



Rep. Elga L. Jefferies

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LRB095 09871 DRJ 33451 a

1 AMENDMENT TO HOUSE BILL 948

2 AMENDMENT NO. _____. Amend House Bill 948 by replacing
3 everything after the enacting clause with the following:

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

1 qualified to receive a grant pursuant to this Section, and any
2 disabled person whose annual household income is less than
3 \$14,000 for grant years before the 1998 grant year, less than
4 \$16,000 for the 1998 and 1999 grant years, and less than (i)
5 \$21,218 for a household containing one person, (ii) \$28,480 for
6 a household containing 2 persons, or (iii) \$35,740 for a
7 household containing 3 or more persons for the 2000 grant year
8 and thereafter and whose household is liable for payment of
9 property taxes accrued or has paid rent constituting property
10 taxes accrued and is domiciled in this State at the time he or
11 she files his or her claim is entitled to claim a grant under
12 this Act. With respect to claims filed by individuals who will
13 become 65 years old during the calendar year in which a claim
14 is filed, the amount of any grant to which that household is
15 entitled shall be an amount equal to 1/12 of the amount to
16 which the claimant would otherwise be entitled as provided in
17 this Section, multiplied by the number of months in which the
18 claimant was 65 in the calendar year in which the claim is
19 filed.

20 (b) Limitation. Except as otherwise provided in
21 subsections (a) and (f) of this Section, the maximum amount of
22 grant which a claimant is entitled to claim is the amount by
23 which the property taxes accrued which were paid or payable
24 during the last preceding tax year or rent constituting
25 property taxes accrued upon the claimant's residence for the
26 last preceding taxable year exceeds 3 1/2% of the claimant's

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

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

26 (d) Joint ownership. If title to the residence is held

1 jointly by the claimant with a person who is not a member of
2 his or her household, the amount of property taxes accrued used
3 in computing the amount of grant to which he or she is entitled
4 shall be the same percentage of property taxes accrued as is
5 the percentage of ownership held by the claimant in the
6 residence.

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

16 (f) There is hereby established a program of pharmaceutical
17 assistance to the aged and disabled which shall be administered
18 by the Department in accordance with this Act, to consist of
19 payments to authorized pharmacies, on behalf of beneficiaries
20 of the program, for the reasonable costs of covered
21 prescription drugs. Each beneficiary who pays \$5 for an
22 identification card shall pay no additional prescription
23 costs. Each beneficiary who pays \$25 for an identification card
24 shall pay \$3 per prescription. In addition, after a beneficiary
25 receives \$2,000 in benefits during a State fiscal year, that
26 beneficiary shall also be charged 20% of the cost of each

1 prescription for which payments are made by the program during
2 the remainder of the fiscal year. To become a beneficiary under
3 this program a person must: (1) be (i) 65 years of age or
4 older, or (ii) the surviving spouse of such a claimant, who at
5 the time of death received or was entitled to receive benefits
6 pursuant to this subsection, which surviving spouse will become
7 65 years of age within the 24 months immediately following the
8 death of such claimant and which surviving spouse but for his
9 or her age is otherwise qualified to receive benefits pursuant
10 to this subsection, or (iii) disabled, and (2) be domiciled in
11 this State at the time he or she files his or her claim, and (3)
12 have a maximum household income of less than \$14,000 for grant
13 years before the 1998 grant year, less than \$16,000 for the
14 1998 and 1999 grant years, and less than (i) \$21,218 for a
15 household containing one person, (ii) \$28,480 for a household
16 containing 2 persons, or (iii) \$35,740 for a household
17 containing 3 more persons for the 2000 grant year and
18 thereafter. In addition, each eligible person must (1) obtain
19 an identification card from the Department, (2) at the time the
20 card is obtained, sign a statement assigning to the State of
21 Illinois benefits which may be otherwise claimed under any
22 private insurance plans, and (3) present the identification
23 card to the dispensing pharmacist.

24 The Department may adopt rules specifying participation
25 requirements for the pharmaceutical assistance program,
26 including copayment amounts, identification card fees,

1 expenditure limits, and the benefit threshold after which a 20%
2 charge is imposed on the cost of each prescription, to be in
3 effect on and after July 1, 2004. Notwithstanding any other
4 provision of this paragraph, however, the Department may not
5 increase the identification card fee above the amount in effect
6 on May 1, 2003 without the express consent of the General
7 Assembly. To the extent practicable, those requirements shall
8 be commensurate with the requirements provided in rules adopted
9 by the Department of Healthcare and Family Services to
10 implement the pharmacy assistance program under Section
11 5-5.12a of the Illinois Public Aid Code.

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

1 covered prescription drug by paying the difference between the
2 generic cost and the non-generic cost plus the beneficiary
3 co-pay.

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

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

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

23 The provisions of this subsection (f), other than this
24 paragraph, are inoperative after December 31, 2005.
25 Beneficiaries who received benefits under the program
26 established by this subsection (f) are not entitled, at the

1 termination of the program, to any refund of the identification
2 card fee paid under this subsection.

3 (g) Effective January 1, 2006, there is hereby established
4 a program of pharmaceutical assistance to the aged and
5 disabled, entitled the Illinois Seniors and Disabled Drug
6 Coverage Program, which shall be administered by the Department
7 of Healthcare and Family Services and the Department on Aging
8 in accordance with this subsection, to consist of coverage of
9 specified prescription drugs on behalf of beneficiaries of the
10 program as set forth in this subsection. The program under this
11 subsection replaces and supersedes the program established
12 under subsection (f), which shall end at midnight on December
13 31, 2005.

14 To become a beneficiary under the program established under
15 this subsection, a person must:

16 (1) be (i) 65 years of age or older or (ii) disabled;
17 and

18 (2) be domiciled in this State; and

19 (3) enroll with a qualified Medicare Part D
20 Prescription Drug Plan if eligible and apply for all
21 available subsidies under Medicare Part D; and

22 (4) have a maximum household income of (i) less than
23 \$21,218 for a household containing one person, (ii) less
24 than \$28,480 for a household containing 2 persons, or (iii)
25 less than \$35,740 for a household containing 3 or more
26 persons. If any income eligibility limit set forth in items

1 (i) through (iii) is less than 200% of the Federal Poverty
2 Level for any year, the income eligibility limit for that
3 year for households of that size shall be income equal to
4 or less than 200% of the Federal Poverty Level.

5 All individuals enrolled as of December 31, 2005, in the
6 pharmaceutical assistance program operated pursuant to
7 subsection (f) of this Section and all individuals enrolled as
8 of December 31, 2005, in the SeniorCare Medicaid waiver program
9 operated pursuant to Section 5-5.12a of the Illinois Public Aid
10 Code shall be automatically enrolled in the program established
11 by this subsection for the first year of operation without the
12 need for further application, except that they must apply for
13 Medicare Part D and the Low Income Subsidy under Medicare Part
14 D. A person enrolled in the pharmaceutical assistance program
15 operated pursuant to subsection (f) of this Section as of
16 December 31, 2005, shall not lose eligibility in future years
17 due only to the fact that they have not reached the age of 65.

18 To the extent permitted by federal law, the Department may
19 act as an authorized representative of a beneficiary in order
20 to enroll the beneficiary in a Medicare Part D Prescription
21 Drug Plan if the beneficiary has failed to choose a plan and,
22 where possible, to enroll beneficiaries in the low-income
23 subsidy program under Medicare Part D or assist them in
24 enrolling in that program.

25 Beneficiaries under the program established under this
26 subsection shall be divided into the following 5 eligibility

1 groups:

2 (A) Eligibility Group 1 shall consist of beneficiaries
3 who are not eligible for Medicare Part D coverage and who
4 are disabled and under age 65.~~+~~

5 ~~(i) disabled and under age 65; or~~

6 ~~(ii) age 65 or older, with incomes over 200% of the~~
7 ~~Federal Poverty Level; or~~

8 ~~(iii) age 65 or older, with incomes at or below~~
9 ~~200% of the Federal Poverty Level and not eligible for~~
10 ~~federally funded means tested benefits due to~~
11 ~~immigration status.~~

12 (B) Eligibility Group 2 shall consist of beneficiaries
13 otherwise described in Eligibility Group 1 but who are
14 eligible for Medicare Part D coverage.

15 (C) Eligibility Group 3 shall consist of beneficiaries
16 age 65 or older who, ~~with incomes at or below 200% of the~~
17 ~~Federal Poverty Level, who are not barred from receiving~~
18 ~~federally funded means tested benefits due to immigration~~
19 ~~status and~~ are eligible for Medicare Part D coverage.

20 (D) Eligibility Group 4 shall consist of beneficiaries
21 age 65 or older who, ~~with incomes at or below 200% of the~~
22 ~~Federal Poverty Level, who are not barred from receiving~~
23 ~~federally funded means tested benefits due to immigration~~
24 ~~status and~~ are not eligible for Medicare Part D coverage.

25 If the State applies and receives federal approval for
26 a waiver under Title XIX of the Social Security Act,

1 persons in Eligibility Group 4 shall continue to receive
2 benefits through the approved waiver, and Eligibility
3 Group 4 may be expanded to include disabled persons under
4 age 65 with incomes under 200% of the Federal Poverty Level
5 who are not eligible for Medicare and who are not barred
6 from receiving federally funded means-tested benefits due
7 to immigration status.

8 (E) On and after January 1, 2007, Eligibility Group 5
9 shall consist of beneficiaries who are otherwise described
10 in Eligibility Group 1 but are eligible for Medicare Part D
11 and have a diagnosis of HIV or AIDS.

12 The program established under this subsection shall cover
13 the cost of covered prescription drugs in excess of the
14 beneficiary cost-sharing amounts set forth in this paragraph
15 that are not covered by Medicare. In 2006, beneficiaries shall
16 pay a co-payment of \$2 for each prescription of a generic drug
17 and \$5 for each prescription of a brand-name drug. In future
18 years, beneficiaries shall pay co-payments equal to the
19 co-payments required under Medicare Part D for "other
20 low-income subsidy eligible individuals" pursuant to 42 CFR
21 423.782(b). For individuals in Eligibility Groups 1, 2, 3, and
22 4, once the program established under this subsection and
23 Medicare combined have paid \$1,750 in a year for covered
24 prescription drugs, the beneficiary shall pay 20% of the cost
25 of each prescription in addition to the co-payments set forth
26 in this paragraph. For individuals in Eligibility Group 5, once

1 the program established under this subsection and Medicare
2 combined have paid \$1,750 in a year for covered prescription
3 drugs, the beneficiary shall pay 20% of the cost of each
4 prescription in addition to the co-payments set forth in this
5 paragraph unless the drug is included in the formulary of the
6 Illinois AIDS Drug Assistance Program operated by the Illinois
7 Department of Public Health. If the drug is included in the
8 formulary of the Illinois AIDS Drug Assistance Program,
9 individuals in Eligibility Group 5 shall continue to pay the
10 co-payments set forth in this paragraph after the program
11 established under this subsection and Medicare combined have
12 paid \$1,750 in a year for covered prescription drugs.

13 For beneficiaries eligible for Medicare Part D coverage,
14 the program established under this subsection shall pay 100% of
15 the premiums charged by a qualified Medicare Part D
16 Prescription Drug Plan for Medicare Part D basic prescription
17 drug coverage, not including any late enrollment penalties.
18 Qualified Medicare Part D Prescription Drug Plans may be
19 limited by the Department of Healthcare and Family Services to
20 those plans that sign a coordination agreement with the
21 Department.

22 Notwithstanding Section 3.15, for purposes of the program
23 established under this subsection, the term "covered
24 prescription drug" has the following meanings: For Eligibility
25 Group 1, "covered prescription drug" means: (1) any
26 cardiovascular agent or drug; (2) any insulin or other

1 prescription drug used in the treatment of diabetes, including
2 syringe and needles used to administer the insulin; (3) any
3 prescription drug used in the treatment of arthritis; (4) any
4 prescription drug used in the treatment of cancer; (5) any
5 prescription drug used in the treatment of Alzheimer's disease;
6 (6) any prescription drug used in the treatment of Parkinson's
7 disease; (7) any prescription drug used in the treatment of
8 glaucoma; (8) any prescription drug used in the treatment of
9 lung disease and smoking-related illnesses; (9) any
10 prescription drug used in the treatment of osteoporosis; and
11 (10) any prescription drug used in the treatment of multiple
12 sclerosis. The Department may add additional therapeutic
13 classes by rule. The Department may adopt a preferred drug list
14 within any of the classes of drugs described in items (1)
15 through (10) of this paragraph. The specific drugs or
16 therapeutic classes of covered prescription drugs shall be
17 indicated by rule.

18 For Eligibility Group 2, "covered prescription drug"
19 means those drugs covered for Eligibility Group 1 that are
20 also covered by the Medicare Part D Prescription Drug Plan
21 in which the beneficiary is enrolled.

22 For Eligibility Group 3, "covered prescription drug"
23 means those drugs covered by the Medicare Part D
24 Prescription Drug Plan in which the beneficiary is
25 enrolled.

26 For Eligibility Group 4, "covered prescription drug"

1 means those drugs covered by the Medical Assistance Program
2 under Article V of the Illinois Public Aid Code.

3 For Eligibility Group 5, "covered prescription drug"
4 means: (1) those drugs covered for Eligibility Group 1 that
5 are also covered by the Medicare Part D Prescription Drug
6 Plan in which the beneficiary is enrolled; and (2) those
7 drugs included in the formulary of the Illinois AIDS Drug
8 Assistance Program operated by the Illinois Department of
9 Public Health that are also covered by the Medicare Part D
10 Prescription Drug Plan in which the beneficiary is
11 enrolled.

12 An individual in Eligibility Group 3 or 4 may opt to
13 receive a \$25 monthly payment in lieu of the direct coverage
14 described in this subsection.

15 Any person otherwise eligible for pharmaceutical
16 assistance under this subsection whose covered drugs are
17 covered by any public program is ineligible for assistance
18 under this subsection to the extent that the cost of those
19 drugs is covered by the other program.

20 The Department of Healthcare and Family Services shall
21 establish by rule the methods by which it will provide for the
22 coverage called for in this subsection. Those methods may
23 include direct reimbursement to pharmacies or the payment of a
24 capitated amount to Medicare Part D Prescription Drug Plans.

25 For a pharmacy to be reimbursed under the program
26 established under this subsection, it must comply with rules

1 adopted by the Department of Healthcare and Family Services
2 regarding coordination of benefits with Medicare Part D
3 Prescription Drug Plans. A pharmacy may not charge a
4 Medicare-enrolled beneficiary of the program established under
5 this subsection more for a covered prescription drug than the
6 appropriate Medicare cost-sharing less any payment from or on
7 behalf of the Department of Healthcare and Family Services.

8 The Department of Healthcare and Family Services or the
9 Department on Aging, as appropriate, may adopt rules regarding
10 applications, counting of income, proof of Medicare status,
11 mandatory generic policies, and pharmacy reimbursement rates
12 and any other rules necessary for the cost-efficient operation
13 of the program established under this subsection.

14 (Source: P.A. 93-130, eff. 7-10-03; 94-86, eff. 1-1-06; 94-909,
15 eff. 6-23-06.)".