**Section 140.440 Pharmacy Services**

a) Payment shall be made only to pharmacies.

b) The following conditions apply to pharmacy participation:

1) The pharmacy must hold a current Drug Enforcement Administration (DEA) registration issued by the United States Drug Enforcement Administration (see 21 CFR 1301 et seq.), as well as a current controlled substances license issued by the Illinois Department of Financial and Professional Regulation (see Controlled Substances Act [720 ILCS 570]) prior to enrolling with the Department.

2) Licensed Pharmacy Requirements

A) A licensed pharmacy located in and/or administratively associated with a group practice or long-term facility must:

i) provide the same scope of general pharmacy and professional services as a pharmacy not so affiliated; and

ii) be retail in nature, open and accessible to the general public.

B) The pharmacy shall not limit prescriptions filled to those written by practitioners connected with the group or facility for persons receiving care or services from the group or facility.

3) A hospital pharmacy that provides pharmaceutical services and supplies for inpatients, outpatient clinic patients and emergency room patients of the hospital may not enroll as a participating pharmacy unless licensed to provide pharmaceutical services to the general public (Division 5 license).

4) Effective August 1, 2012, in order to dispense blood factor, a pharmacy must sign a standards of care agreement with the Department.

5) A pharmacy billing the Department for 340B-purchased drugs shall charge the Department no more than its actual acquisition cost (AAC) for the drug product plus the Department's established dispensing fee, unless the Department has calculated an allowable amount specific to 340B-purchased drugs for that drug.  In that case, the pharmacy may bill the Department its usual and customary charges.  For a pharmacy provider owned or operated by a Hemophilia Treatment Center, this requirement does not become effective until July 1, 2013.

c) The Department shall pay for the dispensing of pharmacy items, subject to the provisions of subsection (d) and Section 140.443, which are prescribed by a physician, dentist or podiatrist within the scope of their professional practice.

d) Beginning with drugs dispensed on or after April 1, 1991, Department coverage shall be limited to those drug manufacturers having rebate agreements in effect as provided under section 1927 of Title XIX of the Social Security Act (42 USC 1396s). The Department shall provide all interested parties with an updated list of drug manufacturers having rebate agreements in effect.

e) The Department may require approval for the reimbursement of any drug except as provided in Section 140.442. When reviewing requests for prior authorization, approval decisions shall be medically based. The Department's electronic claims processing system shall be the mechanism for identification of whether a prescribed drug requires prior authorization to dispensing pharmacists. A printed listing of prescribed drugs available without prior approval shall be provided to other interested parties upon request.

f) An approved request does not guarantee payment. The recipient for whom the services/items are approved must be eligible at the time they are provided. In addition, a valid, current prescription for the requested medication must be on file and maintained by the pharmacy in accordance with the Pharmacy Practice Act [225 ILCS 85].

g) For purposes of Sections 140.440 through 140.448, pertaining to reimbursement for drugs, the following definitions apply:

1) Nursing facility means any facility that provides medical group care services as defined in Section 140.500.

2) Generic drug means those legend drugs that are multiple source drugs marketed or sold by two or more labelers, marketed or sold by the same labeler under two or more different proprietary names or marketed both under a proprietary name and without such a name.

3) Brand name drug means single-source innovator drugs and innovator multiple-source drugs when prior authorization has been obtained for reimbursing the innovator product.

h) The Department will cover hormone therapy, whether or not in preparation for gender-affirming surgery, in accordance with Section 140.442.

(Source: Amended at 44 Ill. Reg. 226, effective December 23, 2019)