



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0449

Introduced 1/26/2005, by Rep. Kevin Joyce

SYNOPSIS AS INTRODUCED:

320 ILCS 25/4

from Ch. 67 1/2, par. 404

Amends the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act. In a provision concerning eligibility for grants under the Act, increases the household income eligibility limitations for grant year 2005, and provides that, for grant years 2006 and thereafter, the limitations shall be increased annually by the percentage increase in the Consumer Price Index for the previous calendar year. Effective immediately.

LRB094 05928 BDD 35982 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning aging.

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

4 Section 5. The Senior Citizens and Disabled Persons
5 Property Tax Relief and Pharmaceutical Assistance Act is
6 amended by changing Section 4 as follows:

7 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

8 Sec. 4. Amount of Grant.

9 (a) In general. Any individual 65 years or older or any
10 individual who will become 65 years old during the calendar
11 year in which a claim is filed, and any surviving spouse of
12 such a claimant, who at the time of death received or was
13 entitled to receive a grant pursuant to this Section, which
14 surviving spouse will become 65 years of age within the 24
15 months immediately following the death of such claimant and
16 which surviving spouse but for his or her age is otherwise
17 qualified to receive a grant pursuant to this Section, and any
18 disabled person whose annual household income is less than the
19 income eligibility limitation, as defined in subsection (a-5)
20 ~~\$14,000 for grant years before the 1998 grant year, less than~~
21 ~~\$16,000 for the 1998 and 1999 grant years, and less than (i)~~
22 ~~\$21,218 for a household containing one person, (ii) \$28,480 for~~
23 ~~a household containing 2 persons, or (iii) \$35,740 for a~~
24 ~~household containing 3 or more persons for the 2000 grant year~~
25 ~~and thereafter~~ and whose household is liable for payment of
26 property taxes accrued or has paid rent constituting property
27 taxes accrued and is domiciled in this State at the time he or
28 she files his or her claim is entitled to claim a grant under
29 this Act. With respect to claims filed by individuals who will
30 become 65 years old during the calendar year in which a claim
31 is filed, the amount of any grant to which that household is
32 entitled shall be an amount equal to 1/12 of the amount to

1 which the claimant would otherwise be entitled as provided in
2 this Section, multiplied by the number of months in which the
3 claimant was 65 in the calendar year in which the claim is
4 filed.

5 (a-5) Income eligibility limitation. For purposes of this
6 Section, "income eligibility limitation" means an amount:

7 (i) for grant years before the 1998 grant year, less
8 than \$14,000;

9 (ii) for the 1998 and 1999 grant year, less than
10 \$16,000;

11 (iii) for grant years 2000 through 2004:

12 (A) less than \$21,218 for a household containing
13 one person;

14 (B) less than \$28,480 for a household containing 2
15 persons; or

16 (C) less than \$35,740 for a household containing 3
17 or more persons;

18 (iv) for grant year 2005:

19 (A) less than \$23,218 for a household containing
20 one person;

21 (B) less than \$30,480 for a household containing 2
22 persons; or

23 (C) less than \$37,740 for a household containing 3
24 or more persons; or

25 (v) for grant years 2006 and thereafter, less than the
26 income eligibility limitation of the previous grant year as
27 increased by the annual rate of increase, for the previous
28 calendar year, of the Consumer Price Index for All Urban
29 Consumers for all items, published by the United States
30 Bureau of Labor Statistics.

31 (b) Limitation. Except as otherwise provided in
32 subsections (a) and (f) of this Section, the maximum amount of
33 grant which a claimant is entitled to claim is the amount by
34 which the property taxes accrued which were paid or payable
35 during the last preceding tax year or rent constituting
36 property taxes accrued upon the claimant's residence for the

1 last preceding taxable year exceeds 3 1/2% of the claimant's
2 household income for that year but in no event is the grant to
3 exceed (i) \$700 less 4.5% of household income for that year for
4 those with a household income of \$14,000 or less or (ii) \$70 if
5 household income for that year is more than \$14,000.

6 (c) Public aid recipients. If household income in one or
7 more months during a year includes cash assistance in excess of
8 \$55 per month from the Department of Public Aid or the
9 Department of Human Services (acting as successor to the
10 Department of Public Aid under the Department of Human Services
11 Act) which was determined under regulations of that Department
12 on a measure of need that included an allowance for actual rent
13 or property taxes paid by the recipient of that assistance, the
14 amount of grant to which that household is entitled, except as
15 otherwise provided in subsection (a), shall be the product of
16 (1) the maximum amount computed as specified in subsection (b)
17 of this Section and (2) the ratio of the number of months in
18 which household income did not include such cash assistance
19 over \$55 to the number twelve. If household income did not
20 include such cash assistance over \$55 for any months during the
21 year, the amount of the grant to which the household is
22 entitled shall be the maximum amount computed as specified in
23 subsection (b) of this Section. For purposes of this paragraph
24 (c), "cash assistance" does not include any amount received
25 under the federal Supplemental Security Income (SSI) program.

26 (d) Joint ownership. If title to the residence is held
27 jointly by the claimant with a person who is not a member of
28 his or her household, the amount of property taxes accrued used
29 in computing the amount of grant to which he or she is entitled
30 shall be the same percentage of property taxes accrued as is
31 the percentage of ownership held by the claimant in the
32 residence.

33 (e) More than one residence. If a claimant has occupied
34 more than one residence in the taxable year, he or she may
35 claim only one residence for any part of a month. In the case
36 of property taxes accrued, he or she shall prorate 1/12 of the

1 total property taxes accrued on his or her residence to each
2 month that he or she owned and occupied that residence; and, in
3 the case of rent constituting property taxes accrued, shall
4 prorate each month's rent payments to the residence actually
5 occupied during that month.

6 (f) There is hereby established a program of pharmaceutical
7 assistance to the aged and disabled which shall be administered
8 by the Department in accordance with this Act, to consist of
9 payments to authorized pharmacies, on behalf of beneficiaries
10 of the program, for the reasonable costs of covered
11 prescription drugs. Each beneficiary who pays \$5 for an
12 identification card shall pay no additional prescription
13 costs. Each beneficiary who pays \$25 for an identification card
14 shall pay \$3 per prescription. In addition, after a beneficiary
15 receives \$2,000 in benefits during a State fiscal year, that
16 beneficiary shall also be charged 20% of the cost of each
17 prescription for which payments are made by the program during
18 the remainder of the fiscal year. To become a beneficiary under
19 this program a person must: (1) be (i) 65 years of age or
20 older, or (ii) the surviving spouse of such a claimant, who at
21 the time of death received or was entitled to receive benefits
22 pursuant to this subsection, which surviving spouse will become
23 65 years of age within the 24 months immediately following the
24 death of such claimant and which surviving spouse but for his
25 or her age is otherwise qualified to receive benefits pursuant
26 to this subsection, or (iii) disabled, and (2) be domiciled in
27 this State at the time he or she files his or her claim, and (3)
28 have a maximum household income of less than the income
29 eligibility limitation, as defined in subsection (a-5) \$14,000
30 ~~for grant years before the 1998 grant year, less than \$16,000~~
31 ~~for the 1998 and 1999 grant years, and less than (i) \$21,218~~
32 ~~for a household containing one person, (ii) \$28,480 for a~~
33 ~~household containing 2 persons, or (iii) \$35,740 for a~~
34 ~~household containing 3 more persons for the 2000 grant year and~~
35 ~~thereafter.~~ In addition, each eligible person must (1) obtain
36 an identification card from the Department, (2) at the time the

1 card is obtained, sign a statement assigning to the State of
2 Illinois benefits which may be otherwise claimed under any
3 private insurance plans, and (3) present the identification
4 card to the dispensing pharmacist.

5 The Department may adopt rules specifying participation
6 requirements for the pharmaceutical assistance program,
7 including copayment amounts, identification card fees,
8 expenditure limits, and the benefit threshold after which a 20%
9 charge is imposed on the cost of each prescription, to be in
10 effect on and after July 1, 2004. Notwithstanding any other
11 provision of this paragraph, however, the Department may not
12 increase the identification card fee above the amount in effect
13 on May 1, 2003 without the express consent of the General
14 Assembly. To the extent practicable, those requirements shall
15 be commensurate with the requirements provided in rules adopted
16 by the Department of Public Aid to implement the pharmacy
17 assistance program under Section 5-5.12a of the Illinois Public
18 Aid Code.

19 Whenever a generic equivalent for a covered prescription
20 drug is available, the Department shall reimburse only for the
21 reasonable costs of the generic equivalent, less the co-pay
22 established in this Section, unless (i) the covered
23 prescription drug contains one or more ingredients defined as a
24 narrow therapeutic index drug at 21 CFR 320.33, (ii) the
25 prescriber indicates on the face of the prescription "brand
26 medically necessary", and (iii) the prescriber specifies that a
27 substitution is not permitted. When issuing an oral
28 prescription for covered prescription medication described in
29 item (i) of this paragraph, the prescriber shall stipulate
30 "brand medically necessary" and that a substitution is not
31 permitted. If the covered prescription drug and its authorizing
32 prescription do not meet the criteria listed above, the
33 beneficiary may purchase the non-generic equivalent of the
34 covered prescription drug by paying the difference between the
35 generic cost and the non-generic cost plus the beneficiary
36 co-pay.

1 Any person otherwise eligible for pharmaceutical
2 assistance under this Act whose covered drugs are covered by
3 any public program for assistance in purchasing any covered
4 prescription drugs shall be ineligible for assistance under
5 this Act to the extent such costs are covered by such other
6 plan.

7 The fee to be charged by the Department for the
8 identification card shall be equal to \$5 per coverage year for
9 persons below the official poverty line as defined by the
10 United States Department of Health and Human Services and \$25
11 per coverage year for all other persons.

12 In the event that 2 or more persons are eligible for any
13 benefit under this Act, and are members of the same household,
14 (1) each such person shall be entitled to participate in the
15 pharmaceutical assistance program, provided that he or she
16 meets all other requirements imposed by this subsection and (2)
17 each participating household member contributes the fee
18 required for that person by the preceding paragraph for the
19 purpose of obtaining an identification card.

20 (Source: P.A. 92-131, eff. 7-23-01; 92-519, eff. 1-1-02;
21 92-651, eff. 7-11-02; 93-130, eff. 7-10-03.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.