

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 Sections 3.15 and 4 as follows:

7 (320 ILCS 25/3.15) (from Ch. 67 1/2, par. 403.15)

8 Sec. 3.15. "Covered prescription drug" means (1) any  
9 cardiovascular agent or drug; (2) any insulin or other  
10 prescription drug used in the treatment of diabetes, including  
11 syringe and needles used to administer the insulin; (3) any  
12 prescription drug used in the treatment of arthritis, (4)  
13 beginning on January 1, 2001, any prescription drug used in the  
14 treatment of cancer, (5) beginning on January 1, 2001, any  
15 prescription drug used in the treatment of Alzheimer's disease,  
16 (6) beginning on January 1, 2001, any prescription drug used in  
17 the treatment of Parkinson's disease, (7) beginning on January  
18 1, 2001, any prescription drug used in the treatment of  
19 glaucoma, (8) beginning on January 1, 2001, any prescription  
20 drug used in the treatment of lung disease and smoking related  
21 illnesses, (9) beginning on July 1, 2001, any prescription drug  
22 used in the treatment of osteoporosis, and (10) beginning on  
23 January 1, 2009 ~~2004~~, any prescription drug used in treating

1 the effects ~~the treatment~~ of multiple sclerosis. The specific  
2 agents or products to be included under such categories shall  
3 be listed in a handbook to be prepared and distributed by the  
4 Department. The general types of covered prescription drugs  
5 shall be indicated by rule.

6 Notwithstanding any other rulemaking authority that may  
7 exist, neither the Governor nor any agency or agency head under  
8 the jurisdiction of the Governor has any authority to make or  
9 promulgate rules to implement or enforce the provisions of this  
10 amendatory Act of the 95th General Assembly. If, however, the  
11 Governor believes that rules are necessary to implement or  
12 enforce the provisions of this amendatory Act of the 95th  
13 General Assembly, the Governor may suggest rules to the General  
14 Assembly by filing them with the Clerk of the House and  
15 Secretary of the Senate and by requesting that the General  
16 Assembly authorize such rulemaking by law, enact those  
17 suggested rules into law, or take any other appropriate action  
18 in the General Assembly's discretion. Nothing contained in this  
19 amendatory Act of the 95th General Assembly shall be  
20 interpreted to grant rulemaking authority under any other  
21 Illinois statute where such authority is not otherwise  
22 explicitly given. For the purposes of this amendatory Act of  
23 the 95th General Assembly, "rules" is given the meaning  
24 contained in Section 1-70 of the Illinois Administrative  
25 Procedure Act, and "agency" and "agency head" are given the  
26 meanings contained in Sections 1-20 and 1-25 of the Illinois

1 Administrative Procedure Act to the extent that such  
2 definitions apply to agencies or agency heads under the  
3 jurisdiction of the Governor.

4 (Source: P.A. 92-10, eff. 6-11-01; 92-790, eff. 8-6-02; 93-528,  
5 eff. 1-1-04.)

6 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

7 Sec. 4. Amount of Grant.

8 (a) In general. Any individual 65 years or older or any  
9 individual who will become 65 years old during the calendar  
10 year in which a claim is filed, and any surviving spouse of  
11 such a claimant, who at the time of death received or was  
12 entitled to receive a grant pursuant to this Section, which  
13 surviving spouse will become 65 years of age within the 24  
14 months immediately following the death of such claimant and  
15 which surviving spouse but for his or her age is otherwise  
16 qualified to receive a grant pursuant to this Section, and any  
17 disabled person whose annual household income is less than the  
18 income eligibility limitation, as defined in subsection (a-5)  
19 and whose household is liable for payment of property taxes  
20 accrued or has paid rent constituting property taxes accrued  
21 and is domiciled in this State at the time he or she files his  
22 or her claim is entitled to claim a grant under this Act. With  
23 respect to claims filed by individuals who will become 65 years  
24 old during the calendar year in which a claim is filed, the  
25 amount of any grant to which that household is entitled shall

1 be an amount equal to 1/12 of the amount to which the claimant  
2 would otherwise be entitled as provided in this Section,  
3 multiplied by the number of months in which the claimant was 65  
4 in the calendar year in which the claim is 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 2007:

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; or

18 (iv) for grant years 2008 and thereafter:

19 (A) less than \$22,218 for a household containing  
20 one person;

21 (B) less than \$29,480 for a household containing 2  
22 persons; or

23 (C) less than \$36,740 for a household containing 3  
24 or more persons.

25 (b) Limitation. Except as otherwise provided in  
26 subsections (a) and (f) of this Section, the maximum amount of

1 grant which a claimant is entitled to claim is the amount by  
2 which the property taxes accrued which were paid or payable  
3 during the last preceding tax year or rent constituting  
4 property taxes accrued upon the claimant's residence for the  
5 last preceding taxable year exceeds 3 1/2% of the claimant's  
6 household income for that year but in no event is the grant to  
7 exceed (i) \$700 less 4.5% of household income for that year for  
8 those with a household income of \$14,000 or less or (ii) \$70 if  
9 household income for that year is more than \$14,000.

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

1 computed as specified in subsection (b) of this Section. For  
2 purposes of this paragraph (c), "cash assistance" does not  
3 include any amount received under the federal Supplemental  
4 Security Income (SSI) program.

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

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

21 (f) There is hereby established a program of pharmaceutical  
22 assistance to the aged and disabled which shall be administered  
23 by the Department in accordance with this Act, to consist of  
24 payments to authorized pharmacies, on behalf of beneficiaries  
25 of the program, for the reasonable costs of covered  
26 prescription drugs. Each beneficiary who pays \$5 for an

1 identification card shall pay no additional prescription  
2 costs. Each beneficiary who pays \$25 for an identification card  
3 shall pay \$3 per prescription. In addition, after a beneficiary  
4 receives \$2,000 in benefits during a State fiscal year, that  
5 beneficiary shall also be charged 20% of the cost of each  
6 prescription for which payments are made by the program during  
7 the remainder of the fiscal year. To become a beneficiary under  
8 this program a person must: (1) be (i) 65 years of age or  
9 older, or (ii) the surviving spouse of such a claimant, who at  
10 the time of death received or was entitled to receive benefits  
11 pursuant to this subsection, which surviving spouse will become  
12 65 years of age within the 24 months immediately following the  
13 death of such claimant and which surviving spouse but for his  
14 or her age is otherwise qualified to receive benefits pursuant  
15 to this subsection, or (iii) disabled, and (2) be domiciled in  
16 this State at the time he or she files his or her claim, and (3)  
17 have a maximum household income of less than the income  
18 eligibility limitation, as defined in subsection (a-5). In  
19 addition, each eligible person must (1) obtain an  
20 identification card from the Department, (2) at the time the  
21 card is obtained, sign a statement assigning to the State of  
22 Illinois benefits which may be otherwise claimed under any  
23 private insurance plans, and (3) present the identification  
24 card to the dispensing pharmacist.

25 The Department may adopt rules specifying participation  
26 requirements for the pharmaceutical assistance program,

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

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



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

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

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

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

24 The provisions of this subsection (f), other than this  
25 paragraph, are inoperative after December 31, 2005.  
26 Beneficiaries who received benefits under the program

1 established by this subsection (f) are not entitled, at the  
2 termination of the program, to any refund of the identification  
3 card fee paid under this subsection.

4 (g) Effective January 1, 2006, there is hereby established  
5 a program of pharmaceutical assistance to the aged and  
6 disabled, entitled the Illinois Seniors and Disabled Drug  
7 Coverage Program, which shall be administered by the Department  
8 of Healthcare and Family Services and the Department on Aging  
9 in accordance with this subsection, to consist of coverage of  
10 specified prescription drugs on behalf of beneficiaries of the  
11 program as set forth in this subsection. The program under this  
12 subsection replaces and supersedes the program established  
13 under subsection (f), which shall end at midnight on December  
14 31, 2005.

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

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

18 and

19 (2) be domiciled in this State; and

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

23 (4) have a maximum household income of (i) less than  
24 \$21,218 for a household containing one person, (ii) less  
25 than \$28,480 for a household containing 2 persons, or (iii)  
26 less than \$35,740 for a household containing 3 or more

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

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

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

26 Beneficiaries under the program established under this

1 subsection shall be divided into the following 5 eligibility  
2 groups:

3 (A) Eligibility Group 1 shall consist of beneficiaries  
4 who are not eligible for Medicare Part D coverage and who  
5 are:

6 (i) disabled and under age 65; or

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

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

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

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

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

26 If the State applies and receives federal approval for

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

9 (E) On and after January 1, 2007, Eligibility Group 5  
10 shall consist of beneficiaries who are otherwise described  
11 in Eligibility Groups 2 and 3 who have a diagnosis of HIV  
12 or AIDS.

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

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

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

23 Notwithstanding Section 3.15, for purposes of the program  
24 established under this subsection, the term "covered  
25 prescription drug" has the following meanings:

26 For Eligibility Group 1, "covered prescription drug"

1 means: (1) any cardiovascular agent or drug; (2) any  
2 insulin or other prescription drug used in the treatment of  
3 diabetes, including syringe and needles used to administer  
4 the insulin; (3) any prescription drug used in the  
5 treatment of arthritis; (4) any prescription drug used in  
6 the treatment of cancer; (5) any prescription drug used in  
7 the treatment of Alzheimer's disease; (6) any prescription  
8 drug used in the treatment of Parkinson's disease; (7) any  
9 prescription drug used in the treatment of glaucoma; (8)  
10 any prescription drug used in the treatment of lung disease  
11 and smoking-related illnesses; (9) any prescription drug  
12 used in the treatment of osteoporosis; and (10) beginning  
13 January 1, 2009, any prescription drug used in treating the  
14 effects ~~the treatment~~ of multiple sclerosis. The  
15 Department may add additional therapeutic classes by rule.  
16 The Department may adopt a preferred drug list within any  
17 of the classes of drugs described in items (1) through (10)  
18 of this paragraph. The specific drugs or therapeutic  
19 classes of covered prescription drugs shall be indicated by  
20 rule.

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

25 For Eligibility Group 3, "covered prescription drug"  
26 means those drugs covered by the Medicare Part D

1 Prescription Drug Plan in which the beneficiary is  
2 enrolled.

3 For Eligibility Group 4, "covered prescription drug"  
4 means those drugs covered by the Medical Assistance Program  
5 under Article V of the Illinois Public Aid Code.

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

20 An individual in Eligibility Group 1, 2, 3, 4, or 5 may opt  
21 to receive a \$25 monthly payment in lieu of the direct coverage  
22 described in this subsection.

23 Any person otherwise eligible for pharmaceutical  
24 assistance under this subsection whose covered drugs are  
25 covered by any public program is ineligible for assistance  
26 under this subsection to the extent that the cost of those



1 drugs is covered by the other program.

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

7 For a pharmacy to be reimbursed under the program  
8 established under this subsection, it must comply with rules  
9 adopted by the Department of Healthcare and Family Services  
10 regarding coordination of benefits with Medicare Part D  
11 Prescription Drug Plans. A pharmacy may not charge a  
12 Medicare-enrolled beneficiary of the program established under  
13 this subsection more for a covered prescription drug than the  
14 appropriate Medicare cost-sharing less any payment from or on  
15 behalf of the Department of Healthcare and Family Services.

16 The Department of Healthcare and Family Services or the  
17 Department on Aging, as appropriate, may adopt rules regarding  
18 applications, counting of income, proof of Medicare status,  
19 mandatory generic policies, and pharmacy reimbursement rates  
20 and any other rules necessary for the cost-efficient operation  
21 of the program established under this subsection.

22 (h) Notwithstanding any other rulemaking authority that  
23 may exist, neither the Governor nor any agency or agency head  
24 under the jurisdiction of the Governor has any authority to  
25 make or promulgate rules to implement or enforce the provisions  
26 of this amendatory Act of the 95th General Assembly. If,

1 however, the Governor believes that rules are necessary to  
2 implement or enforce the provisions of this amendatory Act of  
3 the 95th General Assembly, the Governor may suggest rules to  
4 the General Assembly by filing them with the Clerk of the House  
5 and Secretary of the Senate and by requesting that the General  
6 Assembly authorize such rulemaking by law, enact those  
7 suggested rules into law, or take any other appropriate action  
8 in the General Assembly's discretion. Nothing contained in this  
9 amendatory Act of the 95th General Assembly shall be  
10 interpreted to grant rulemaking authority under any other  
11 Illinois statute where such authority is not otherwise  
12 explicitly given. For the purposes of this amendatory Act of  
13 the 95th General Assembly, "rules" is given the meaning  
14 contained in Section 1-70 of the Illinois Administrative  
15 Procedure Act, and "agency" and "agency head" are given the  
16 meanings contained in Sections 1-20 and 1-25 of the Illinois  
17 Administrative Procedure Act to the extent that such  
18 definitions apply to agencies or agency heads under the  
19 jurisdiction of the Governor.

20 (Source: P.A. 94-86, eff. 1-1-06; 94-909, eff. 6-23-06; 95-208,  
21 eff. 8-16-07; 95-644, eff. 10-12-07; revised 10-25-07.)

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