

**102ND GENERAL ASSEMBLY****State of Illinois****2021 and 2022****HB0591**

Introduced 2/8/2021, by Rep. La Shawn K. Ford - Kelly M. Cassidy - Carol Ammons - Terra Costa Howard - Lindsey LaPointe

**SYNOPSIS AS INTRODUCED:**

305 ILCS 5/5-5.12d new

Amends the Medical Assistance Article of the Illinois Public Aid Code. Requires the Department of Healthcare and Family Services to permit medical assistance recipients, including those enrolled in managed care, to obtain pharmacy services from the pharmacy of their choice if the pharmacy is licensed under the Pharmacy Practice Act and accepts the professional dispensing fee for pharmacy services as determined by the Department. Provides that no managed care organization that contracts with the Department to provide services to recipients may restrict a recipient's access to pharmacy services to a selected group of pharmacies. Provides that if a managed care organization merges with or is acquired by another entity, the resulting entity may not restrict a recipient's access to pharmacy services to a selected group of pharmacies. Permits the Department to renegotiate with the resulting entity the terms of the managed care contract the Department had with the original managed care organization prior to the merger or acquisition. Requires the Department to contract with an independent research organization to conduct a study and submit a report on those managed care organizations that are contracted to provide services to recipients. Requires the report to include an analysis of pharmacy access for medical assistance recipients with the aim of identifying "pharmacy deserts"; an analysis of the costs and benefits of having managed care organizations administer health care services, including pharmacy services, to recipients; and other matters. Prohibits the Department from entering into any new contract with a managed care organization before the report has been received and analyzed by the Department and posted on its website. Effective immediately.

LRB102 14191 KTG 19543 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 adding Section 5-5.12d as follows:

6 (305 ILCS 5/5-5.12d new)

7 Sec. 5-5.12d. Pharmacy access in managed care; analysis  
8 report.

9 (a) To improve access to pharmacy services for recipients  
10 of medical assistance, including those who are enrolled in the  
11 State's managed care medical assistance program, the  
12 Department shall permit recipients to obtain pharmacy services  
13 from the pharmacy of their choice if the pharmacy is licensed  
14 under the Pharmacy Practice Act and accepts the professional  
15 dispensing fee for pharmacy services as determined by the  
16 Department.

17 (b) No managed care organization that contracts with the  
18 Department to provide services under the State's managed care  
19 medical assistance program may restrict a recipient's access  
20 to pharmacy services to a selected group of pharmacies. If a  
21 managed care organization merges with or is acquired by  
22 another entity, the resulting entity may not restrict a  
23 recipient's access to pharmacy services to a selected group of

1 pharmacies. In the case of a merger or acquisition, the  
2 Department may renegotiate with the resulting entity the terms  
3 of the managed care contract the Department had with the  
4 original managed care organization prior to the merger or  
5 acquisition.

6 (c) No later than 3 months after the effective date of this  
7 amendatory Act of the 102nd General Assembly, the Department  
8 shall enter into a contract with an independent research  
9 organization to conduct a study and analysis of those managed  
10 care organizations that are contracted to provide services  
11 under the State's managed care medical assistance program. The  
12 independent research organization must have no affiliation  
13 with managed care organizations and must submit a report of  
14 its findings and analysis to the Department within 90 days  
15 after entering into a contract with the Department. The report  
16 must include the following:

17 (1) An analysis of pharmacy access for recipients of  
18 medical assistance with the aim of identifying "pharmacy  
19 deserts", which are areas without accessible pharmacy  
20 services for community residents. The analysis must focus  
21 especially on those areas of high social vulnerability  
22 indices with the aim of creating patient-relevant and  
23 research-based standards of distances from the recipient's  
24 residence to pharmacies that are based on roads or  
25 streets, including bus routes, traveled by recipients.  
26 This part of the analysis must not use aerial distances.

1       Pharmacy access standards must be differentiated in rural,  
2       suburban, and urban areas. For example, the 15-mile access  
3       standard applies for rural areas, less than 5 miles for  
4       suburban, and less than 1/2 mile or one mile in urban areas  
5       that are low-income. The assessment must be detailed  
6       enough to help the Department propose a plan to meet the  
7       need for pharmacy services in the pharmacy deserts  
8       identified in the report.

9       (2) An analysis of the costs and benefits of having  
10       managed care organizations administer health care  
11       services, including pharmacy services, under the State's  
12       managed care medical assistance program.

13       (3) A detailed analysis of the overhead administrative  
14       costs associated with the provision of pharmacy services  
15       under the State's managed care medical assistance program  
16       in comparison with the overhead administrative costs  
17       associated with the provision of pharmacy services under  
18       the State's traditional fee-for-service program.

19       (4) A detailed survey based on significant input from  
20       both recipients and pharmacy providers regarding their  
21       assessment of pharmacy services provided under the State's  
22       managed care medical assistance program.

23       The Department may not enter into any new contract with a  
24       managed care organization to provide health care services,  
25       including pharmacy services, to recipients before the report  
26       from the independent research organization has been received

1 and analyzed by the Department and posted on the Department's  
2 website.

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