



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB0340

Introduced 2/15/2005, by Sen. William E. Peterson

SYNOPSIS AS INTRODUCED:

320 ILCS 25/4

from Ch. 67 1/2, par. 404

Amends the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act. In provisions concerning eligibility for grants and for pharmaceutical assistance under the Act, increases the household income eligibility limitations for grant year 2005, and provides that, for grant years 2006 and thereafter, the limitations shall be increased annually by the lesser of (i) 5% or (ii) the percentage increase in the Consumer Price Index for the previous calendar year. Effective immediately.

LRB094 05643 BDD 35865 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning aging.

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

4 Section 5. The Senior Citizens and Disabled Persons
5 Property Tax Relief and Pharmaceutical Assistance Act is
6 amended by changing Section 4 as follows:

7 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

8 Sec. 4. Amount of Grant.

9 (a) In general. Any individual 65 years or older or any
10 individual who will become 65 years old during the calendar
11 year in which a claim is filed, and any surviving spouse of
12 such a claimant, who at the time of death received or was
13 entitled to receive a grant pursuant to this Section, which
14 surviving spouse will become 65 years of age within the 24
15 months immediately following the death of such claimant and
16 which surviving spouse but for his or her age is otherwise
17 qualified to receive a grant pursuant to this Section, and any
18 disabled person whose annual household income is less than the
19 income eligibility limitation, as defined in subsection (a-5)
20 ~~\$14,000 for grant years before the 1998 grant year, less than~~
21 ~~\$16,000 for the 1998 and 1999 grant years, and less than (i)~~
22 ~~\$21,218 for a household containing one person, (ii) \$28,480 for~~
23 ~~a household containing 2 persons, or (iii) \$35,740 for a~~
24 ~~household containing 3 or more persons for the 2000 grant year~~
25 ~~and thereafter~~ and whose household is liable for payment of
26 property taxes accrued or has paid rent constituting property
27 taxes accrued and is domiciled in this State at the time he or
28 she files his or her claim is entitled to claim a grant under
29 this Act. With respect to claims filed by individuals who will
30 become 65 years old during the calendar year in which a claim
31 is filed, the amount of any grant to which that household is
32 entitled shall be an amount equal to 1/12 of the amount to

1 which the claimant would otherwise be entitled as provided in
2 this Section, multiplied by the number of months in which the
3 claimant was 65 in the calendar year in which the claim is
4 filed.

5 (a-5) Income eligibility limitation. For purposes of this
6 Section, "income eligibility limitation" means an amount:

7 (i) for grant years before the 1998 grant year, less
8 than \$14,000;

9 (ii) for the 1998 and 1999 grant year, less than
10 \$16,000;

11 (iii) for grant years 2000 through 2004:

12 (A) less than \$21,218 for a household containing
13 one person;

14 (B) less than \$28,480 for a household containing 2
15 persons; or

16 (C) less than \$35,740 for a household containing 3
17 or more persons;

18 (iv) for grant year 2005:

19 (A) less than \$25,000 for a household containing
20 one person;

21 (B) less than \$33,000 for a household containing 2
22 persons; or

23 (C) less than \$42,000 for a household containing 3
24 or more persons; or

25 (v) for grant years 2006 and thereafter, less than the
26 income eligibility limitation of the previous grant year as
27 increased by the lesser of:

28 (A) 5%; or

29 (B) the annual rate of increase, for the previous
30 calendar year, of the Consumer Price Index for All
31 Urban Consumers for all items, published by the United
32 States Bureau of Labor Statistics.

33 (b) Limitation. Except as otherwise provided in
34 subsections (a) and (f) of this Section, the maximum amount of
35 grant which a claimant is entitled to claim is the amount by
36 which the property taxes accrued which were paid or payable

1 during the last preceding tax year or rent constituting
2 property taxes accrued upon the claimant's residence for the
3 last preceding taxable year exceeds 3 1/2% of the claimant's
4 household income for that year but in no event is the grant to
5 exceed (i) \$700 less 4.5% of household income for that year for
6 those with a household income of \$14,000 or less or (ii) \$70 if
7 household income for that year is more than \$14,000.

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

28 (d) Joint ownership. If title to the residence is held
29 jointly by the claimant with a person who is not a member of
30 his or her household, the amount of property taxes accrued used
31 in computing the amount of grant to which he or she is entitled
32 shall be the same percentage of property taxes accrued as is
33 the percentage of ownership held by the claimant in the
34 residence.

35 (e) More than one residence. If a claimant has occupied
36 more than one residence in the taxable year, he or she may

1 claim only one residence for any part of a month. In the case
2 of property taxes accrued, he or she shall prorate 1/12 of the
3 total property taxes accrued on his or her residence to each
4 month that he or she owned and occupied that residence; and, in
5 the case of rent constituting property taxes accrued, shall
6 prorate each month's rent payments to the residence actually
7 occupied during that month.

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

1 ~~thereafter.~~ In addition, each eligible person must (1) obtain
2 an identification card from the Department, (2) at the time the
3 card is obtained, sign a statement assigning to the State of
4 Illinois benefits which may be otherwise claimed under any
5 private insurance plans, and (3) present the identification
6 card to the dispensing pharmacist.

7 The Department may adopt rules specifying participation
8 requirements for the pharmaceutical assistance program,
9 including copayment amounts, identification card fees,
10 expenditure limits, and the benefit threshold after which a 20%
11 charge is imposed on the cost of each prescription, to be in
12 effect on and after July 1, 2004. Notwithstanding any other
13 provision of this paragraph, however, the Department may not
14 increase the identification card fee above the amount in effect
15 on May 1, 2003 without the express consent of the General
16 Assembly. To the extent practicable, those requirements shall
17 be commensurate with the requirements provided in rules adopted
18 by the Department of Public Aid to implement the pharmacy
19 assistance program under Section 5-5.12a of the Illinois Public
20 Aid Code.

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

1 generic cost and the non-generic cost plus the beneficiary
2 co-pay.

3 Any person otherwise eligible for pharmaceutical
4 assistance under this Act whose covered drugs are covered by
5 any public program for assistance in purchasing any covered
6 prescription drugs shall be ineligible for assistance under
7 this Act to the extent such costs are covered by such other
8 plan.

9 The fee to be charged by the Department for the
10 identification card shall be equal to \$5 per coverage year for
11 persons below the official poverty line as defined by the
12 United States Department of Health and Human Services and \$25
13 per coverage year for all other persons.

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

22 (Source: P.A. 92-131, eff. 7-23-01; 92-519, eff. 1-1-02;
23 92-651, eff. 7-11-02; 93-130, eff. 7-10-03.)

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