



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4096

by Rep. Gregory Harris

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-16.11

Amends the Medical Assistance Article of the Illinois Public Aid Code. Provides that the Department of Healthcare and Family Services shall require each Medicaid Managed Care Organization to list as preferred on the Medicaid Managed Care Organization's preferred drug list every pharmaceutical that is listed as preferred on the Department's preferred drug list. Provides that the Department shall not prohibit, or adopt any rules or policies that prohibit, a Medicaid Managed Care Organization from: (i) covering additional pharmaceuticals that are not listed on the Department's preferred drug list; or (ii) removing from the Medicaid Managed Care Organization's preferred drug list any prior approval requirements applicable under the Department's preferred drug list. Provides that the Department shall not require a Medicaid Managed Care Organization to utilize a single, statewide preferred drug list and shall not prohibit a plan from negotiating drug pricing concessions or rebates on any drug with pharmaceutical companies, unless otherwise required by federal law. Provides that no later than July 1, 2018, the Department shall develop a standardized format for all Medicaid Managed Care Organization preferred drug lists in cooperation with Medicaid Managed Care Organizations and stakeholders, including, but not limited to, community-based organizations, providers, and individuals or entities with expertise in drug formulary development. Requires each Medicaid Managed Care Organization to post its preferred drug list on its website without restricting access to enrolled members and to update the preferred drug list posted on its website within 2 business days of making any changes to the preferred drug list, including, but not limited to, any and all changes to requirements for prior approval. Effective immediately.

LRB100 14436 KTG 29218 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 5-16.11 as follows:

6 (305 ILCS 5/5-16.11)

7 Sec. 5-16.11. Uniform standards applied to managed care
8 entities.

9 (a) As used in this Section:

10 "Preferred drug list" means a list of preferred and
11 non-preferred pharmaceuticals.

12 "Preferred pharmaceutical" means a pharmaceutical covered
13 under the medical assistance program that is not subject to
14 prior authorization or other utilization controls.

15 "Non-preferred pharmaceutical" means a pharmaceutical
16 covered under the medical assistance program that is subject to
17 prior authorization or other utilization controls.

18 (b) Any managed care entity providing services under this
19 Code shall use a pharmacy formulary that is no more restrictive
20 than the Illinois Department's pharmaceutical program.

21 (c) The Illinois Department shall require each Medicaid
22 Managed Care Organization to list as preferred on the Medicaid
23 Managed Care Organization's preferred drug list every

1 pharmaceutical that is listed as preferred on the Illinois
2 Department's preferred drug list. The Illinois Department
3 shall not prohibit, or adopt any rules or policies that
4 prohibit, a Medicaid Managed Care Organization from: (i)
5 covering additional pharmaceuticals that are not listed on the
6 Illinois Department's preferred drug list; or (ii) removing
7 from the Medicaid Managed Care Organization's preferred drug
8 list any prior approval requirements applicable under the
9 Illinois Department's preferred drug list.

10 The Illinois Department shall not require a Medicaid
11 Managed Care Organization to utilize a single, statewide
12 preferred drug list and shall not prohibit a plan from
13 negotiating drug pricing concessions or rebates on any drug
14 with pharmaceutical companies, unless otherwise required by
15 federal law.

16 No later than July 1, 2018, the Illinois Department shall
17 develop a standardized format for all Medicaid Managed Care
18 Organization preferred drug lists in cooperation with Medicaid
19 Managed Care Organizations and stakeholders, including, but
20 not limited to, community-based organizations, providers, and
21 individuals or entities with expertise in drug formulary
22 development. Each Medicaid Managed Care Organization must post
23 its preferred drug list on its website without restricting
24 access to enrolled members and must update the preferred drug
25 list posted on its website within 2 business days of making any
26 changes to the preferred drug list, including, but not limited

1 to, any and all changes to requirements for prior approval.

2 (Source: P.A. 92-370, eff. 8-15-01.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.