

1 AN ACT in relation to 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 11-26.1 and adding Section 12-4.25d as
6 follows:

7 (305 ILCS 5/11-26.1) (from Ch. 23, par. 11-26.1)

8 Sec. 11-26.1. Drug Utilization Review.

9 (a) The Illinois Department shall, within the time
10 frames mandated by federal law, implement a Drug Utilization
11 Review Program (DUR), designed to decrease overutilization of
12 drugs through both prospective and retrospective utilization
13 review. The Illinois Department shall determine the content
14 of the DUR by rule. Prescriptions filled or refilled under
15 subsection (b) of Section 12-4.25d are not subject to the
16 DUR.

17 (b) The Illinois Department may implement this Section
18 as added by this amendatory Act of 1991 through the use of
19 emergency rules in accordance with the provisions of Section
20 5.02 of the Illinois Administrative Procedure Act. For
21 purposes of the Illinois Administrative Procedure Act, the
22 adoption of rules to implement this Section as added by this
23 amendatory Act of 1991 shall be deemed an emergency and
24 necessary for the public interest, safety and welfare.

25 (Source: P.A. 87-14.)

26 (305 ILCS 5/12-4.25d new)

27 Sec. 12-4.25d. Pharmacy participation in Medicaid
28 program; prescription drug discount benefit.

29 (a) A pharmacy must comply with subsection (b) as a
30 condition of participation in the medical assistance program

1 under Article V.

2 (b) If a person requests that a pharmacy fill or refill
3 a valid prescription for a prescription drug and also
4 presents the pharmacy with satisfactory proof that the person
5 for whom the prescription is written is a Medicare
6 beneficiary or a beneficiary of pharmaceutical assistance
7 under the Senior Citizens and Disabled Persons Property Tax
8 Relief and Pharmaceutical Assistance Act, the pharmacy may
9 not charge a price for filling or refilling the prescription
10 that exceeds the sum of the following:

11 (1) The pharmacy's reimbursement rate for the
12 prescription drug established by the Illinois Department
13 and applicable to prescriptions filled or refilled for
14 recipients of medical assistance under Article V.

15 (2) An amount set by the Illinois Department to
16 cover the pharmacy's costs relating to the sending or
17 receipt of electronic transmissions between the pharmacy
18 and the Illinois Department concerning reimbursement
19 rates described under paragraph (1).

20 The price restrictions described in this subsection do
21 not apply to non-prescription or over-the-counter medications
22 or to compounded prescriptions as defined in the Pharmacy
23 Practice Act of 1987.

24 (c) The Illinois Department shall establish a mechanism
25 to calculate and transmit to pharmacies the maximum prices
26 that the pharmacies may charge for filling and refilling
27 prescriptions for prescription drugs under subsection (b).

28 (d) Prescriptions filled or refilled under subsection
29 (b) are not subject to the Illinois Department's Drug
30 Utilization Review Program under Section 11-26.1.

31 (e) The Illinois Department shall monitor pharmacies'
32 compliance with this Section and shall submit a report
33 concerning that compliance to the General Assembly by April 1
34 of each year. The report shall include, but need not be

1 limited to, information concerning pharmacies that
2 discontinue their participation in the medical assistance
3 program under Article V and the reasons given by those
4 pharmacies for discontinuing their participation.

5 (f) The Illinois Department shall conduct a study of its
6 pharmacy reimbursement rates under Article V, including the
7 cost of providing prescription drugs and services. The
8 Illinois Department shall report its findings to the General
9 Assembly by January 1, 2003.

10 (g) The Illinois Department shall provide consumer
11 information to all Medicare beneficiaries who reside in this
12 State and to all beneficiaries of pharmaceutical assistance
13 under the Senior Citizens and Disabled Persons Property Tax
14 Relief and Pharmaceutical Assistance Act. The information
15 must include a description of the prescription drug discount
16 benefit available under subsection (b), instructions for
17 obtaining the benefit, and prescription drug price
18 information to ensure that prescription drug discount
19 beneficiaries are aware of the maximum prices that pharmacies
20 may charge for prescription drugs under subsection (b). The
21 Illinois Department shall provide this information by
22 appropriate means, including the Internet.

23 (h) The Illinois Department shall execute interagency
24 agreements with the Department on Aging and the Department of
25 Revenue as necessary to implement subsection (g). The
26 agreements shall include provisions for assisting persons
27 entitled to the prescription drug discount benefit under
28 subsection (b) in obtaining that benefit.

29 (i) If coverage of prescription drugs is added to the
30 benefits available under the Medicare program, the Illinois
31 Department shall promptly report that fact to the General
32 Assembly. It is the General Assembly's intent that under
33 those circumstances the General Assembly shall evaluate the
34 continued implementation of this Section.

1 (j) This Section is repealed on July 1, 2005.