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To: EVERYONE  
cc:  
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# NewsFlash

*An electronic newsletter for SERS Retirement Coordinators*



July 5, 2005

## **Senate Bill 1442 - ARCP and Group Insurance Waiver**

SB1442 has been signed into law, effective July 1, 2005. The bill creates a new Alternative Retirement Cancellation Payment (ARCP) consisting of a lump sum payment of a member's contribution and regular interest, times two, if the member terminates service and waives all rights to receive benefits. Check our website ([www.state.il.us/srs](http://www.state.il.us/srs)) for eligible job titles and more specific information about this termination option.

**NOTE:** During August, 2005, all members eligible to participate in the ARCP will receive an estimate of the amount payable to them plus an application to participate from SERS. We will not accept any applications before this mailing.

*The other provision of SB 1442 include:*

Allows the Director of Central Management Services to establish a program of financial incentives to encourage individuals receiving a retirement annuity from SERS but are not eligible for benefits under the federal Medicare health insurance program, to elect not to participate in the health benefits program. The financial incentives provided to these annuitants cannot exceed \$150 per month for those electing not to participate in this program. This option also became law on July 1.