



Illinois Department of Insurance

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The Siren

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ADVISORY SERVICES UPDATE

Police Pension Funds

The Illinois Department of Insurance, Pension Division has been receiving reports of pension funds being urged to give surviving spouses increases. This under the guise that after the 35 day administrative review period the decision would be final and therefore can't be changed. This would be a clear misuse of the administrative review process. It would not be legal to knowingly break the law and then use the administrative review process to validate the decision. This type of action would be construed as a clear plan to circumvent the legislative process, which made this type of increase, a clearly defined benefit.

40 ILCS 5/3-112(a). Pension to Survivors states, in part:

“Upon the death of a police officer entitled to a pension under Section 3-111, the surviving spouse shall be entitled to the pension to which the police officer was then entitled.
...”

Section 3-111.1 Increase in Pension, does not mention any pension increase being applicable to a survivors pension.

Clearly, the Pension Code does not state any increases for survivors. There have been several attempts by the legislature to address this situation, however at this time the position of the Illinois Department of Insurance, Pension Division is, upon the death of a police officer with a surviving spouse, the pension the police officer is either receiving or entitled to receive, is fixed at the date of death with no further increases being payable.

Should you have any questions related to the above information, please contact the Pension Division, Illinois Department of Insurance at 1-800-207-6958.

Pension Division Advisory Services