



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB5691

by Rep. Greg Harris

#### SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-5.12

from Ch. 23, par. 5-5.12

Amends the Medical Assistance Article of the Illinois Public Aid Code. Exempts recipients of medical assistance who reside in long term care facilities licensed under the Nursing Home Care Act or the ID/DD Community Care Act from the 4-prescription drug limitation imposed under the Code. Effective immediately.

LRB098 17567 KTG 52676 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by  
5 changing Section 5-5.12 as follows:

6 (305 ILCS 5/5-5.12) (from Ch. 23, par. 5-5.12)

7 Sec. 5-5.12. Pharmacy payments.

8 (a) Every request submitted by a pharmacy for reimbursement  
9 under this Article for prescription drugs provided to a  
10 recipient of aid under this Article shall include the name of  
11 the prescriber or an acceptable identification number as  
12 established by the Department.

13 (b) Pharmacies providing prescription drugs under this  
14 Article shall be reimbursed at a rate which shall include a  
15 professional dispensing fee as determined by the Illinois  
16 Department, plus the current acquisition cost of the  
17 prescription drug dispensed. The Illinois Department shall  
18 update its information on the acquisition costs of all  
19 prescription drugs no less frequently than every 30 days.  
20 However, the Illinois Department may set the rate of  
21 reimbursement for the acquisition cost, by rule, at a  
22 percentage of the current average wholesale acquisition cost.

23 (c) (Blank).

1           (d) The Department shall review utilization of narcotic  
2 medications in the medical assistance program and impose  
3 utilization controls that protect against abuse.

4           (e) When making determinations as to which drugs shall be  
5 on a prior approval list, the Department shall include as part  
6 of the analysis for this determination, the degree to which a  
7 drug may affect individuals in different ways based on factors  
8 including the gender of the person taking the medication.

9           (f) The Department shall cooperate with the Department of  
10 Public Health and the Department of Human Services Division of  
11 Mental Health in identifying psychotropic medications that,  
12 when given in a particular form, manner, duration, or frequency  
13 (including "as needed") in a dosage, or in conjunction with  
14 other psychotropic medications to a nursing home resident or to  
15 a resident of a facility licensed under the ID/DD Community  
16 Care Act, may constitute a chemical restraint or an  
17 "unnecessary drug" as defined by the Nursing Home Care Act or  
18 Titles XVIII and XIX of the Social Security Act and the  
19 implementing rules and regulations. The Department shall  
20 require prior approval for any such medication prescribed for a  
21 nursing home resident or to a resident of a facility licensed  
22 under the ID/DD Community Care Act, that appears to be a  
23 chemical restraint or an unnecessary drug. The Department shall  
24 consult with the Department of Human Services Division of  
25 Mental Health in developing a protocol and criteria for  
26 deciding whether to grant such prior approval.

1           (g) The Department may by rule provide for reimbursement of  
2 the dispensing of a 90-day supply of a generic or brand name,  
3 non-narcotic maintenance medication in circumstances where it  
4 is cost effective.

5           (g-5) On and after July 1, 2012, the Department may require  
6 the dispensing of drugs to nursing home residents be in a 7-day  
7 supply or other amount less than a 31-day supply. The  
8 Department shall pay only one dispensing fee per 31-day supply.

9           (h) Effective July 1, 2011, the Department shall  
10 discontinue coverage of select over-the-counter drugs,  
11 including analgesics and cough and cold and allergy  
12 medications.

13           (h-5) On and after July 1, 2012, the Department shall  
14 impose utilization controls, including, but not limited to,  
15 prior approval on specialty drugs, oncolytic drugs, drugs for  
16 the treatment of HIV or AIDS, immunosuppressant drugs, and  
17 biological products in order to maximize savings on these  
18 drugs. The Department may adjust payment methodologies for  
19 non-pharmacy billed drugs in order to incentivize the selection  
20 of lower-cost drugs. For drugs for the treatment of AIDS, the  
21 Department shall take into consideration the potential for  
22 non-adherence by certain populations, and shall develop  
23 protocols with organizations or providers primarily serving  
24 those with HIV/AIDS, as long as such measures intend to  
25 maintain cost neutrality with other utilization management  
26 controls such as prior approval. For hemophilia, the Department

1 shall develop a program of utilization review and control which  
2 may include, in the discretion of the Department, prior  
3 approvals. The Department may impose special standards on  
4 providers that dispense blood factors which shall include, in  
5 the discretion of the Department, staff training and education;  
6 patient outreach and education; case management; in-home  
7 patient assessments; assay management; maintenance of stock;  
8 emergency dispensing timeframes; data collection and  
9 reporting; dispensing of supplies related to blood factor  
10 infusions; cold chain management and packaging practices; care  
11 coordination; product recalls; and emergency clinical  
12 consultation. The Department may require patients to receive a  
13 comprehensive examination annually at an appropriate provider  
14 in order to be eligible to continue to receive blood factor.

15 (i) On and after July 1, 2012, the Department shall reduce  
16 any rate of reimbursement for services or other payments or  
17 alter any methodologies authorized by this Code to reduce any  
18 rate of reimbursement for services or other payments in  
19 accordance with Section 5-5e.

20 (j) On and after July 1, 2012, the Department shall impose  
21 limitations on prescription drugs such that the Department  
22 shall not provide reimbursement for more than 4 prescriptions,  
23 including 3 brand name prescriptions, for distinct drugs in a  
24 30-day period, unless prior approval is received for all  
25 prescriptions in excess of the 4-prescription limit. Drugs in  
26 the following therapeutic classes shall not be subject to prior

1 approval as a result of the 4-prescription limit:  
2 immunosuppressant drugs, oncolytic drugs, and anti-retroviral  
3 drugs. The 4-prescription limit imposed under this subsection  
4 shall not apply to recipients of medical assistance who reside  
5 in long term care facilities licensed under the Nursing Home  
6 Care Act or the ID/DD Community Care Act.

7 (k) No medication therapy management program implemented  
8 by the Department shall be contrary to the provisions of the  
9 Pharmacy Practice Act.

10 (l) Any provider enrolled with the Department that bills  
11 the Department for outpatient drugs and is eligible to enroll  
12 in the federal Drug Pricing Program under Section 340B of the  
13 federal Public Health Services Act shall enroll in that  
14 program. No entity participating in the federal Drug Pricing  
15 Program under Section 340B of the federal Public Health  
16 Services Act may exclude Medicaid from their participation in  
17 that program, although the Department may exclude entities  
18 defined in Section 1905(1)(2)(B) of the Social Security Act  
19 from this requirement.

20 (Source: P.A. 97-38, eff. 6-28-11; 97-74, eff. 6-30-11; 97-333,  
21 eff. 8-12-11; 97-426, eff. 1-1-12; 97-689, eff. 6-14-12;  
22 97-813, eff. 7-13-12; 98-463, eff. 8-16-13.)

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