

1 AN ACT to amend the Senior Citizens and Disabled Persons
2 Property Tax Relief and Pharmaceutical Assistance Act by
3 changing Sections 3.15 and 4 and by adding Sections 3.18 and
4 3.19.

5 Be it enacted by the People of the State of Illinois,
6 represented in the General Assembly:

7 Section 5. The Senior Citizens and Disabled Persons
8 Property Tax Relief and Pharmaceutical Assistance Act is
9 amended by changing Sections 3.15 and 4 and by adding
10 Sections 3.18 and 3.19 as follows:

11 (320 ILCS 25/3.15) (from Ch. 67 1/2, par. 403.15)

12 Sec. 3.15. "Covered prescription drug" means (1) any
13 cardiovascular agent or drug; (2) any insulin or other
14 prescription drug used in the treatment of diabetes,
15 including syringe and needles used to administer the insulin;
16 (3) any prescription drug used in the treatment of arthritis,
17 (4) beginning on January 1, 2001, any prescription drug used
18 in the treatment of cancer, (5) beginning on January 1, 2001,
19 any prescription drug used in the treatment of Alzheimer's
20 disease, (6) beginning on January 1, 2001, any prescription
21 drug used in the treatment of Parkinson's disease, (7)
22 beginning on January 1, 2001, any prescription drug used in
23 the treatment of glaucoma, and (8) beginning on January 1,
24 2001, any prescription drug used in the treatment of lung
25 disease and smoking related illnesses, and (9) beginning on
26 January 1, 2002, any prescription drug used in the treatment
27 of osteoporosis. The specific agents or products to be
28 included under such categories shall be listed in a handbook
29 to be prepared and distributed by the Department. The
30 general types of covered prescription drugs shall be
31 indicated by rule. The Department of Public Health shall

1 promulgate a list of covered prescription drugs under this
2 program that meet the definition of a narrow therapeutic
3 index drug as described in subsection (f) of Section 4.

4 (Source: P.A. 91-699, eff. 1-1-01.)

5 (320 ILCS 25/3.18 new)

6 Sec. 3.18. Drug used in the treatment of. "Drug used in
7 the treatment of" means (i) a drug used to treat a specified
8 disease or illness or secondary conditions caused by the
9 disease or illness and (ii) a drug used to treat side effects
10 resulting from the use of a drug used to treat the disease or
11 illness.

12 (320 ILCS 25/3.19 new)

13 Sec. 3.19. Disease. "Disease" means a chronic and
14 possibly recurrent illness of long duration, as distinguished
15 from an acute illness that is of short duration with recovery
16 due to limited medical treatment. "Disease" also includes
17 pneumonia, bronchitis, or other similar illnesses.

18 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

19 Sec. 4. Amount of Grant.

20 (a) In general. Any individual 65 years or older or any
21 individual who will become 65 years old during the calendar
22 year in which a claim is filed, and any surviving spouse of
23 such a claimant, who at the time of death received or was
24 entitled to receive a grant pursuant to this Section, which
25 surviving spouse will become 65 years of age within the 24
26 months immediately following the death of such claimant and
27 which surviving spouse but for his or her age is otherwise
28 qualified to receive a grant pursuant to this Section, and
29 any disabled person whose annual household income is less
30 than \$14,000 for grant years before the 1998 grant year, less
31 than \$16,000 for the 1998 and 1999 grant years, and less than

1 (i) \$21,218 for a household containing one person, (ii)
2 \$28,480 for a household containing 2 persons, or (iii)
3 \$35,740 for a household containing 3 or more persons for the
4 2000 grant year, and less than (i) 28,000 for a household
5 containing one person, (ii) \$35,000 for a household
6 containing 2 persons, or (iii) \$42,000 for a household
7 containing 3 or more persons for the 2001 grant year and
8 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
11 files his claim is entitled to claim a grant under this Act.
12 With respect to claims filed by individuals who will become
13 65 years old during the calendar year in which a claim is
14 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
22 of grant which a claimant is entitled to claim is the amount
23 by which the property taxes accrued which were paid or
24 payable during the last preceding tax year or rent
25 constituting property taxes accrued upon the claimant's
26 residence for the last preceding taxable year exceeds 3 1/2%
27 of the claimant's household income for that year but in no
28 event is the grant to exceed (i) \$700 less 4.5% of household
29 income for that year for those with a household income of
30 \$14,000 or less or (ii) \$70 if household income for that year
31 is more than \$14,000.

32 (c) Public aid recipients. If household income in one
33 or more months during a year includes cash assistance in
34 excess of \$55 per month from the Department of Public Aid or

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

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

26 (e) More than one residence. If a claimant has occupied
27 more than one residence in the taxable year, he may claim
28 only one residence for any part of a month. In the case of
29 property taxes accrued, he shall pro rate 1/12 of the total
30 property taxes accrued on his residence to each month that he
31 owned and occupied that residence; and, in the case of rent
32 constituting property taxes accrued, shall pro rate each
33 month's rent payments to the residence actually occupied
34 during that month.

1 (f) There is hereby established a program of
2 pharmaceutical assistance to the aged and disabled which
3 shall be administered by the Department in accordance with
4 this Act, to consist of payments to authorized pharmacies, on
5 behalf of beneficiaries of the program, for the reasonable
6 costs of covered prescription drugs. Each beneficiary who
7 pays \$5 for an identification card shall pay no additional
8 prescription costs. Each beneficiary who pays \$25 for an
9 identification card shall pay \$3 per prescription. In
10 addition, after a beneficiary receives \$2,000 in benefits
11 during a State fiscal year through December 31, 2001 and, on
12 and after January 1, 2002, after a beneficiary receives
13 \$2,000 in benefits during a calendar year, that beneficiary
14 shall also be charged 20% of the cost of each prescription
15 for which payments are made by the program during the
16 remainder of the fiscal year through December 31, 2001 and,
17 on and after January 1, 2002, during the remainder of the
18 calendar year. To become a beneficiary under this program a
19 person must be: (1) (i) 65 years or older, or (ii) the
20 surviving spouse of such a claimant, who at the time of death
21 received or was entitled to receive benefits pursuant to this
22 subsection, which surviving spouse will become 65 years of
23 age within the 24 months immediately following the death of
24 such claimant and which surviving spouse but for his or her
25 age is otherwise qualified to receive benefits pursuant to
26 this subsection, or (iii) disabled, and (2) is domiciled in
27 this State at the time he files his or her claim, and (3) has
28 a maximum household income of less than \$14,000 for grant
29 years before the 1998 grant year, less than \$16,000 for the
30 1998 and 1999 grant years, and less than (i) \$21,218 for a
31 household containing one person, (ii) \$28,480 for a household
32 containing 2 persons, or (iii) \$35,740 for a household
33 containing 3 more persons for the 2000 grant year, and less
34 than (i) 28,000 for a household containing one person, (ii)

1 \$35,000 for a household containing 2 persons, or (iii)
2 \$42,000 for a household containing 3 or more persons for the
3 2001 grant year and thereafter. In addition, each eligible
4 person must (1) obtain an identification card from the
5 Department, (2) at the time the card is obtained, sign a
6 statement assigning to the State of Illinois benefits which
7 may be otherwise claimed under any private insurance plans,
8 (3) present the identification card to the dispensing
9 pharmacist.

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

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

34 The fee to be charged by the Department for the

1 identification card shall be equal to \$5 per coverage year
2 for persons below the official poverty line as defined by the
3 United States Department of Health and Human Services and \$25
4 per coverage year for all other persons. On and before
5 December 31, 2001, coverage under this pharmaceutical
6 assistance program shall begin on the date of application
7 approval and be in effect for 12 months. On and after January
8 1, 2002, coverage under this pharmaceutical assistance
9 program shall be in effect on a calendar year basis.

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

19 (Source: P.A. 90-650, eff. 7-27-98; 91-357, eff. 7-29-99;
20 91-699, eff. 1-1-01.)

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