

1 AN ACT in relation to 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 11-26.1 and adding Section 12-4.25d as
6 follows:

7 (305 ILCS 5/11-26.1) (from Ch. 23, par. 11-26.1)

8 Sec. 11-26.1. Drug Utilization Review.

9 (a) The Illinois Department shall, within the time
10 frames mandated by federal law, implement a Drug Utilization
11 Review Program (DUR), designed to decrease overutilization of
12 drugs through both prospective and retrospective utilization
13 review. The Illinois Department shall determine the content
14 of the DUR by rule. Prescriptions filled or refilled under
15 subsection (b) of Section 12-4.25d are not subject to the
16 DUR.

17 (b) The Illinois Department may implement this Section
18 as added by this amendatory Act of 1991 through the use of
19 emergency rules in accordance with the provisions of Section
20 5.02 of the Illinois Administrative Procedure Act. For
21 purposes of the Illinois Administrative Procedure Act, the
22 adoption of rules to implement this Section as added by this
23 amendatory Act of 1991 shall be deemed an emergency and
24 necessary for the public interest, safety and welfare.

25 (Source: P.A. 87-14.)

26 (305 ILCS 5/12-4.25d new)

27 Sec. 12-4.25d. Pharmacy participation in Medicaid
28 program; prescription drug discount benefit.

29 (a) A pharmacy must comply with subsection (b) as a
30 condition of participation in the medical assistance program

1 under Article V.

2 (b) If a person requests that a pharmacy fill or refill
3 a valid prescription for a prescription drug and also
4 presents the pharmacy with satisfactory proof that the person
5 for whom the prescription is written is a Medicare
6 beneficiary or a beneficiary of pharmaceutical assistance
7 under the Senior Citizens and Disabled Persons Property Tax
8 Relief and Pharmaceutical Assistance Act, the pharmacy may
9 not charge a price for filling or refilling the prescription
10 that exceeds the sum of the following:

11 (1) The pharmacy's reimbursement rate for the
12 prescription drug established by the Department of Public
13 Aid and applicable to prescriptions filled or refilled
14 for recipients of medical assistance under Article V.

15 (2) An amount set by the of Department of Public
16 Aid to cover the pharmacy's costs relating to the sending
17 or receipt of electronic transmissions between the
18 pharmacy and the Department concerning reimbursement
19 rates described under paragraph (1).

20 The price restrictions described in this subsection do
21 not apply to non-prescription or over-the-counter medications
22 or to compounded prescriptions as defined in the Pharmacy
23 Practice Act of 1987.

24 (c) The Department of Public Aid shall establish a
25 mechanism to calculate and transmit to pharmacies the maximum
26 prices that the pharmacies may charge for filling and
27 refilling prescriptions for prescription drugs under
28 subsection (b).

29 (d) Prescriptions filled or refilled under subsection
30 (b) are not subject to the Department of Public Aid's Drug
31 Utilization Review Program under Section 11-26.1.

32 (e) The Department of Public Aid shall monitor
33 pharmacies' compliance with this Section and shall submit a
34 report concerning that compliance to the General Assembly by

1 April 1 of each year. The report shall include, but need not
2 be limited to, information concerning pharmacies that
3 discontinue their participation in the medical assistance
4 program under Article V and the reasons given by those
5 pharmacies for discontinuing their participation.

6 (f) The Department of Public Aid shall conduct a study
7 of its pharmacy reimbursement rates under Article V,
8 including the cost of providing prescription drugs and
9 services. The Department shall report its findings to the
10 General Assembly by January 1, 2005.

11 (g) The Department of Public Aid shall provide consumer
12 information to all Medicare beneficiaries who reside in this
13 State and to all beneficiaries of pharmaceutical assistance
14 under the Senior Citizens and Disabled Persons Property Tax
15 Relief and Pharmaceutical Assistance Act. The information
16 must include a description of the prescription drug discount
17 benefit available under subsection (b), instructions for
18 obtaining the benefit, and prescription drug price
19 information to ensure that prescription drug discount
20 beneficiaries are aware of the maximum prices that pharmacies
21 may charge for prescription drugs under subsection (b). The
22 Department shall provide this information by appropriate
23 means, including the Internet.

24 (h) The Department of Public Aid shall execute
25 interagency agreements with the Department on Aging and the
26 Department of Revenue as necessary to implement subsection
27 (g). The agreements shall include provisions for assisting
28 persons entitled to the prescription drug discount benefit
29 under subsection (b) in obtaining that benefit.

30 (i) If coverage of prescription drugs is added to the
31 benefits available under the Medicare program, the Department
32 of Public Aid shall promptly report that fact to the General
33 Assembly. It is the General Assembly's intent that under
34 those circumstances the General Assembly shall evaluate the

1 continued implementation of this Section.

2 (j) This Section is repealed on July 1, 2007.