AN ACT in relation to public aid.

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

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

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

Sec. 5-5.12. Pharmacy payments.

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

(b) Pharmacies providing prescription drugs under this Article shall be reimbursed at a rate which shall include (i) a professional dispensing fee of $5 for each generic prescription drug dispensed and $4 for each brand name prescription drug dispensed ~~as determined by the Illinois Department~~, plus (ii) the average wholesale price ~~current acquisition cost~~ of the prescription drug dispensed minus 10%. The dispensing fee provided for in this subsection does not include any reasonable reimbursement to a health care provider for professional services (other then dispensing a prescription drug) that he or she provides. The Illinois Department shall update its information on the average wholesale prices ~~acquisition costs~~ of all prescription drugs no less frequently than every 30 days. ~~However, the Illinois Department may set the rate of reimbursement for the acquisition cost, by rule, at a percentage of the current average wholesale acquisition cost.~~

(c) Reimbursement under this Article for prescription drugs shall be limited to reimbursement for 4 brand-name

prescription drugs per patient per month. This subsection applies only if (i) the brand-name drug was not prescribed for an acute or urgent condition, (ii) the brand-name drug was not prescribed for Alzheimer's disease, arthritis, diabetes, HIV/AIDS, a mental health condition, or respiratory disease, and (iii) a therapeutically equivalent generic medication has been approved by the federal Food and Drug Administration.

(d) The Department shall not impose requirements for prior approval based on a preferred drug list for anti-retroviral or any atypical antipsychotics, conventional antipsychotics, or anticonvulsants used for the treatment of serious mental illnesses until 30 days after it has conducted a study of the impact of such requirements on patient care and submitted a report to the Speaker of the House of Representatives and the President of the Senate.

(Source: P.A. 92-597, eff. 6-28-02; 92-825, eff. 8-21-02; revised 9-19-02.)

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