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AN ACT in relation to public aid.

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

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

6 (305 ILCS 5/5-5.12b new)

Sec. 5-5.12b. Pharmacies; prescription rates for Medicare
<u>beneficiaries.</u>

9 <u>(a) A pharmacy must comply with this Section as a</u> 10 <u>condition of the pharmacy's participation in the medical</u> 11 <u>assistance program under this Article.</u>

12 (b) When a Medicare beneficiary or someone on a Medicare 13 beneficiary's behalf presents a valid prescription for 14 medication for the Medicare beneficiary to a pharmacy and 15 also presents the Medicare beneficiary's Medicare card, the 16 pharmacy must charge for the prescribed medication as 17 follows:

18 (1) The pharmacy may not charge a price for the
 19 medication that exceeds the reimbursement rate for the
 20 medication that is otherwise paid to the pharmacy by the
 21 Department of Public Aid under this Article.

(2) The pharmacy may charge an additional amount,
as set by the Department of Public Aid by rule, as a
dispensing fee. This fee may not exceed the dispensing
fee charged to recipients of medical assistance under
this Article for the same medication.

27 <u>The prescription medication price limitations set forth</u> 28 <u>in this subsection do not apply to over-the-counter</u> 29 <u>medications or to compounded prescriptions.</u>

30 (c) The Department of Public Aid shall monitor
 31 pharmacies' compliance with this Section and report its

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findings each year to the General Assembly. The report must include, but need not be limited to, information concerning pharmacies that discontinue participation in the medical assistance program under this Article and the reasons given by those pharmacies for discontinuing their participation.
(d) This Section is repealed on January 1, 2006.

7 Section 99. Effective date. This Act takes effect upon8 becoming law.