



**Filed: 3/12/2009**

09600HB0366ham001

LRB096 04022 DRJ 23680 a

1 AMENDMENT TO HOUSE BILL 366

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 366 by replacing  
3 everything after the enacting clause with the following:

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~~ 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

1 qualified to receive a grant pursuant to this Section, and any  
2 disabled person whose annual household income is less than the  
3 income eligibility limitation, as defined in subsection (a-5)  
4 and whose household is liable for payment of property taxes  
5 accrued or has paid rent constituting property taxes accrued  
6 and is domiciled in this State at the time he or she files his  
7 or her claim is entitled to claim a grant under this Act. With  
8 respect to claims filed by individuals who will become 65 years  
9 old during the calendar year in which a claim is filed, the  
10 amount of any grant to which that household is entitled shall  
11 be an amount equal to 1/12 of the amount to which the claimant  
12 would otherwise be entitled as provided in this Section,  
13 multiplied by the number of months in which the claimant was 65  
14 in the calendar year in which the claim is filed.

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

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

19 (ii) for the 1998 and 1999 grant year, less than  
20 \$16,000;

21 (iii) for grant years 2000 through 2007:

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

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

26 (C) less than \$35,740 for a household containing 3

1 or more persons; or

2 (iv) for grant years 2008 and thereafter:

3 (A) less than \$22,218 for a household containing  
4 one person;

5 (B) less than \$29,480 for a household containing 2  
6 persons; or

7 (C) less than \$36,740 for a household containing 3  
8 or more persons.

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

20 (c) Public aid recipients. If household income in one or  
21 more months during a year includes cash assistance in excess of  
22 \$55 per month from the Department of Healthcare and Family  
23 Services or the Department of Human Services (acting as  
24 successor to the Department of Public Aid under the Department  
25 of Human Services Act) which was determined under regulations  
26 of that Department on a measure of need that included an

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

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

22 (e) More than one residence. If a claimant has occupied  
23 more than one residence in the taxable year, he or she may  
24 claim only one residence for any part of a month. In the case  
25 of property taxes accrued, he or she shall prorate 1/12 of the  
26 total property taxes accrued on his or her residence to each

1 month that he or she owned and occupied that residence; and, in  
2 the case of rent constituting property taxes accrued, shall  
3 prorate each month's rent payments to the residence actually  
4 occupied during that month.

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

1 have a maximum household income of less than the income  
2 eligibility limitation, as defined in subsection (a-5). In  
3 addition, each eligible person must (1) obtain an  
4 identification card from the Department, (2) at the time the  
5 card is obtained, sign a statement assigning to the State of  
6 Illinois benefits which may be otherwise claimed under any  
7 private insurance plans, and (3) present the identification  
8 card to the dispensing pharmacist.

9 The Department may adopt rules specifying participation  
10 requirements for the pharmaceutical assistance program,  
11 including copayment amounts, identification card fees,  
12 expenditure limits, and the benefit threshold after which a 20%  
13 charge is imposed on the cost of each prescription, to be in  
14 effect on and after July 1, 2004. Notwithstanding any other  
15 provision of this paragraph, however, the Department may not  
16 increase the identification card fee above the amount in effect  
17 on May 1, 2003 without the express consent of the General  
18 Assembly. To the extent practicable, those requirements shall  
19 be commensurate with the requirements provided in rules adopted  
20 by the Department of Healthcare and Family Services to  
21 implement the pharmacy assistance program under Section  
22 5-5.12a of the Illinois Public Aid Code.

23 Whenever a generic equivalent for a covered prescription  
24 drug is available, the Department shall reimburse only for the  
25 reasonable costs of the generic equivalent, less the co-pay  
26 established in this Section, unless (i) the covered

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

15 Any person otherwise eligible for pharmaceutical  
16 assistance under this Act whose covered drugs are covered by  
17 any public program for assistance in purchasing any covered  
18 prescription drugs shall be ineligible for assistance under  
19 this Act to the extent such costs are covered by such other  
20 plan.

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

26 In the event that 2 or more persons are eligible for any

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

8 The provisions of this subsection (f), other than this  
9 paragraph, are inoperative after December 31, 2005.  
10 Beneficiaries who received benefits under the program  
11 established by this subsection (f) are not entitled, at the  
12 termination of the program, to any refund of the identification  
13 card fee paid under this subsection.

14 (g) Effective January 1, 2006, there is hereby established  
15 a program of pharmaceutical assistance to the aged and  
16 disabled, entitled the Illinois Seniors and Disabled Drug  
17 Coverage Program, which shall be administered by the Department  
18 of Healthcare and Family Services and the Department on Aging  
19 in accordance with this subsection, to consist of coverage of  
20 specified prescription drugs on behalf of beneficiaries of the  
21 program as set forth in this subsection. The program under this  
22 subsection replaces and supersedes the program established  
23 under subsection (f), which shall end at midnight on December  
24 31, 2005.

25 To become a beneficiary under the program established under  
26 this subsection, a person must:



1           (1) be (i) 65 years of age or older or (ii) disabled;  
2           and

3           (2) be domiciled in this State; and

4           (3) enroll with a qualified Medicare Part D  
5           Prescription Drug Plan if eligible and apply for all  
6           available subsidies under Medicare Part D; and

7           (4) have a maximum household income of (i) less than  
8           \$21,218 for a household containing one person, (ii) less  
9           than \$28,480 for a household containing 2 persons, or (iii)  
10          less than \$35,740 for a household containing 3 or more  
11          persons. If any income eligibility limit set forth in items  
12          (i) through (iii) is less than 200% of the Federal Poverty  
13          Level for any year, the income eligibility limit for that  
14          year for households of that size shall be income equal to  
15          or less than 200% of the Federal Poverty Level.

16          All individuals enrolled as of December 31, 2005, in the  
17          pharmaceutical assistance program operated pursuant to  
18          subsection (f) of this Section and all individuals enrolled as  
19          of December 31, 2005, in the SeniorCare Medicaid waiver program  
20          operated pursuant to Section 5-5.12a of the Illinois Public Aid  
21          Code shall be automatically enrolled in the program established  
22          by this subsection for the first year of operation without the  
23          need for further application, except that they must apply for  
24          Medicare Part D and the Low Income Subsidy under Medicare Part  
25          D. A person enrolled in the pharmaceutical assistance program  
26          operated pursuant to subsection (f) of this Section as of

1 December 31, 2005, shall not lose eligibility in future years  
2 due only to the fact that they have not reached the age of 65.

3 To the extent permitted by federal law, the Department may  
4 act as an authorized representative of a beneficiary in order  
5 to enroll the beneficiary in a Medicare Part D Prescription  
6 Drug Plan if the beneficiary has failed to choose a plan and,  
7 where possible, to enroll beneficiaries in the low-income  
8 subsidy program under Medicare Part D or assist them in  
9 enrolling in that program.

10 Beneficiaries under the program established under this  
11 subsection shall be divided into the following 5 eligibility  
12 groups:

13 (A) Eligibility Group 1 shall consist of beneficiaries  
14 who are not eligible for Medicare Part D coverage and who  
15 are:

16 (i) disabled and under age 65; or

17 (ii) age 65 or older, with incomes over 200% of the  
18 Federal Poverty Level; or

19 (iii) age 65 or older, with incomes at or below  
20 200% of the Federal Poverty Level and not eligible for  
21 federally funded means-tested benefits due to  
22 immigration status.

23 (B) Eligibility Group 2 shall consist of beneficiaries  
24 otherwise described in Eligibility Group 1 but who are  
25 eligible for Medicare Part D coverage.

26 (C) Eligibility Group 3 shall consist of beneficiaries

1 age 65 or older, with incomes at or below 200% of the  
2 Federal Poverty Level, who are not barred from receiving  
3 federally funded means-tested benefits due to immigration  
4 status and are eligible for Medicare Part D coverage.

5 (D) Eligibility Group 4 shall consist of beneficiaries  
6 age 65 or older, with incomes at or below 200% of the  
7 Federal Poverty Level, who are not barred from receiving  
8 federally funded means-tested benefits due to immigration  
9 status and are not eligible for Medicare Part D coverage.

10 If the State applies and receives federal approval for  
11 a waiver under Title XIX of the Social Security Act,  
12 persons in Eligibility Group 4 shall continue to receive  
13 benefits through the approved waiver, and Eligibility  
14 Group 4 may be expanded to include disabled persons under  
15 age 65 with incomes under 200% of the Federal Poverty Level  
16 who are not eligible for Medicare and who are not barred  
17 from receiving federally funded means-tested benefits due  
18 to immigration status.

19 (E) On and after January 1, 2007, Eligibility Group 5  
20 shall consist of beneficiaries who are otherwise described  
21 in Eligibility Groups 2 and 3 who have a diagnosis of HIV  
22 or AIDS.

23 The program established under this subsection shall cover  
24 the cost of covered prescription drugs in excess of the  
25 beneficiary cost-sharing amounts set forth in this paragraph  
26 that are not covered by Medicare. In 2006, beneficiaries shall

1 pay a co-payment of \$2 for each prescription of a generic drug  
2 and \$5 for each prescription of a brand-name drug. In future  
3 years, beneficiaries shall pay co-payments equal to the  
4 co-payments required under Medicare Part D for "other  
5 low-income subsidy eligible individuals" pursuant to 42 CFR  
6 423.782(b). For individuals in Eligibility Groups 1, 2, 3, and  
7 4, once the program established under this subsection and  
8 Medicare combined have paid \$1,750 in a year for covered  
9 prescription drugs, the beneficiary shall pay 20% of the cost  
10 of each prescription in addition to the co-payments set forth  
11 in this paragraph. For individuals in Eligibility Group 5, once  
12 the program established under this subsection and Medicare  
13 combined have paid \$1,750 in a year for covered prescription  
14 drugs, the beneficiary shall pay 20% of the cost of each  
15 prescription in addition to the co-payments set forth in this  
16 paragraph unless the drug is included in the formulary of the  
17 Illinois AIDS Drug Assistance Program operated by the Illinois  
18 Department of Public Health. If the drug is included in the  
19 formulary of the Illinois AIDS Drug Assistance Program,  
20 individuals in Eligibility Group 5 shall continue to pay the  
21 co-payments set forth in this paragraph after the program  
22 established under this subsection and Medicare combined have  
23 paid \$1,750 in a year for covered prescription drugs.

24 For beneficiaries eligible for Medicare Part D coverage,  
25 the program established under this subsection shall pay 100% of  
26 the premiums charged by a qualified Medicare Part D

1 Prescription Drug Plan for Medicare Part D basic prescription  
2 drug coverage, not including any late enrollment penalties.  
3 Qualified Medicare Part D Prescription Drug Plans may be  
4 limited by the Department of Healthcare and Family Services to  
5 those plans that sign a coordination agreement with the  
6 Department.

7 Notwithstanding Section 3.15, for purposes of the program  
8 established under this subsection, the term "covered  
9 prescription drug" has the following meanings:

10 For Eligibility Group 1, "covered prescription drug"  
11 means: (1) any cardiovascular agent or drug; (2) any  
12 insulin or other prescription drug used in the treatment of  
13 diabetes, including syringe and needles used to administer  
14 the insulin; (3) any prescription drug used in the  
15 treatment of arthritis; (4) any prescription drug used in  
16 the treatment of cancer; (5) any prescription drug used in  
17 the treatment of Alzheimer's disease; (6) any prescription  
18 drug used in the treatment of Parkinson's disease; (7) any  
19 prescription drug used in the treatment of glaucoma; (8)  
20 any prescription drug used in the treatment of lung disease  
21 and smoking-related illnesses; (9) any prescription drug  
22 used in the treatment of osteoporosis; and (10) any  
23 prescription drug used in the treatment of multiple  
24 sclerosis. The Department may add additional therapeutic  
25 classes by rule. The Department may adopt a preferred drug  
26 list within any of the classes of drugs described in items

1 (1) through (10) of this paragraph. The specific drugs or  
2 therapeutic classes of covered prescription drugs shall be  
3 indicated by rule.

4 For Eligibility Group 2, "covered prescription drug"  
5 means those drugs covered for Eligibility Group 1 that are  
6 also covered by the Medicare Part D Prescription Drug Plan  
7 in which the beneficiary is enrolled.

8 For Eligibility Group 3, "covered prescription drug"  
9 means those drugs covered by the Medicare Part D  
10 Prescription Drug Plan in which the beneficiary is  
11 enrolled.

12 For Eligibility Group 4, "covered prescription drug"  
13 means those drugs covered by the Medical Assistance Program  
14 under Article V of the Illinois Public Aid Code.

15 For Eligibility Group 5, for individuals otherwise  
16 described in Eligibility Group 2, "covered prescription  
17 drug" means: (1) those drugs covered for Eligibility Group  
18 2 that are also covered by the Medicare Part D Prescription  
19 Drug Plan in which the beneficiary is enrolled; and (2)  
20 those drugs included in the formulary of the Illinois AIDS  
21 Drug Assistance Program operated by the Illinois  
22 Department of Public Health that are also covered by the  
23 Medicare Part D Prescription Drug Plan in which the  
24 beneficiary is enrolled. For Eligibility Group 5, for  
25 individuals otherwise described in Eligibility Group 3,  
26 "covered prescription drug" means those drugs covered by

1 the Medicare Part D Prescription Drug Plan in which the  
2 beneficiary is enrolled.

3 An individual in Eligibility Group 1, 2, 3, 4, or 5 may opt  
4 to receive a \$25 monthly payment in lieu of the direct coverage  
5 described in this subsection.

6 Any person otherwise eligible for pharmaceutical  
7 assistance under this subsection whose covered drugs are  
8 covered by any public program is ineligible for assistance  
9 under this subsection to the extent that the cost of those  
10 drugs is covered by the other program.

11 The Department of Healthcare and Family Services shall  
12 establish by rule the methods by which it will provide for the  
13 coverage called for in this subsection. Those methods may  
14 include direct reimbursement to pharmacies or the payment of a  
15 capitated amount to Medicare Part D Prescription Drug Plans.

16 For a pharmacy to be reimbursed under the program  
17 established under this subsection, it must comply with rules  
18 adopted by the Department of Healthcare and Family Services  
19 regarding coordination of benefits with Medicare Part D  
20 Prescription Drug Plans. A pharmacy may not charge a  
21 Medicare-enrolled beneficiary of the program established under  
22 this subsection more for a covered prescription drug than the  
23 appropriate Medicare cost-sharing less any payment from or on  
24 behalf of the Department of Healthcare and Family Services.

25 The Department of Healthcare and Family Services or the  
26 Department on Aging, as appropriate, may adopt rules regarding

1 applications, counting of income, proof of Medicare status,  
2 mandatory generic policies, and pharmacy reimbursement rates  
3 and any other rules necessary for the cost-efficient operation  
4 of the program established under this subsection.

5 (Source: P.A. 94-86, eff. 1-1-06; 94-909, eff. 6-23-06; 95-208,  
6 eff. 8-16-07; 95-644, eff. 10-12-07; 95-876, eff. 8-21-08.)".