

1 AN ACT concerning property tax relief and pharmaceutical
2 assistance.

3 Section 5. The Senior Citizens and Disabled Persons
4 Property Tax Relief and Pharmaceutical Assistance Act is
5 amended by changing Sections 3.15 and 4 and by adding
6 Sections 3.18 and 3.19 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,
11 including syringe and needles used to administer the insulin;
12 (3) any prescription drug used in the treatment of arthritis,
13 (4) beginning on January 1, 2001, any prescription drug used
14 in the treatment of cancer, (5) beginning on January 1, 2001,
15 any prescription drug used in the treatment of Alzheimer's
16 disease, (6) beginning on January 1, 2001, any prescription
17 drug used in the treatment of Parkinson's disease, (7)
18 beginning on January 1, 2001, any prescription drug used in
19 the treatment of glaucoma, and (8) beginning on January 1,
20 2001, any prescription drug used in the treatment of lung
21 disease and smoking related illnesses, and (9) beginning on
22 January 1, 2002, any prescription drug used in the treatment
23 of osteoporosis. The specific agents or products to be
24 included under such categories shall be listed in a handbook
25 to be prepared and distributed by the Department. The
26 general types of covered prescription drugs shall be
27 indicated by rule. The Department of Public Health shall
28 promulgate a list of covered prescription drugs under this
29 program that meet the definition of a narrow therapeutic
30 index drug as described in subsection (f) of Section 4.

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

1 (320 ILCS 25/3.18 new)

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

8 (320 ILCS 25/3.19 new)

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

14 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

15 Sec. 4. Amount of Grant.

16 (a) In general. Any individual 65 years or older or any
17 individual who will become 65 years old during the calendar
18 year in which a claim is filed, and any surviving spouse of
19 such a claimant, who at the time of death received or was
20 entitled to receive a grant pursuant to this Section, which
21 surviving spouse will become 65 years of age within the 24
22 months immediately following the death of such claimant and
23 which surviving spouse but for his or her age is otherwise
24 qualified to receive a grant pursuant to this Section, and
25 any disabled person whose annual household income is less
26 than \$14,000 for grant years before the 1998 grant year, less
27 than \$16,000 for the 1998 and 1999 grant years, and less than
28 (i) \$21,218 for a household containing one person, (ii)
29 \$28,480 for a household containing 2 persons, or (iii)
30 \$35,740 for a household containing 3 or more persons for the
31 2000 grant year, and less than (i) \$28,000 for a household
32 containing one person, (ii) \$35,000 for a household

1 containing 2 persons, or (iii) \$42,000 for a household
2 containing 3 or more persons for the 2001 grant year and
3 thereafter and whose household is liable for payment of
4 property taxes accrued or has paid rent constituting property
5 taxes accrued and is domiciled in this State at the time he
6 files his claim is entitled to claim a grant under this Act.
7 With respect to claims filed by individuals who will become
8 65 years old during the calendar year in which a claim is
9 filed, the amount of any grant to which that household is
10 entitled shall be an amount equal to 1/12 of the amount to
11 which the claimant would otherwise be entitled as provided in
12 this Section, multiplied by the number of months in which the
13 claimant was 65 in the calendar year in which the claim is
14 filed.

15 (b) Limitation. Except as otherwise provided in
16 subsections (a) and (f) of this Section, the maximum amount
17 of grant which a claimant is entitled to claim is the amount
18 by which the property taxes accrued which were paid or
19 payable during the last preceding tax year or rent
20 constituting property taxes accrued upon the claimant's
21 residence for the last preceding taxable year exceeds 3 1/2%
22 of the claimant's household income for that year but in no
23 event is the grant to exceed (i) \$700 less 4.5% of household
24 income for that year for those with a household income of
25 \$14,000 or less or (ii) \$70 if household income for that year
26 is more than \$14,000.

27 (c) Public aid recipients. If household income in one
28 or more months during a year includes cash assistance in
29 excess of \$55 per month from the Department of Public Aid or
30 the Department of Human Services (acting as successor to the
31 Department of Public Aid under the Department of Human
32 Services Act) which was determined under regulations of that
33 Department on a measure of need that included an allowance
34 for actual rent or property taxes paid by the recipient of

1 that assistance, the amount of grant to which that household
2 is entitled, except as otherwise provided in subsection (a),
3 shall be the product of (1) the maximum amount computed as
4 specified in subsection (b) of this Section and (2) the ratio
5 of the number of months in which household income did not
6 include such cash assistance over \$55 to the number twelve.
7 If household income did not include such cash assistance over
8 \$55 for any months during the year, the amount of the grant
9 to which the household is entitled shall be the maximum
10 amount computed as specified in subsection (b) of this
11 Section. For purposes of this paragraph (c), "cash
12 assistance" does not include any amount received under the
13 federal Supplemental Security Income (SSI) program.

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

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

30 (f) There is hereby established a program of
31 pharmaceutical assistance to the aged and disabled which
32 shall be administered by the Department in accordance with
33 this Act, to consist of payments to authorized pharmacies, on
34 behalf of beneficiaries of the program, for the reasonable

1 costs of covered prescription drugs. Each beneficiary who
2 pays \$5 for an identification card shall pay no additional
3 prescription costs. Each beneficiary who pays \$25 for an
4 identification card shall pay \$3 per prescription. In
5 addition, after a beneficiary receives \$2,000 in benefits
6 during a State fiscal year through December 31, 2001 and, on
7 and after January 1, 2002, after a beneficiary receives
8 \$2,000 in benefits during a calendar year, that beneficiary
9 shall also be charged 20% of the cost of each prescription
10 for which payments are made by the program during the
11 remainder of the fiscal year through December 31, 2001 and,
12 on and after January 1, 2002, during the remainder of the
13 calendar year. To become a beneficiary under this program a
14 person must be: (1) (i) 65 years or older, or (ii) the
15 surviving spouse of such a claimant, who at the time of death
16 received or was entitled to receive benefits pursuant to this
17 subsection, which surviving spouse will become 65 years of
18 age within the 24 months immediately following the death of
19 such claimant and which surviving spouse but for his or her
20 age is otherwise qualified to receive benefits pursuant to
21 this subsection, or (iii) disabled, and (2) is domiciled in
22 this State at the time he files his or her claim, and (3) has
23 a maximum household income of less than \$14,000 for grant
24 years before the 1998 grant year, less than \$16,000 for the
25 1998 and 1999 grant years, and less than (i) \$21,218 for a
26 household containing one person, (ii) \$28,480 for a household
27 containing 2 persons, or (iii) \$35,740 for a household
28 containing 3 more persons for the 2000 grant year, and less
29 than (i) \$28,000 for a household containing one person, (ii)
30 \$35,000 for a household containing 2 persons, or (iii)
31 \$42,000 for a household containing 3 or more persons for the
32 2001 grant year and thereafter. In addition, each eligible
33 person must (1) obtain an identification card from the
34 Department, (2) at the time the card is obtained, sign a

1 statement assigning to the State of Illinois benefits which
2 may be otherwise claimed under any private insurance plans,
3 (3) present the identification card to the dispensing
4 pharmacist.

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

23 Any person otherwise eligible for pharmaceutical
24 assistance under this Act whose covered drugs are covered by
25 any public program for assistance in purchasing any covered
26 prescription drugs shall be ineligible for assistance under
27 this Act to the extent such costs are covered by such other
28 plan.

29 The fee to be charged by the Department for the
30 identification card shall be equal to \$5 per coverage year
31 for persons below the official poverty line as defined by the
32 United States Department of Health and Human Services and \$25
33 per coverage year for all other persons. On and before
34 December 31, 2001, coverage under this pharmaceutical

1 assistance program shall begin on the date of application
2 approval and be in effect for 12 months. On and after January
3 1, 2002, coverage under this pharmaceutical assistance
4 program shall be in effect on a calendar year basis.

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

14 (Source: P.A. 90-650, eff. 7-27-98; 91-357, eff. 7-29-99;
15 91-699, eff. 1-1-01.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.