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# Glossary

**Additional Deductible:** Deductibles that are in addition to the annual plan deductible.

**Admission:** Entry as an inpatient to an accredited facility, such as a hospital or skilled care facility, or entry to a structured outpatient, intensive outpatient or partial hospitalization program.

**Adverse Claim Determination:** A denial, reduction, termination of or failure to pay for a benefit, whether in whole or in part. Adverse claim determinations include rescissions of coverage.

**Allowable Charges:** The maximum amount the plan will pay an out-of-network healthcare professional for billed services.

**Allowable Expense:** A medically necessary service for which part of the cost is eligible for payment by this plan or another plan(s).

**Authorization:** The result of a review that approves treatment as meeting medical necessity criteria and appropriateness of care.

**Auto Adjudication (as applies to the FSA Card):** The automated process which allows certain MCAP transactions that were paid for with the FSA card to not require follow-up documentation.

**Auto Substitution (as applies to the FSA Card):** The process that the FSA plan administrator uses when documentation for an FSA card transaction requiring substantiation is not provided. Paper claim documentation will be substituted for FSA card transaction documentation if card documentation is not provided within 60 days.

**Benefit:** The amount payable for services obtained by plan participants and dependents.

**Benefit Choice Period:** A designated period when members may change benefit coverage elections, ordinarily held May 1 through May 31.

**Certificate of Coverage:** A document containing a description of benefits provided by licensed insurance plans. Also known as a summary plan document (SPD).

**Certificate of Creditable Coverage:** A certificate that provides evidence of prior health coverage.

**Civil Union:** Civil union means a legal relationship between two persons, of either the same or opposite sex, established pursuant to the Illinois Religious Freedom Protection and Civil Union Act.

**Civil Union Partner:** A party to a civil union.

**Claim:** A paper or electronic billing. This billing must include full details of the service received, including name, age, sex, identification number, the name and address of the provider, an itemized statement of the service rendered or furnished, the date of service, the diagnosis and any other information which a plan may request in connection with services rendered.

**Claim Payment:** The benefit payment calculated by a plan, after submission of a claim, in accordance with the benefits described in this handbook.

**Coinsurance:** The percentage of the charges for eligible services for which the plan participant is responsible after any applicable deductible has been met.

**Coordination of Benefits:** A method of integrating benefits payable under more than one group insurance plan.

**Copayment:** A specific dollar amount the plan participant is required to pay for certain services covered by a plan.

**Covered Services:** Services that are eligible for benefits under a plan.

**Creditable Coverage:** The amount of time a plan participant had continuous coverage under a previous health plan.

**Current Employment Status (CES):** The status of a current or active employee. An employee is considered to be with CES if he/she is an actively working individual that performs his/her job duties on a regular basis and is receiving financial compensation for the job duties performed.

**Custodial Care:** Room and board or other institutional or nursing services which are provided for a patient due to age or mental or physical condition mainly to aid in daily living; or, medical services which are given merely as care to maintain present state of health and which cannot be expected to improve a medical condition.

**Deductible:** The amount of eligible charges plan participants must pay before insurance payments begin.

**Department:** The Department of Central Management Services, also referred to as CMS.

**Dependent:** An employee's spouse, civil union partner, child or other person as defined by the State Employees Group Insurance Act of 1971, as amended (5 ILCS 375/1 et seq.). For purposes of the health plan only, the term dependent also includes a domestic partner.

**Diagnostic Service:** Tests performed to diagnose a condition due to symptoms or to determine the progress of an illness or injury.

## Glossary (cont.)

Examples of these types of tests are x-rays, pathology services, clinical laboratory tests, pulmonary function studies, electrocardiograms (ECG), electroencephalograms (EEG), radioisotope tests and electromyograms.

**Domestic Partner:** An unrelated, same-sex individual, age 19 or older, who resides in the same household and has a financial and emotional interdependence consistent with that of a married couple for a period of not less than one year.

**Eligible Charges:** Charges for covered services and supplies which are medically necessary and based on charges as determined by a plan administrator.

**Emergency Services:** Services provided to alleviate severe pain or for immediate diagnosis and/or treatment of conditions or injuries such that in the opinion of the prudent layperson might result in permanent disability or death if not treated immediately.

**Employee:** A person presently employed by the State of Illinois as defined by the State Employees Group Insurance Act of 1971, as amended (5 ILCS 375/1 et seq.).

**Evidence of Insurability:** Documentation that an individual's health condition is satisfactory for coverage. May require proof of age or evidence of insurability status from the physician. Evidence of insurability is generally required to add Spouse Life insurance and to increase Member Optional Life insurance.

**Exclusions and Limitations:** Services not covered under the State Employees Group Insurance Program, or services that are provided only with certain qualifications, conditions or limits.

**Experimental:** Medical services or supplies in which new treatments or products are tested for safety and effect on humans.

**Explanation of Benefits (EOB):** A statement from a plan administrator explaining benefit determination for services rendered.

**Final Internal Determination:** The final benefit determination made by a plan administrator after a plan participant has exhausted all appeals available through the plan administrator's formal internal appeals process.

**Follow-up Documentation (as applies to the FSA Card):** Acceptable documentation includes itemized bills and explanation of benefits (EOBs).

**Fiscal Year (FY):** Begins on July 1 and ends on June 30.

**Formulary (Prescription Drugs):** A list of drugs and ancillary supplies approved by the prescription drug plan

administrator for inclusion in the prescription drug plan. The formulary list is subject to change.

**Fully Insured:** All claims and costs are paid by the insurance company.

**Generic Drug:** Therapeutic equivalent of a brand name drug and must be approved by the U.S. Food and Drug Administration for safety and effectiveness.

**Group Insurance Representative:** An individual who provides information and/or materials and processes enrollment changes related to benefits.

**Hospice:** A program of palliative and supportive services for terminally ill patients that must be approved by a plan administrator as meeting standards including any legal licensing requirements.

**Hospital:** A legally constituted and licensed institution having on the premises organized facilities (including organized diagnostic and surgical facilities) for the care and treatment of sick and injured persons by or under the supervision of a staff of physicians and registered nurses on duty or on call at all times.

**Identification Card:** Document identifying eligibility for benefits under a plan.

**Independent External Review:** An external review, conducted by an independent third party of a plan administrator's adverse claim determination or final internal determination.

**Initial Enrollment Period:** The 30-day period beginning with the date of hire.

**Injury:** Damage inflicted to the body by external force.

**In Loco Parentis:** An individual who has day-to-day responsibilities to care for and financially support a child under 18 years of age. A biological or legal relationship is not necessary or required.

**Inpatient Services:** A hospital stay of 24 or more hours.

**Intensive Outpatient Program (Behavioral Health Services):** Services offered to address treatment of mental health or substance abuse and could include individual, group or family psychotherapy and adjunctive services such as medical monitoring.

**Inventory Information Approval System (IIAS) (as applies to the FSA Card):** The IIAS automatically processes eligible over-the-counter and prescription items by reading the item's barcode. Follow-up documentation is not required for eligible FSA items when the card is used at a location that has this system. Most major discount and pharmacy stores have implemented IIAS.

# Glossary (cont.)

**Investigational:** Procedures, drugs, devices, services and/or supplies which (a) are provided or performed in special settings for research purposes or under a controlled environment and which are being studied for safety, efficiency and effectiveness, and/or (b) are awaiting endorsement by the appropriate National Medical Specialty College or Federal Government agency for general use by the medical community at the time they are rendered to a covered person, and (c) with respect to drugs, combination of drugs and/or devices, which have not received final approval by the Food and Drug Administration at the time used or administered to the covered person.

**Itemized Bill:** A form submitted for claim purposes; must have the name of the patient, description, diagnosis, date and cost of services provided.

**Medical Documentation:** Additional medical information required to substantiate the necessity of procedures performed. This could include daily nursing and doctor notes, additional x-rays, treatment plans, operative reports, etc.

**Medicare:** A federally operated insurance program providing benefits for eligible persons.

**Medicare Summary Notice (MSN):** A quarterly statement from Medicare explaining benefit determination for services rendered.

**Member:** Employee, annuitant, retired employee, survivor or COBRA participant.

**MyBenefits Service Center (MBSC):** The MyBenefits Service Center (MBSC) is a custom benefits solution service provider for the Department. The MBSC will manage the detailed enrollment process of member benefits through online technical support via the MyBenefits.illinois.gov website and telephonic support via the MyBenefits Service Center 844-251-1777. The MBSC is now the member's primary contact for answering questions you may have about your eligibility for coverage and to assist you in enrolling or changing the benefits you have selected.

**Non-IRS:** Any dependent who is not considered a qualifying child or a qualifying relative, as defined by the IRS, and cannot be claimed as a dependent for income tax purposes.

**Nonpreferred Brand Drug:** Prescription drugs available at the highest copayment. Many high cost specialty drugs fall under the nonpreferred drug category.

**Out-of-Pocket Maximum:** The maximum dollar amount paid out of pocket for covered expenses in any given plan year. After the out-of-pocket maximum has been met the plan begins paying at the 100 percent of allowable charges for eligible covered expenses.

**Outpatient Services (Behavioral Health Services):** Care rendered for the treatment of mental health or substance abuse when not confined to an inpatient hospital setting.

**Outpatient Services (Medical/Surgical):** Services provided in a hospital emergency room or outpatient clinic, at an ambulatory surgical center or in a doctor's office.

**Partial Hospitalization (Behavioral Health Services):** Services offered to address treatment of mental health or substance abuse and could include individual, group or family psychotherapy. Services are medically supervised and essentially the same intensity as would be provided in a hospital setting except that the patient is in the program less than 24 hours per day.

**Physician/Doctor:** A person licensed to practice under the Illinois Medical Practice Act or under similar laws of Illinois or other states or countries; a Christian Science Practitioner listed in the Christian Science Journal at the time the medical services are provided.

**Placement for Adoption:** the assumption and retention by a member of a legal obligation for total or partial support of a child in anticipation of adoption of the child. The child's placement with the member terminates upon the termination of such legal obligation.

**Plan:** A specifically designed program of benefits.

**Plan Administrator:** An organization, company or other entity contracted to review and approve benefit payments, pay claims, and perform other duties related to the administration of a specific plan.

**Plan Participant:** An eligible person enrolled and participating in the Program.

**Plan Year:** July 1 through the following June 30.

**Preferred Brand Drug:** A list of drugs, biologicals and devices approved by the pharmacy benefit manager for inclusion in the prescription drug plan. These drugs are proven to be both clinically and cost effective. The preferred brand drug list is subject to change.

**Prescription Drugs:** Medications which are lawfully obtained with a prescription from a physician/doctor or dentist.

**Pretreatment Estimate (Dental):** A provider's statement, including diagnostic x-rays and laboratory reports describing planned treatment and expected charges which is reviewed by the dental plan administrator for verification of eligible benefits.

# Glossary (cont.)

**Preventive Service:** Routine services which do not require a diagnosis or treatment of an illness or injury.

**Primary Care Physician/Primary Care Provider (PCP):** The physician or other medical provider a plan participant selects under a managed care plan to manage all healthcare needs.

**Professional Services:** Eligible services provided by a licensed medical professional, including but not limited to a physician, radiologist, anesthesiologist, surgeon, physical therapist, etc.

**Program:** The State Employees Group Insurance Program as defined by the State Employees Group Insurance Act of 1971, as amended (5 ILCS 375/1 et seq.).

**Provider:** Any organization or individual which provides services or supplies to plan participants. This may include such entities as hospitals, pharmacies, physicians, laboratories or home health companies.

**Quality Care Health Plan (QCHP) Hospital:** A hospital or facility with which the Quality Care Health Plan plan has negotiated favorable rates.

**Qualified Beneficiary:** A qualified beneficiary is an individual (including member, spouse, civil union partner, domestic partner and child) who loses employer-provided group health coverage and is entitled to elect COBRA coverage. The individual must have been covered by the plan on the day before the qualifying event occurred and enrolled in COBRA effective the first day of eligibility or be a newborn or newly adopted child of the covered member.

**Qualified Beneficiary:** A qualified beneficiary is an individual (including member, spouse, civil union partner, domestic partner and child) who loses employer-provided group health coverage and is entitled to elect COBRA coverage. The individual must have been covered by the plan on the day before the qualifying event occurred and enrolled in COBRA effective the first day of eligibility or be a newborn, or newly adopted child of the covered member.

**Residential Treatment:** 24-hour level of care that provides persons severe mental disorders and persons with substance-related disorders with long-term care. This care is medically monitored, with 24-hour medical and nursing services availability. Residential care typically provides less intensive medical monitoring than acute hospitalization care. Residential care includes treatment with a range of diagnostic and therapeutic behavioral health services. Licensure for residential is at the residential intermediate level of care or as an intermediate level of care.

**Second Opinion:** An opinion rendered by a second physician prior to the performance of certain nonemergency, elective surgical procedures or medical treatments.

**Self Insured:** All claims and costs are paid by the State of Illinois.

**Skilled Nursing Service:** Noncustodial professional services provided by a registered nurse (RN) or licensed practical nurse (LPN) which require the technical skills and professional training of such a licensed professional acting within the scope of their licensure.

**Self-Service Tools:** Using the Self-Service tools online allows the member to create a life event (such as getting married, adding a child etc) online as the electronic version of submitting a paper form to the Department.

**Spouse:** A person who is legally married to the member as defined under Illinois law and pursuant to the Internal Revenue Service Code.

**Spouse Life:** Term life insurance coverage that covers the employee's spouse or civil union partner, but does not cover domestic partners.

**State Employees Group Insurance Act:** The statutory authority for benefits offered by the Department (5 ILCS 375/1 et seq.).

**Substantiation (applies to FSA Card):** Follow-up documentation that must be submitted for FSA items or services paid for with the FSA card that are not automatically adjudicated.

**Survivor:** Spouse, civil union partner, dependent child(ren) or dependent parent(s) of a deceased member as determined by the appropriate state retirement system.

**Surgery:** The performance of any medically recognized, noninvestigational surgical procedure including specialized instrumentation and the correction of fractures or complete dislocations and any other procedures as reasonably approved by a plan.

**Telemedicine/telehealth:** The remote diagnosis and treatment of patients by means of telecommunications technology that is compliant with HIPAA requirements.

**Urgent Care Claim:** Any claim for medical care or treatment with respect to the application of the time periods for making nonurgent care determinations could: 1) seriously jeopardize the life or health of the claimant or the ability of the claimant to regain maximum function; or 2) in the opinion of the physician with knowledge of the claimant's medical condition, would subject the claimant to severe pain that cannot be adequately managed without the care or treatment that is the subject of the claim.

**Wilderness Program:** A planned, systematic service approach that includes a variety of therapeutic services provided in the outdoor environment for individuals with medical conditions and behavioral health disorders.



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*The State of Illinois intends that the terms of this plan are legally enforceable and that the plan is maintained for the exclusive benefit of Members. The State reserves the right to change any of the benefits, program requirements and contributions described in this Handbook. Changes will be communicated through addenda as needed the [MyBenefits.illinois.gov](http://MyBenefits.illinois.gov) website and the annual Benefit Choice Options Booklet. If there is a discrepancy between this Handbook or any other Department publications, and state or federal law, the law will control.*