



**STATE OF ILLINOIS
DEPARTMENT OF
CENTRAL MANAGEMENT SERVICES**

**UNIVERSITY BENEFITS SCHEDULES
EXAMINATION
For the Year Ended June 30, 2024**

Performed as Special Assistant Auditors for the
Auditor General, State of Illinois



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STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
UNIVERSITY BENEFITS SCHEDULES
EXAMINATION

For the Year Ended June 30, 2024

TABLE OF CONTENTS

	<u>Page(s)</u>
Agency Officials	1
Management Assertion Letter	2-3
Examination Report:	
Summary	4
Independent Accountant's Report.....	5-6
University Benefits Schedules:	
University Benefits Analysis	7
State Employees Group Insurance Program	
Adjusted Reimbursement Rates	8-12
Notes to the Schedules	13

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
**UNIVERSITY BENEFITS SCHEDULES
EXAMINATION**

For the Year Ended June 30, 2024

AGENCY OFFICIALS

Director (3/7/2024 – Present)	Ms. Raven DeVaughn
Director (Acting) (7/1/2023 – 3/6/2024)	Ms. Raven DeVaughn
Assistant Director (5/24/2024 – Present)	Mr. Aundra Williams
Assistant Director (Acting) (7/1/2023 – 5/23/2024)	Mr. Aundra Williams
Assistant Director	Vacant
Chief of Staff	Mr. Patrick Nolan
Chief Administrative Officer	Ms. Sarah Kerley
Chief Operating Officer (7/10/2023 – Present)	Mr. William McCarty
Chief Operating Officer (Acting) (7/1/2023 – 7/9/2023)	Mr. Sean Neuert
Chief Financial Officer	Ms. Karen Pape
General Counsel (12/1/2023 – Present)	Ms. Corey-Anne Gulkewicz
General Counsel (Acting) (7/1/2023 – 11/30/2023)	Ms. Corey-Anne Gulkewicz
Chief Internal Auditor (10/16/23 – Present)	Mr. Butch Stilwell
Chief Internal Auditor (Acting) (7/1/2023 – 10/15/2023)	Ms. Dawn Meier

Agency main offices are located at:

State of Illinois Building
555 W. Monroe Street
Chicago, Illinois 60661

William G. Stratton Building
401 S. Spring Street
Springfield, Illinois 62706



November 20, 2024

Sikich CPA LLC
3051 Hollis Drive, 3rd Floor
Springfield, IL 62704

Re: University Benefits Schedules for the year ended June 30, 2024

Ladies and Gentlemen:

We are responsible for determining the methodology and allocation of insurance premiums paid on-behalf of the State universities of the State of Illinois. We are responsible for disseminating the allocations to the Illinois Office of Comptroller (Comptroller) and to State universities of the State of Illinois for purposes of those entities' use in preparing their respective generally accepted accounting principles reporting packages and financial statements, as applicable. We have performed an evaluation of compliance by the State of Illinois, Department of Central Management Services (Department) with the following assertions during the period ended June 30, 2024. Based on this evaluation, we assert that during the year ended June 30, 2024, the Department has materially complied with the assertions below.

- A. The Department developed and documented a methodology to allocate insurance premiums paid on behalf of the State universities of the State of Illinois.
- B. The Department prepared the allocation as an estimate based on information available as of July 26, 2024, in order to provide the information to the appropriate parties in time for their respective reporting deadlines.
- C. The Department maintained controls over the development, updating, maintenance and storage of the fiscal year 2024 University Benefits Schedules spreadsheet distributed to the State universities of the State of Illinois and the related data and records supporting the spreadsheet whether in electronic or manual format.
- D. The Department established and maintained a system of monitoring and reviewing the calculations used in the preparation of the fiscal year 2024 University Benefits Schedules spreadsheet.
- E. The Department allocated insurance premiums in a consistent, accurate and reasonable manner to the State universities of the State of Illinois.

- F. The Department has verified the accuracy of the supporting information used in preparing the fiscal year 2024 University Benefits Analysis.
- G. The Department utilizes the services of an independent actuary to review the reasonableness of the State Employee Group Insurance Program (SEGIP) premium equivalent rate development calculations prior to the beginning of the fiscal year for which they will be published and utilized. This includes review of certain elements such as calculations of claims incurred but not reported; enrollment summaries and projections; and numerous exhibits which project and accumulate costs by plan and enrollment type. While the independent actuary did not review the annual cost per employee calculation contained in the State Employee Group Insurance Program Adjusted Reimbursement Rates, referred to as Exhibit 53-A, the cost per employee calculation is an accumulation of the aforementioned elements which are reviewed by the independent actuary. The specific data files and calculations underlying the State Employee Group Insurance Program Adjusted Reimbursement Rates (FY 2024 Exhibit 53-A) utilized for the FY 2024 University Benefit Analysis were included in the data files reviewed by the independent actuary as part of the fiscal year 2024 rate development reviewed by the independent actuary in their letter dated August 16, 2024.

State of Illinois, Department of Central Management Services

SIGNED ORIGINAL ON FILE

Raven DeVaughn, Director

SIGNED ORIGINAL ON FILE

Karen Pape, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Corey Arne Gulkewicz, General Counsel

**STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
UNIVERSITY BENEFITS SCHEDULES
EXAMINATION**

For the Year Ended June 30, 2024

EXAMINATION REPORT

SUMMARY

The examination of the accompanying University Benefits Schedules was performed by Sikich CPA LLC and was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

ACCOUNTANT'S REPORT

The Independent Accountant's Report on the examination of the University Benefits Schedules expressed an unmodified opinion on the State of Illinois, Department of Central Management Services' (Department) University Benefits Schedules presented in accordance with the criteria in Notes 1 and 2 to the Schedules.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u>	<u>Prior</u>
	<u>Report</u>	<u>Report</u>
Findings	0	0
Repeated findings	0	0
Prior recommendation implemented or not repeated	0	1

EXIT CONFERENCE

The Department waived an exit conference in a correspondence from Amy Lange, Audit Liaison, on November 12th, 2024.

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Springfield, IL 62704
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INDEPENDENT ACCOUNTANT’S REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have examined the accompanying University Benefits Analysis and State Employees Group Insurance Program Adjusted Reimbursement Rates, and the related Notes to the Schedules, collectively referred to as the University Benefits Schedules, for the year ended June 30, 2024. The State of Illinois, Department of Central Management Services’ management is responsible for presenting the University Benefits Schedules in accordance with the criteria set forth in Notes 1 and 2. Our responsibility is to express an opinion on the University Benefits Schedules based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the University Benefits Schedules are presented in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the University Benefits Schedules. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the University Benefits Schedules, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the University Benefits Schedules for the year ended June 30, 2024 are presented in accordance with the criteria set forth in Notes 1 and 2, in all material respects.

There were no immaterial findings that have been excluded from this report.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Comptroller, the State universities of the State of Illinois, and the State of Illinois, Department of Central Management Services management, and is not intended to be and should not be used by anyone other than these specified parties.

SIGNED ORIGINAL ON FILE

Springfield, Illinois
November 20th, 2024

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
UNIVERSITY BENEFITS ANALYSIS

For the Year Ended June 30, 2024

<u>Agency</u>	<u>University</u>	<u>Non-Exempt Contributions</u>	<u>Calculated Non-Exempt FTEs</u>	<u>Total Employees</u>	<u>Est Exempt Employees</u>	<u>Est Exempt Funding</u>	<u>Total Est Contributions</u>
		(a)	(b)=(a)/25,495	(c) AVG	(d)=(c)-(b)	(e)=(d)*25,495	(f)=(a)+(e)
608	Chicago State Univ	464,362	18	486	468	11,926,393	12,390,755
612	Eastern Illinois Univ	727,562	29	958	929	23,697,012	24,424,574
616	Governors State Univ	615,776	24	596	572	14,579,470	15,195,246
620	Northeastern Illinois Univ	730,166	29	712	683	17,422,545	18,152,711
628	Western Illinois Univ	1,312,255	51	1,085	1,034	26,350,232	27,662,487
636	Illinois State Univ	1,717,848	67	2,810	2,743	69,924,170	71,642,018
644	Northern Illinois Univ	3,529,269	138	2,346	2,208	56,282,892	59,812,161
647	Illinois Board of Examiners*	103,266	n/a	4	n/a	n/a	103,266
664	Southern Illinois Univ	10,908,926	428	5,916	5,488	139,921,742	150,830,668
676	University of Illinois	72,119,545	2,829	25,493	22,664	577,834,178	649,953,722
677	U of I Foundation*	4,015,439	n/a	151	n/a	n/a	4,015,439
678	U of I Alumni Assn*	378,526	n/a	18	n/a	n/a	378,526
	Total	96,622,940	3,613	40,575	36,789	937,938,634	1,034,561,574

FY2024 Average Annual Cost per Employee (actuarial report exhibit 53A)= 25,495

NOTE 1 : Attached notes are an integral part of this analysis.

NOTE 2: Totals may not foot due to rounding

* Note - The U of I Foundation, U of I Alumni Assn and Illinois Board of Examiners do not have any exempt employees.

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
STATE EMPLOYEES GROUP INSURANCE PROGRAM
ADJUSTED REIMBURSEMENT RATES

For the Year Ended June 30, 2024

	Projected Enrollment		Adjusted Monthly Cost		Projected Total Monthly Cost
Quality Care Health Plan					
Projected Cost for FY 2024		\$	1,595.02		
Adjustment for FY 2017			25.82		
Adjustment for FY 2018			(5.94)		
Adjustment for FY 2019			(29.43)		
Adjustment for FY 2020			15.58		
Adjustment for FY 2021			(33.80)		
Adjustment for FY 2022			90.00		
Employee	13,084	\$	1,657.24	\$	21,683,347.15
One Dependent	1,969		1,094.26		2,154,590.81
Two Plus Dependent	2,662		1,367.25		3,639,607.75
Medicare Dependent	18		996.50		17,936.95
Consumer Driven Health Plan					
Projected Cost for FY 2024		\$	1,136.08		
Adjustment for FY 2017			25.82		
Adjustment for FY 2018			(5.94)		
Adjustment for FY 2019			(29.43)		
Adjustment for FY 2020			15.58		
Adjustment for FY 2021			(33.80)		
Adjustment for FY 2022			90.00		
Employee	1,911	\$	1,198.30	\$	2,289,952.98
One Dependent	296		390.08		115,463.60
Two Plus Dependent	483		681.41		329,121.42
Medicare Dependent	0		278.47		-

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
STATE EMPLOYEES GROUP INSURANCE PROGRAM
ADJUSTED REIMBURSEMENT RATES

For the Year Ended June 30, 2024

	Projected Enrollment		Adjusted Monthly Cost		Projected Total Monthly Cost
Health Alliance					
Projected Cost for FY 2024		\$	1,482.73		
Adjustment for FY 2017			25.82		
Adjustment for FY 2018			(5.94)		
Adjustment for FY 2019			(29.43)		
Adjustment for FY 2020			15.58		
Adjustment for FY 2021			(33.80)		
Adjustment for FY 2022			90.00		
			90.00		
Employee	20,437	\$	1,544.95	\$	31,574,112.05
One Dependent	3,838		677.36		2,599,706.64
Two Plus Dependent	8,490		1,261.33		10,708,655.54
Medicare Dependent	11		456.11		5,017.26
Aetna HMO					
Projected Cost for FY 2024		\$	1,515.22		
Adjustment for FY 2017			25.82		
Adjustment for FY 2018			(5.94)		
Adjustment for FY 2019			(29.43)		
Adjustment for FY 2020			15.58		
Adjustment for FY 2021			(33.80)		
Adjustment for FY 2022			90.00		
			90.00		
Employee	3,550	\$	1,577.44	\$	5,599,919.30
One Dependent	733		695.78		510,007.49
Two Plus Dependent	1,234		1,297.61		1,601,250.24
Medicare Dependent	0		466.67		-

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
STATE EMPLOYEES GROUP INSURANCE PROGRAM
ADJUSTED REIMBURSEMENT RATES

For the Year Ended June 30, 2024

	Projected Enrollment	Adjusted Monthly Cost	Projected Total Monthly Cost
HMO Illinois			
Projected Cost for FY 2024		\$ 1,259.74	
Adjustment for FY 2017		25.82	
Adjustment for FY 2018		(5.94)	
Adjustment for FY 2019		(29.43)	
Adjustment for FY 2020		15.58	
Adjustment for FY 2021		(33.80)	
Adjustment for FY 2022		90.00	
Employee	9,548	\$ 1,321.97	\$ 12,622,126.09
One Dependent	1,968	513.01	1,009,609.81
Two Plus Dependent	3,347	963.28	3,224,102.49
Medicare Dependent	2	337.43	674.87
Blue Advantage			
Projected Cost for FY 2024		\$ 1,250.84	
Adjustment for FY 2017		25.82	
Adjustment for FY 2018		(5.94)	
Adjustment for FY 2019		(29.43)	
Adjustment for FY 2020		15.58	
Adjustment for FY 2021		(33.80)	
Adjustment for FY 2022		90.00	
Employee	6,664	\$ 1,313.06	\$ 8,750,235.35
One Dependent	1,155	487.84	563,456.39
Two Plus Dependent	2,041	920.85	1,879,464.51
Medicare Dependent	0	327.67	-

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
STATE EMPLOYEES GROUP INSURANCE PROGRAM
ADJUSTED REIMBURSEMENT RATES

For the Year Ended June 30, 2024

	Projected Enrollment	Adjusted Monthly Cost	Projected Total Monthly Cost
HealthLink Open Access Plan			
Projected Cost for FY 2024		\$ 1,639.17	
Adjustment for FY 2017		25.82	
Adjustment for FY 2018		(5.94)	
Adjustment for FY 2019		(29.43)	
Adjustment for FY 2020		15.58	
Adjustment for FY 2021		(33.80)	
Adjustment for FY 2022		90.00	
Employee	17,236	\$ 1,701.39	\$ 29,325,125.17
One Dependent	3,497	792.43	2,771,115.26
Two Plus Dependent	6,956	1,348.71	9,381,612.13
Medicare Dependent	11	511.15	5,622.65
Aetna Open Access Plan			
Projected Cost for FY 2024		\$ 1,466.97	
Adjustment for FY 2017		25.82	
Adjustment for FY 2018		(5.94)	
Adjustment for FY 2019		(29.43)	
Adjustment for FY 2020		15.58	
Adjustment for FY 2021		(33.80)	
Adjustment for FY 2022		90.00	
Employee	15,352	\$ 1,529.19	\$ 23,476,069.69
One Dependent	3,128	655.82	2,051,407.26
Two Plus Dependent	5,685	1,104.13	6,276,969.08
Medicare Dependent	8	430.15	3,441.19

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
STATE EMPLOYEES GROUP INSURANCE PROGRAM
ADJUSTED REIMBURSEMENT RATES

For the Year Ended June 30, 2024

	Projected Enrollment		Adjusted Monthly Cost		Projected Total Monthly Cost
BCBS Open Access Plan					
Projected Cost for FY 2024		\$	1,427.58		
Adjustment for FY 2017			25.82		
Adjustment for FY 2018			(5.94)		
Adjustment for FY 2019			(29.43)		
Adjustment for FY 2020			15.58		
Adjustment for FY 2021			(33.80)		
Adjustment for FY 2022			90.00		
Employee	7,707	\$	1,489.80	\$	11,481,868.19
One Dependent	1,448		619.67		897,287.37
Two Plus Dependent	2,395		1,033.31		2,474,784.49
Medicare Dependent	3		401.75		1,205.24
Quality Care Dental Plan					
Employee	94,779	\$	17.44	\$	1,653,200.89
One Dependent	18,080		18.37		332,064.38
Two Plus Dependent	33,015		56.56		1,867,207.09
Total Monthly Cost					<u>\$ 202,877,338.77</u>
Total Employees Covered					<u>95,489</u>
Monthly Cost Per Employee					2,124.61
12 months					12
Annual Cost Per Employee					<u>\$ 25,495.38</u>

STATE OF ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
UNIVERSITY BENEFITS SCHEDULES
NOTES TO THE SCHEDULES

For the Year Ended June 30, 2024

1. Background

The Department of Central Management Services (Department) pays for the group insurance costs for certain university employees on behalf of all State-operated public universities in Illinois. The Department refers to university employees as either exempt or non-exempt as follows:

- Exempt employees – The employer does not reimburse the Department for the employer’s share of group insurance. The employer’s share is paid by using General Revenue Funds (GRF).
- Non-exempt employees – The employer reimburses the Department for the employer’s share of group insurance from non-GRF funds.

At the end of each fiscal year, the Department prepares the University Benefits Schedules Report that summarizes exempt and non-exempt employees and exempt and non-exempt funding. The Department submits this report to the Illinois Office of Comptroller (Comptroller) by August 1 following the end of each fiscal year. These amounts are utilized in the universities’ fiscal year financial reporting. The Comptroller also uses these amounts to determine the amount of on-behalf revenue to allocate to the universities.

2. University Benefits Schedules Source Information

Information reported in the University Benefits Schedules was derived from a variety of sources. Non-exempt contributions, total covered employees, and estimated annual cost per employee were used in the calculations shown on the University Benefits Analysis. The detail of the estimated annual cost per employee is shown in the State Employees Group Insurance Program Adjusted Reimbursement Rates Schedule. The Department has developed a detailed average cost rate setting methodology which incorporates the consultation of actuaries and other business consultants.

3. University Benefits Analysis Schedules Not Intended to Subtotal

The University Benefits Schedules are prepared with imbedded calculations and are not intended to subtotal down columns or across rows as presented due to rounding of the various amounts. Calculations across rows and totals of columns are performed on unrounded numbers with the results rounded for presentation.