



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB3854

Introduced 2/25/2005, by Rep. James H. Meyer - Sandra M. Pihos
- Randall M. Hultgren - Sidney H. Mathias - Michael P.
McAuliffe, et al.

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. Increases the income eligibility level for both circuit breaker and pharmaceutical assistance to (i) \$28,000 (now, \$21,218) for a household containing one person, (ii) \$35,000 (now, \$28,480) for a household containing 2 persons, or (iii) \$42,000 (now, \$35,740) for a household containing 3 or more persons for the 2005 grant year and thereafter. Provides that the household income limitation under the Act shall be subject to annual adjustments equal to the percentage of increase in the previous year in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor. Effective immediately.

LRB094 04069 BDD 34089 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning senior citizens and disabled persons.

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
19 \$14,000 for grant years before the 1998 grant year, less than
20 \$16,000 for the 1998 and 1999 grant years, and less than (i)
21 \$21,218 for a household containing one person, (ii) \$28,480 for
22 a household containing 2 persons, or (iii) \$35,740 for a
23 household containing 3 or more persons for the 2000 grant year,
24 and less than (i) \$28,000 for a household containing one
25 person, (ii) \$35,000 for a household containing 2 persons, or
26 (iii) \$42,000 for a household containing 3 or more persons for
27 the 2005 grant year and thereafter and whose household is
28 liable for payment of property taxes accrued or has paid rent
29 constituting property taxes accrued and is domiciled in this
30 State at the time he or she files his or her claim is entitled
31 to claim a grant under this Act. Beginning January 1, 2006, the
32 amount of the limitation on the household income of the

1 applicant shall be subject to annual adjustments equal to the
2 percentage of increase in the previous calendar year in the
3 Consumer Price Index for All Urban Consumers for all items
4 published by the United States Department of Labor. With
5 respect to claims filed by individuals who will become 65 years
6 old during the calendar year in which a claim is filed, the
7 amount of any grant to which that household is entitled shall
8 be an amount equal to 1/12 of the amount to which the claimant
9 would otherwise be entitled as provided in this Section,
10 multiplied by the number of months in which the claimant was 65
11 in the calendar year in which the claim is filed.

12 (b) Limitation. Except as otherwise provided in
13 subsections (a) and (f) of this Section, the maximum amount of
14 grant which a claimant is entitled to claim is the amount by
15 which the property taxes accrued which were paid or payable
16 during the last preceding tax year or rent constituting
17 property taxes accrued upon the claimant's residence for the
18 last preceding taxable year exceeds 3 1/2% of the claimant's
19 household income for that year but in no event is the grant to
20 exceed (i) \$700 less 4.5% of household income for that year for
21 those with a household income of \$14,000 or less or (ii) \$70 if
22 household income for that year is more than \$14,000.

23 (c) Public aid recipients. If household income in one or
24 more months during a year includes cash assistance in excess of
25 \$55 per month from the Department of Public Aid or the
26 Department of Human Services (acting as successor to the
27 Department of Public Aid under the Department of Human Services
28 Act) which was determined under regulations of that Department
29 on a measure of need that included an allowance for actual rent
30 or property taxes paid by the recipient of that assistance, the
31 amount of grant to which that household is entitled, except as
32 otherwise provided in subsection (a), shall be the product of
33 (1) the maximum amount computed as specified in subsection (b)
34 of this Section and (2) the ratio of the number of months in
35 which household income did not include such cash assistance
36 over \$55 to the number twelve. If household income did not

1 include such cash assistance over \$55 for any months during the
2 year, the amount of the grant to which the household is
3 entitled shall be the maximum amount computed as specified in
4 subsection (b) of this Section. For purposes of this paragraph
5 (c), "cash assistance" does not include any amount received
6 under the federal Supplemental Security Income (SSI) program.

7 (d) Joint ownership. If title to the residence is held
8 jointly by the claimant with a person who is not a member of
9 his or her household, the amount of property taxes accrued used
10 in computing the amount of grant to which he or she is entitled
11 shall be the same percentage of property taxes accrued as is
12 the percentage of ownership held by the claimant in the
13 residence.

14 (e) More than one residence. If a claimant has occupied
15 more than one residence in the taxable year, he or she may
16 claim only one residence for any part of a month. In the case
17 of property taxes accrued, he or she shall prorate 1/12 of the
18 total property taxes accrued on his or her residence to each
19 month that he or she owned and occupied that residence; and, in
20 the case of rent constituting property taxes accrued, shall
21 prorate each month's rent payments to the residence actually
22 occupied during that month.

23 (f) There is hereby established a program of pharmaceutical
24 assistance to the aged and disabled which shall be administered
25 by the Department in accordance with this Act, to consist of
26 payments to authorized pharmacies, on behalf of beneficiaries
27 of the program, for the reasonable costs of covered
28 prescription drugs. Each beneficiary who pays \$5 for an
29 identification card shall pay no additional prescription
30 costs. Each beneficiary who pays \$25 for an identification card
31 shall pay \$3 per prescription. In addition, after a beneficiary
32 receives \$2,000 in benefits during a State fiscal year, that
33 beneficiary shall also be charged 20% of the cost of each
34 prescription for which payments are made by the program during
35 the remainder of the fiscal year. To become a beneficiary under
36 this program a person must: (1) be (i) 65 years of age or

1 older, or (ii) the surviving spouse of such a claimant, who at
2 the time of death received or was entitled to receive benefits
3 pursuant to this subsection, which surviving spouse will become
4 65 years of age within the 24 months immediately following the
5 death of such claimant and which surviving spouse but for his
6 or her age is otherwise qualified to receive benefits pursuant
7 to this subsection, or (iii) disabled, and (2) be domiciled in
8 this State at the time he or she files his or her claim, and (3)
9 have a maximum household income of less than \$14,000 for grant
10 years before the 1998 grant year, less than \$16,000 for the
11 1998 and 1999 grant years, and less than (i) \$21,218 for a
12 household containing one person, (ii) \$28,480 for a household
13 containing 2 persons, or (iii) \$35,740 for a household
14 containing 3 more persons for the 2000 grant year, and less
15 than (i) \$28,000 for a household containing one person, (ii)
16 \$35,000 for a household containing 2 persons, or (iii) \$42,000
17 for a household containing 3 or more persons for the 2005 grant
18 year and thereafter. Beginning January 1, 2006, the amount of
19 the limitation on the household income of the applicant shall
20 be subject to annual adjustments equal to the percentage of
21 increase in the previous calendar year in the Consumer Price
22 Index for All Urban Consumers for all items published by the
23 United States Department of Labor. In addition, each eligible
24 person must (1) obtain an identification card from the
25 Department, (2) at the time the card is obtained, sign a
26 statement assigning to the State of Illinois benefits which may
27 be otherwise claimed under any private insurance plans, and (3)
28 present the identification card to the dispensing pharmacist.

29 The Department may adopt rules specifying participation
30 requirements for the pharmaceutical assistance program,
31 including copayment amounts, identification card fees,
32 expenditure limits, and the benefit threshold after which a 20%
33 charge is imposed on the cost of each prescription, to be in
34 effect on and after July 1, 2004. Notwithstanding any other
35 provision of this paragraph, however, the Department may not
36 increase the identification card fee above the amount in effect

1 on May 1, 2003 without the express consent of the General
2 Assembly. To the extent practicable, those requirements shall
3 be commensurate with the requirements provided in rules adopted
4 by the Department of Public Aid to implement the pharmacy
5 assistance program under Section 5-5.12a of the Illinois Public
6 Aid Code.

7 Whenever a generic equivalent for a covered prescription
8 drug is available, the Department shall reimburse only for the
9 reasonable costs of the generic equivalent, less the co-pay
10 established in this Section, unless (i) the covered
11 prescription drug contains one or more ingredients defined as a
12 narrow therapeutic index drug at 21 CFR 320.33, (ii) the
13 prescriber indicates on the face of the prescription "brand
14 medically necessary", and (iii) the prescriber specifies that a
15 substitution is not permitted. When issuing an oral
16 prescription for covered prescription medication described in
17 item (i) of this paragraph, the prescriber shall stipulate
18 "brand medically necessary" and that a substitution is not
19 permitted. If the covered prescription drug and its authorizing
20 prescription do not meet the criteria listed above, the
21 beneficiary may purchase the non-generic equivalent of the
22 covered prescription drug by paying the difference between the
23 generic cost and the non-generic cost plus the beneficiary
24 co-pay.

25 Any person otherwise eligible for pharmaceutical
26 assistance under this Act whose covered drugs are covered by
27 any public program for assistance in purchasing any covered
28 prescription drugs shall be ineligible for assistance under
29 this Act to the extent such costs are covered by such other
30 plan.

31 The fee to be charged by the Department for the
32 identification card shall be equal to \$5 per coverage year for
33 persons below the official poverty line as defined by the
34 United States Department of Health and Human Services and \$25
35 per coverage year for all other persons.

36 In the event that 2 or more persons are eligible for any

1 benefit under this Act, and are members of the same household,
2 (1) each such person shall be entitled to participate in the
3 pharmaceutical assistance program, provided that he or she
4 meets all other requirements imposed by this subsection and (2)
5 each participating household member contributes the fee
6 required for that person by the preceding paragraph for the
7 purpose of obtaining an identification card.

8 (Source: P.A. 92-131, eff. 7-23-01; 92-519, eff. 1-1-02;
9 92-651, eff. 7-11-02; 93-130, eff. 7-10-03.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.