

1 AN ACT in relation to aging.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The State Finance Act is amended by adding
5 Section 5.595 as follows:

6 (30 ILCS 105/5.595 new)

7 Sec. 5.595. The Prescription Drug Assistance Fund.

8 Section 10. The Senior Citizens and Disabled Persons
9 Property Tax Relief and Pharmaceutical Assistance Act is
10 amended by changing Section 3.15 and adding Section 4.5 as
11 follows:

12 (320 ILCS 25/3.15) (from Ch. 67 1/2, par. 403.15)

13 Sec. 3.15. "Covered prescription drug" means (1) any
14 cardiovascular agent or drug; (2) any insulin or other
15 prescription drug used in the treatment of diabetes,
16 including syringe and needles used to administer the insulin;
17 (3) any prescription drug used in the treatment of arthritis,
18 (4) beginning on January 1, 2001, any prescription drug used
19 in the treatment of cancer, (5) beginning on January 1, 2001,
20 any prescription drug used in the treatment of Alzheimer's
21 disease, (6) beginning on January 1, 2001, any prescription
22 drug used in the treatment of Parkinson's disease, (7)
23 beginning on January 1, 2001, any prescription drug used in
24 the treatment of glaucoma, (8) beginning on January 1, 2001,
25 any prescription drug used in the treatment of lung disease
26 and smoking related illnesses, and (9) beginning on July 1,
27 2001, any prescription drug used in the treatment of
28 osteoporosis. The specific agents or products to be included
29 under such categories shall be listed in a handbook to be

1 prepared and distributed by the Department. The general
 2 types of covered prescription drugs shall be indicated by
 3 rule. Beginning July 1, 2004, the Department shall by rule
 4 expand the classes of drugs covered beyond those covered as
 5 of January 1, 2003, subject to appropriations from the
 6 Prescription Drug Assistance Fund.

7 (Source: P.A. 91-699, eff. 1-1-01; 92-10, eff. 6-11-01;
 8 92-790, eff. 8-6-02.)

9 (320 ILCS 25/4.5 new)

10 Sec. 4.5. Drug manufacturer rebate agreements.

11 (a) In this Section, "drug manufacturer" means any
 12 entity that:

13 (1) is located within or outside Illinois that is
 14 engaged in:

15 (A) the production, preparation, propagation,
 16 compounding, conversion, or processing of
 17 prescription drug products covered under the
 18 Program, either directly or indirectly by extraction
 19 from substances of natural origin, independently by
 20 means of chemical synthesis, or by a combination of
 21 extraction and chemical synthesis; or

22 (B) the packaging, repackaging, leveling,
 23 labeling, or distribution of prescription drug
 24 products covered under the program of pharmaceutical
 25 assistance; and

26 (2) elects to provide prescription drugs either
 27 directly or under contract with any entity providing
 28 prescription drug services on behalf of the State of
 29 Illinois.

30 "Drug manufacturer" does not, however, include a
 31 wholesale distributor of drugs or a retail pharmacy licensed
 32 under Illinois law.

33 (b) The Department or its agent shall negotiate and

1 enter into rebate agreements with drug manufacturers to
2 provide for rebates in excess of those received by the State
3 as a result of contracts with third parties on January 1,
4 2003. All rebates received pursuant to this Section or as a
5 result of contractual agreements with any third party shall
6 be deposited into the Prescription Drug Assistance Fund,
7 which is created as a special fund in the State Treasury.
8 Other moneys received for the fund from any other sources
9 shall also be deposited into the fund. Interest earned on
10 moneys in the fund shall be credited to the fund. Moneys in
11 the fund shall be used, subject to appropriation, to expand
12 the classes of drugs covered under the program of
13 pharmaceutical assistance beyond those covered as of January
14 1, 2003.

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.