

SB3745



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3745

Introduced 2/11/2010, by Sen. Gary G. Dahl

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. Provides that for the 2011 claim year and each claim year thereafter, if a person files a claim for a grant or pharmaceutical assistance under the Act and represents on the claim form that (i) he or she is a surviving spouse and (ii) his or her marital status is "single", then only his or her individual income for the applicable year shall be counted in determining his or her eligibility for a grant or pharmaceutical assistance. Effective immediately.

LRB096 20859 KTG 36630 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 and whose household is liable for payment of property taxes
21 accrued or has paid rent constituting property taxes accrued
22 and is domiciled in this State at the time he or she files his
23 or her claim is entitled to claim a grant under this Act. With

1 respect to claims filed by individuals who will become 65 years
2 old during the calendar year in which a claim is filed, the
3 amount of any grant to which that household is entitled shall
4 be an amount equal to 1/12 of the amount to which the claimant
5 would otherwise be entitled as provided in this Section,
6 multiplied by the number of months in which the claimant was 65
7 in the calendar year in which the claim is filed.

8 (a-5) Income eligibility limitation. For purposes of this
9 Section, "income eligibility limitation" means an amount for
10 grant years 2008 and thereafter:

11 (1) less than \$22,218 for a household containing one
12 person;

13 (2) less than \$29,480 for a household containing 2
14 persons; or

15 (3) less than \$36,740 for a household containing 3 or
16 more persons.

17 For 2009 claim year applications submitted during calendar
18 year 2010, a household must have annual household income of
19 less than \$27,610 for a household containing one person; less
20 than \$36,635 for a household containing 2 persons; or less than
21 \$45,657 for a household containing 3 or more persons.

22 The Department on Aging may adopt rules such that on
23 January 1, 2011, and thereafter, the foregoing household income
24 eligibility limits may be changed to reflect the annual cost of
25 living adjustment in Social Security and Supplemental Security
26 Income benefits that are applicable to the year for which those

1 benefits are being reported as income on an application.

2 If a person files as a surviving spouse, then only his or
3 her income shall be counted in determining his or her household
4 income.

5 For the 2011 claim year and each claim year thereafter, if
6 a person files a claim for a grant under this Act and
7 represents on the claim form that (i) he or she is a surviving
8 spouse and (ii) his or her marital status is "single", then
9 only his or her individual income for the applicable year shall
10 be counted in determining his or her eligibility for a grant.

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

22 (c) Public aid recipients. If household income in one or
23 more months during a year includes cash assistance in excess of
24 \$55 per month from the Department of Healthcare and Family
25 Services or the Department of Human Services (acting as
26 successor to the Department of Public Aid under the Department

1 of Human Services Act) which was determined under regulations
2 of that Department on a measure of need that included an
3 allowance for actual rent or property taxes paid by the
4 recipient of that assistance, the amount of grant to which that
5 household is entitled, except as otherwise provided in
6 subsection (a), shall be the product of (1) the maximum amount
7 computed as specified in subsection (b) of this Section and (2)
8 the ratio of the number of months in which household income did
9 not include such cash assistance over \$55 to the number twelve.
10 If household income did not include such cash assistance over
11 \$55 for any months during the year, the amount of the grant to
12 which the household is entitled shall be the maximum amount
13 computed as specified in subsection (b) of this Section. For
14 purposes of this paragraph (c), "cash assistance" does not
15 include any amount received under the federal Supplemental
16 Security Income (SSI) program.

17 (d) Joint ownership. If title to the residence is held
18 jointly by the claimant with a person who is not a member of
19 his or her household, the amount of property taxes accrued used
20 in computing the amount of grant to which he or she is entitled
21 shall be the same percentage of property taxes accrued as is
22 the percentage of ownership held by the claimant in the
23 residence.

24 (e) More than one residence. If a claimant has occupied
25 more than one residence in the taxable year, he or she may
26 claim only one residence for any part of a month. In the case

1 of property taxes accrued, he or she shall prorate 1/12 of the
2 total property taxes accrued on his or her residence to each
3 month that he or she owned and occupied that residence; and, in
4 the case of rent constituting property taxes accrued, shall
5 prorate each month's rent payments to the residence actually
6 occupied during that month.

7 (f) (Blank).

8 (g) Effective January 1, 2006, there is hereby established
9 a program of pharmaceutical assistance to the aged and
10 disabled, entitled the Illinois Seniors and Disabled Drug
11 Coverage Program, which shall be administered by the Department
12 of Healthcare and Family Services and the Department on Aging
13 in accordance with this subsection, to consist of coverage of
14 specified prescription drugs on behalf of beneficiaries of the
15 program as set forth in this subsection.

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

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

19 and

20 (2) be domiciled in this State; and

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

24 (4) for the 2006 and 2007 claim years, have a maximum
25 household income of (i) less than \$21,218 for a household
26 containing one person, (ii) less than \$28,480 for a

1 household containing 2 persons, or (iii) less than \$35,740
2 for a household containing 3 or more persons; and

3 (5) for the 2008 claim year, have a maximum household
4 income of (i) less than \$22,218 for a household containing
5 one person, (ii) \$29,480 for a household containing 2
6 persons, or (iii) \$36,740 for a household containing 3 or
7 more persons; and

8 (6) for 2009 claim year applications submitted during
9 calendar year 2010, have annual household income of less
10 than (i) \$27,610 for a household containing one person;
11 (ii) less than \$36,635 for a household containing 2
12 persons; or (iii) less than \$45,657 for a household
13 containing 3 or more persons.

14 The Department of Healthcare and Family Services may adopt
15 rules such that on January 1, 2011, and thereafter, the
16 foregoing household income eligibility limits may be changed to
17 reflect the annual cost of living adjustment in Social Security
18 and Supplemental Security Income benefits that are applicable
19 to the year for which those benefits are being reported as
20 income on an application.

21 For the 2011 claim year and each claim year thereafter, if
22 a person files a claim for pharmaceutical assistance and
23 represents on the claim form that (i) he or she is a surviving
24 spouse and (ii) his or her marital status is "single", then
25 only his or her individual income for the applicable year shall
26 be counted in determining his or her eligibility for

1 assistance.

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

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

22 Beneficiaries under the program established under this
23 subsection shall be divided into the following 4 eligibility
24 groups:

25 (A) Eligibility Group 1 shall consist of beneficiaries
26 who are not eligible for Medicare Part D coverage and who

1 are:

2 (i) disabled and under age 65; or

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

5 (iii) age 65 or older, with incomes at or below
6 200% of the Federal Poverty Level and not eligible for
7 federally funded means-tested benefits due to
8 immigration status.

9 (B) Eligibility Group 2 shall consist of beneficiaries
10 who are eligible for Medicare Part D coverage.

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

16 If the State applies and receives federal approval for
17 a waiver under Title XIX of the Social Security Act,
18 persons in Eligibility Group 3 shall continue to receive
19 benefits through the approved waiver, and Eligibility
20 Group 3 may be expanded to include disabled persons under
21 age 65 with incomes under 200% of the Federal Poverty Level
22 who are not eligible for Medicare and who are not barred
23 from receiving federally funded means-tested benefits due
24 to immigration status.

25 (D) Eligibility Group 4 shall consist of beneficiaries
26 who are otherwise described in Eligibility Group 2 who have

1 a diagnosis of HIV or AIDS.

2 The program established under this subsection shall cover
3 the cost of covered prescription drugs in excess of the
4 beneficiary cost-sharing amounts set forth in this paragraph
5 that are not covered by Medicare. In 2006, beneficiaries shall
6 pay a co-payment of \$2 for each prescription of a generic drug
7 and \$5 for each prescription of a brand-name drug. In future
8 years, beneficiaries shall pay co-payments equal to the
9 co-payments required under Medicare Part D for "other
10 low-income subsidy eligible individuals" pursuant to 42 CFR
11 423.782(b). For individuals in Eligibility Groups 1, 2, and 3,
12 once the program established under this subsection and Medicare
13 combined have paid \$1,750 in a year for covered prescription
14 drugs, the beneficiary shall pay 20% of the cost of each
15 prescription in addition to the co-payments set forth in this
16 paragraph. For individuals in Eligibility Group 4, once the
17 program established under this subsection and Medicare
18 combined have paid \$1,750 in a year for covered prescription
19 drugs, the beneficiary shall pay 20% of the cost of each
20 prescription in addition to the co-payments set forth in this
21 paragraph unless the drug is included in the formulary of the
22 Illinois AIDS Drug Assistance Program operated by the Illinois
23 Department of Public Health and covered by the Medicare Part D
24 Prescription Drug Plan in which the beneficiary is enrolled. If
25 the drug is included in the formulary of the Illinois AIDS Drug
26 Assistance Program and covered by the Medicare Part D

1 Prescription Drug Plan in which the beneficiary is enrolled,
2 individuals in Eligibility Group 4 shall continue to pay the
3 co-payments set forth in this paragraph after the program
4 established under this subsection and Medicare combined have
5 paid \$1,750 in a year for covered prescription drugs.

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

15 Notwithstanding Section 3.15, for purposes of the program
16 established under this subsection, the term "covered
17 prescription drug" has the following meanings:

18 For Eligibility Group 1, "covered prescription drug"
19 means: (1) any cardiovascular agent or drug; (2) any
20 insulin or other prescription drug used in the treatment of
21 diabetes, including syringe and needles used to administer
22 the insulin; (3) any prescription drug used in the
23 treatment of arthritis; (4) any prescription drug used in
24 the treatment of cancer; (5) any prescription drug used in
25 the treatment of Alzheimer's disease; (6) any prescription
26 drug used in the treatment of Parkinson's disease; (7) any

1 prescription drug used in the treatment of glaucoma; (8)
2 any prescription drug used in the treatment of lung disease
3 and smoking-related illnesses; (9) any prescription drug
4 used in the treatment of osteoporosis; and (10) any
5 prescription drug used in the treatment of multiple
6 sclerosis. The Department may add additional therapeutic
7 classes by rule. The Department may adopt a preferred drug
8 list within any of the classes of drugs described in items
9 (1) through (10) of this paragraph. The specific drugs or
10 therapeutic classes of covered prescription drugs shall be
11 indicated by rule.

12 For Eligibility Group 2, "covered prescription drug"
13 means those drugs covered by the Medicare Part D
14 Prescription Drug Plan in which the beneficiary is
15 enrolled.

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

19 For Eligibility Group 4, "covered prescription drug"
20 means those drugs covered by the Medicare Part D
21 Prescription Drug Plan in which the beneficiary is
22 enrolled.

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

26 Any person otherwise eligible for pharmaceutical

1 assistance under this subsection whose covered drugs are
2 covered by any public program is ineligible for assistance
3 under this subsection to the extent that the cost of those
4 drugs is covered by the other program.

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

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

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

25 (h) A qualified individual is not entitled to duplicate
26 benefits in a coverage period as a result of the changes made

1 by this amendatory Act of the 96th General Assembly.

2 (Source: P.A. 95-208, eff. 8-16-07; 95-644, eff. 10-12-07;

3 95-876, eff. 8-21-08; 96-804, eff. 1-1-10.)

4 Section 99. Effective date. This Act takes effect upon

5 becoming law.