

1 AMENDMENT TO HOUSE BILL 5

2 AMENDMENT NO. _____. Amend House Bill 5 by replacing the
3 title with the following:

4 "AN ACT concerning property tax relief and pharmaceutical
5 assistance."; and

6 by replacing everything after the enacting clause with the
7 following:

8 "Section 5. The Senior Citizens and Disabled Persons
9 Property Tax Relief and Pharmaceutical Assistance Act is
10 amended by changing the title and Sections 1, 2, 3.15, 4, and
11 9 as follows:

12 (320 ILCS 25/Act title)

13 An Act in relation to the payment of grants to enable
14 Illinois residents ~~the-elderly-and-the-disabled~~ to acquire or
15 retain private housing and to acquire prescription drugs.

16 (320 ILCS 25/1) (from Ch. 67 1/2, par. 401)

17 Sec. 1. Short title. This Article ~~shall-be-known-and~~ may
18 be cited as the "Senior Citizens, and Disabled Persons,
19 Property-Tax-Relief and Working Families Circuit Breaker and
20 Pharmaceutical Assistance Act". As used in this Article,

1 "this Act" means this Article.

2 (Source: P.A. 83-1531.)

3 (320 ILCS 25/2) (from Ch. 67 1/2, par. 402)

4 Sec. 2. Purpose. The purpose of this Act is to provide
5 incentives to citizens ~~the--senior--citizens--and-disabled~~
6 ~~persons~~ of this State to acquire and retain private housing
7 of their choice and at the same time to relieve those
8 citizens from the burdens of extraordinary property taxes
9 against their increasingly restricted earning power, and
10 thereby to reduce the requirements for public housing in this
11 State.

12 (Source: P.A. 77-2059.)

13 (320 ILCS 25/3.15) (from Ch. 67 1/2, par. 403.15)

14 Sec. 3.15. "Covered prescription drug" means any
15 product, except those products covered by the Illinois
16 Controlled Substances Act, that by federal law cannot be
17 dispensed unless ordered by a physician, dentist, or
18 podiatrist. The pharmacy formulary used by the Department
19 shall be adopted by rule and shall be no more restrictive
20 than the pharmacy formulary adopted by the Department of
21 Public Aid in its administration of Article V of the Illinois
22 Public Aid Code. (1)-any-cardiovascular-agent--or--drug;--(2)
23 any--insulin-or-other-prescription-drug-used-in-the-treatment
24 of-diabetes,--including-syringe-and-needles-used-to-administer
25 the-insulin;--(3)-any-prescription-drug-used-in-the--treatment
26 of--arthritis,--(4)--beginning--on--January--1,--2001,--any
27 prescription-drug--used--in--the--treatment--of--cancer,--(5)
28 beginning--on--January-1,--2001,--any-prescription-drug-used-in
29 the--treatment--of--Alzheimer's--disease,--(6)--beginning--on
30 January-1,--2001,--any-prescription-drug-used-in-the--treatment
31 of-Parkinson's-disease,--(7)-beginning-on-January-1,--2001,--any
32 prescription--drug-used-in-the-treatment-of-glaucoma,--and--(8)

1 beginning on January 1, 2001, any prescription drug used in
 2 the treatment of lung disease and smoking-related illnesses.
 3 The specific agents or products to be included under such
 4 categories shall be listed in a handbook to be prepared and
 5 distributed by the Department. The general types of covered
 6 prescription drugs shall be indicated by rule. The Department
 7 of Public Health shall promulgate a list of covered
 8 prescription drugs under this program that meet the
 9 definition of a narrow therapeutic index drug as described in
 10 subsection (f) of Section 4.

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

12 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

13 Sec. 4. Amount of Grant.

14 (a) In general. Any individual 65 years or older or any
 15 individual who will become 65 years old during the calendar
 16 year in which a claim is filed, and any surviving spouse of
 17 such a claimant, who at the time of death received or was
 18 entitled to receive a grant pursuant to this Section, which
 19 surviving spouse will become 65 years of age within the 24
 20 months immediately following the death of such claimant and
 21 which surviving spouse but for his or her age is otherwise
 22 qualified to receive a grant pursuant to this Section, and
 23 any disabled person whose annual household income is less
 24 than \$14,000 for grant years before the 1998 grant year, less
 25 than \$16,000 for the 1998 and 1999 grant years, and less than
 26 (i) \$21,218 for a household containing one person, (ii)
 27 \$28,480 for a household containing 2 persons, or (iii)
 28 \$35,740 for a household containing 3 or more persons for the
 29 2000 grant year, and less than (i) 28,000 for a household
 30 containing one person, (ii) \$35,000 for a household
 31 containing 2 persons, or (iii) \$42,000 for a household
 32 containing 3 or more persons for the 2001 grant year and
 33 thereafter and whose household is liable for payment of

1 property taxes accrued or has paid rent constituting property
2 taxes accrued and is domiciled in this State at the time he
3 or she files his or her claim is entitled to claim a grant
4 under this Act. ~~With respect to claims filed by individuals~~
5 ~~who will become 65 years old during the calendar year in~~
6 ~~which a claim is filed, the amount of any grant to which that~~
7 ~~household is entitled shall be an amount equal to 1/12 of the~~
8 ~~amount to which the claimant would otherwise be entitled as~~
9 ~~provided in this Section, multiplied by the number of months~~
10 ~~in which the claimant was 65 in the calendar year in which~~
11 ~~the claim is filed.~~

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

24 (c) Public aid recipients. If household income in one
25 or more months during a year includes cash assistance in
26 excess of \$55 per month from the Department of Public Aid or
27 the Department of Human Services (acting as successor to the
28 Department of Public Aid under the Department of Human
29 Services Act) which was determined under regulations of that
30 Department on a measure of need that included an allowance
31 for actual rent or property taxes paid by the recipient of
32 that assistance, the amount of grant to which that household
33 is entitled, except as otherwise provided in subsection (a),
34 shall be the product of (1) the maximum amount computed as

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

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

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

27 (f) There is hereby established a program of
28 pharmaceutical assistance to the aged and disabled which
29 shall be administered by the Department in accordance with
30 this Act, to consist of payments to authorized pharmacies, on
31 behalf of beneficiaries of the program, for the reasonable
32 costs of covered prescription drugs. Each beneficiary who
33 pays \$5 for an identification card shall pay no additional
34 prescription costs. Each beneficiary who pays \$25 for an

1 identification card shall pay \$3 per prescription. In
2 addition, after a beneficiary receives \$2,000 in benefits
3 during a State fiscal year through December 31, 2001 and, on
4 and after January 1, 2002, after a beneficiary receives
5 \$2,000 in benefits during a calendar year, that beneficiary
6 shall also be charged 20% of the cost of each prescription
7 for which payments are made by the program during the
8 remainder of the fiscal year through December 31, 2001 and,
9 on and after January 1, 2002, during the remainder of the
10 calendar year. To become a beneficiary under this program a
11 person must be: (1) be (i)-65-years-or-older,-or-(ii)-the
12 surviving-spouse-of-such-a-claimant,-who-at-the-time-of-death
13 received-or-was-entitled-to-receive-benefits-pursuant-to-this
14 subsection,-which-surviving-spouse-will-become--65--years--of
15 age--within--the-24-months-immediately-following-the-death-of
16 such-claimant-and-which-surviving-spouse-but-for-his--or--her
17 age--is--otherwise--qualified-to-receive-benefits-pursuant-to
18 this-subsection,-or-(iii)-disabled,-and-(2)-is domiciled in
19 this State at the time he or she files his or her claim, and
20 (2) have (3)-has a maximum household income of less than
21 \$14,000 for grant years before the 1998 grant year, less than
22 \$16,000 for the 1998 and 1999 grant years, and less than (i)
23 \$21,218 for a household containing one person, (ii) \$28,480
24 for a household containing 2 persons, or (iii) \$35,740 for a
25 household containing 3 more persons for the 2000 grant year,
26 and less than (i) 28,000 for a household containing one
27 person, (ii) \$35,000 for a household containing 2 persons, or
28 (iii) \$42,000 for a household containing 3 or more persons
29 for the 2001 grant year and thereafter. In addition, each
30 eligible person must (1) obtain an identification card from
31 the Department, (2) at the time the card is obtained, sign a
32 statement assigning to the State of Illinois benefits which
33 may be otherwise claimed under any private insurance plans,
34 (3) present the identification card to the dispensing

1 pharmacist.

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

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

26 The fee to be charged by the Department for the
27 identification card shall be equal to \$5 per coverage year
28 for persons below the official poverty line as defined by the
29 United States Department of Health and Human Services and \$25
30 per coverage year for all other persons. On and before
31 December 31, 2001, coverage under this pharmaceutical
32 assistance program shall begin on the date of application
33 approval and be in effect for 12 months. On and after January
34 1, 2002, coverage under this pharmaceutical assistance

1 program shall be in effect on a calendar year basis.

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

11 (Source: P.A. 90-650, eff. 7-27-98; 91-357, eff. 7-29-99;
12 91-699, eff. 1-1-01.)

13 (320 ILCS 25/9) (from Ch. 67 1/2, par. 409)

14 Sec. 9. Any person who files a fraudulent claim for a
15 grant under this Act, or who for compensation prepares a
16 claim for a grant and knowingly enters false information on a
17 claim form for any claimant under this Act, or who
18 fraudulently files multiple claim forms, ~~or who fraudulently~~
19 ~~states that a nondisabled person is disabled,~~ or who
20 fraudulently procures a pharmaceutical assistance
21 identification card, or who fraudulently uses such card to
22 procure covered prescription drugs, or who, on behalf of an
23 authorized pharmacy, files a fraudulent claim for payment, is
24 guilty of a Class 4 felony for the first offense and is
25 guilty of a Class 3 felony for each subsequent offense. The
26 Department shall immediately suspend the use of the
27 pharmaceutical assistance identification card of any person
28 suspected of fraudulent procurement or fraudulent use of such
29 card, and shall revoke such card upon a conviction. A person
30 convicted of such fraud shall be permanently barred from the
31 program of pharmaceutical assistance established under this
32 Act. The Department may recover from a claimant, including an
33 authorized pharmacy, any amount paid under this Act on

1 account of an erroneous or fraudulent claim, together with 6%
2 interest per year. A prosecution for a violation of this
3 Section may be commenced at any time within 3 years of the
4 commission of that violation.

5 (Source: P.A. 85-299.)

6 (320 ILCS 25/3.14 rep.)

7 Section 10. The Senior citizens and Disabled Persons
8 Property Tax Relief and Pharmaceutical Assistance Act is
9 amended by repealing Section 3.14.

10 Section 99. Effective date. This Act takes effect on
11 January 1, 2002."