

1 AN ACT concerning property tax relief and pharmaceutical
2 assistance.

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

5 Section 5. The State Finance Act is amended by adding
6 Section 5.545 as follows:

7 (30 ILCS 105/5.545 new)

8 Sec. 5.545. The Working Families Circuit Breaker and
9 Pharmaceutical Assistance Fund.

10 Section 10. The Senior Citizens and Disabled Persons
11 Property Tax Relief and Pharmaceutical Assistance Act is
12 amended by changing the title and Sections 1, 2, 3.15, 4, and
13 9 and by adding Section 2.5 as follows:

14 (320 ILCS 25/Act title)

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

18 (320 ILCS 25/1) (from Ch. 67 1/2, par. 401)

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

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

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

26 Sec. 2. Purpose. The purpose of this Act is to provide
27 incentives to citizens the--senior--citizens--and-disabled

1 persons of this State to acquire and retain private housing
 2 of their choice and at the same time to relieve those
 3 citizens from the burdens of extraordinary property taxes
 4 against their increasingly restricted earning power, and
 5 thereby to reduce the requirements for public housing in this
 6 State.

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

8 (320 ILCS 25/2.5 new)

9 Sec. 2.5. Transfer of tobacco settlement funds. On or
 10 before January 1, 2002, and on or before July 1, 2002 and
 11 each July 1 thereafter, the Comptroller shall order
 12 transferred and the Treasurer shall transfer the amount
 13 necessary to fund the increase in expenditures as a result of
 14 the changes made by this amendatory Act of the 92nd General
 15 Assembly from the Tobacco Settlement Recovery Fund to the
 16 Working Families Circuit Breaker and Pharmaceutical
 17 Assistance Fund, a special fund in the State Treasury.
 18 Subject to appropriation, the Department shall use the moneys
 19 in the Working Families Circuit Breaker and Pharmaceutical
 20 Assistance Fund for the purposes of this Act.

21 (320 ILCS 25/3.15) (from Ch. 67 1/2, par. 403.15)

22 Sec. 3.15. "Covered prescription drug" means (1) any
 23 cardiovascular agent or drug; (2) any insulin or other
 24 prescription drug used in the treatment of diabetes,
 25 including syringe and needles used to administer the insulin;
 26 (3) any prescription drug used in the treatment of arthritis,
 27 (4) beginning on January 1, 2001, any prescription drug used
 28 in the treatment of cancer, (5) beginning on January 1, 2001,
 29 any prescription drug used in the treatment of Alzheimer's
 30 disease, (6) beginning on January 1, 2001, any prescription
 31 drug used in the treatment of Parkinson's disease, (7)
 32 beginning on January 1, 2001, any prescription drug used in

1 the treatment of glaucoma, and (8) beginning on January 1,
 2 2001, any prescription drug used in the treatment of lung
 3 disease and smoking related illnesses, (9) beginning on
 4 January 1, 2002, any prescription drug used in the treatment
 5 of osteoporosis, (10) beginning on January 1, 2002, any
 6 prescription drug used in the treatment of clinical
 7 depression, (11) beginning on January 1, 2002, any
 8 prescription drug used in the treatment of multiple
 9 sclerosis, (12) beginning on January 1, 2002, any
 10 prescription drug used in the treatment of bi-polar disorder,
 11 (13) beginning on January 1, 2002, any prescription drug used
 12 in the treatment of schizophrenia, (14) beginning on January
 13 1, 2002, any prescription drug used in the treatment of
 14 lupus, (15) beginning on January 1, 2002, any prescription
 15 drug used in the treatment of amyotrophic lateral sclerosis
 16 (ALS), and (16) beginning on January 1, 2002, any
 17 prescription drug used in the treatment of gastrointestinal
 18 disease. The specific agents or products to be included
 19 under such categories shall be listed in a handbook to be
 20 prepared and distributed by the Department. The general
 21 types of covered prescription drugs shall be indicated by
 22 rule. The Department of Public Health shall promulgate a list
 23 of covered prescription drugs under this program that meet
 24 the definition of a narrow therapeutic index drug as
 25 described in subsection (f) of Section 4.

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

27 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

28 Sec. 4. Amount of Grant.

29 (a) In general. Any individual ~~65-years-or-older-or-any~~
 30 ~~individual-who-will-become-65-years-old-during--the--calendar~~
 31 ~~year--in--which-a-claim-is-filed,-and-any-surviving-spouse-of~~
 32 ~~such-a-claimant,-who-at-the-time-of--death--received--or--was~~
 33 ~~entitled--to--receive-a-grant-pursuant-to-this-Section,-which~~

1 surviving-spouse-will-become-65-years-of-age--within--the--24
2 months--immediately--following-the-death-of-such-claimant-and
3 which-surviving-spouse-but-for-his-or-her--age--is--otherwise
4 qualified--to--receive--a-grant-pursuant-to-this-Section, and
5 any-disabled-person whose annual household income is less
6 than \$14,000 for grant years before the 1998 grant year, less
7 than \$16,000 for the 1998 and 1999 grant years, and less than
8 (i) \$21,218 for a household containing one person, (ii)
9 \$28,480 for a household containing 2 persons, or (iii)
10 \$35,740 for a household containing 3 or more persons for the
11 2000 grant year, and less than (i) 25,000 for a household
12 containing one person, (ii) \$28,000 for a household
13 containing 2 persons, or (iii) \$30,000 for a household
14 containing 3 or more persons for the 2001 grant year and
15 thereafter and whose household is liable for payment of
16 property taxes accrued or has paid rent constituting property
17 taxes accrued and is domiciled in this State at the time he
18 files his or her claim is entitled to claim a grant under
19 this Act. ~~With--respect--to-claims-filed-by-individuals-who~~
20 ~~will-become-65-years-old-during-the-calendar-year-in-which--a~~
21 ~~claim--is--filed,--the--amount--of--any--grant--to-which-that~~
22 ~~household-is-entitled-shall-be-an-amount-equal-to-1/12-of-the~~
23 ~~amount-to-which-the-claimant-would-otherwise-be--entitled--as~~
24 ~~provided--in-this-Section,--multiplied-by-the-number-of-months~~
25 ~~in-which-the-claimant-was-65-in-the-calendar--year--in--which~~
26 ~~the-claim-is-filed.~~

27 (b) Limitation. Except as otherwise provided in
28 subsections (a) and (f) of this Section, the maximum amount
29 of grant which a claimant is entitled to claim is the amount
30 by which the property taxes accrued which were paid or
31 payable during the last preceding tax year or rent
32 constituting property taxes accrued upon the claimant's
33 residence for the last preceding taxable year exceeds 3 1/2%
34 of the claimant's household income for that year but in no

1 event is the grant to exceed (i) \$700 less 4.5% of household
2 income for that year for those with a household income of
3 \$14,000 or less or (ii) \$70 if household income for that year
4 is more than \$14,000.

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

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

33 (e) More than one residence. If a claimant has occupied
34 more than one residence in the taxable year, he may claim

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

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

1 for a household containing 2 persons, or (iii) \$35,740 for a
2 household containing 3 more persons for the 2000 grant year,
3 and less than (i) 25,000 for a household containing one
4 person, (ii) \$28,000 for a household containing 2 persons, or
5 (iii) \$30,000 for a household containing 3 or more persons
6 for the 2001 grant year and thereafter. In addition, each
7 eligible person must (1) obtain an identification card from
8 the Department, (2) at the time the card is obtained, sign a
9 statement assigning to the State of Illinois benefits which
10 may be otherwise claimed under any private insurance plans,
11 (3) present the identification card to the dispensing
12 pharmacist.

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

31 Any person otherwise eligible for pharmaceutical
32 assistance under this Act whose covered drugs are covered by
33 any public program for assistance in purchasing any covered
34 prescription drugs shall be ineligible for assistance under

1 this Act to the extent such costs are covered by such other
2 plan.

3 The fee to be charged by the Department for the
4 identification card shall be equal to \$5 for persons below
5 the official poverty line as defined by the United States
6 Department of Health and Human Services and \$25 for all other
7 persons.

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

17 (Source: P.A. 90-650, eff. 7-27-98; 91-357, eff. 7-29-99;
18 91-699, eff. 1-1-01.)

19 (320 ILCS 25/9) (from Ch. 67 1/2, par. 409)

20 Sec. 9. Any person who files a fraudulent claim for a
21 grant under this Act, or who for compensation prepares a
22 claim for a grant and knowingly enters false information on a
23 claim form for any claimant under this Act, or who
24 fraudulently files multiple claim forms, ~~or who fraudulently~~
25 ~~states that a nondisabled person is disabled,~~ or who
26 fraudulently procures a pharmaceutical assistance
27 identification card, or who fraudulently uses such card to
28 procure covered prescription drugs, or who, on behalf of an
29 authorized pharmacy, files a fraudulent claim for payment, is
30 guilty of a Class 4 felony for the first offense and is
31 guilty of a Class 3 felony for each subsequent offense. The
32 Department shall immediately suspend the use of the
33 pharmaceutical assistance identification card of any person

1 suspected of fraudulent procurement or fraudulent use of such
2 card, and shall revoke such card upon a conviction. A person
3 convicted of such fraud shall be permanently barred from the
4 program of pharmaceutical assistance established under this
5 Act. The Department may recover from a claimant, including an
6 authorized pharmacy, any amount paid under this Act on
7 account of an erroneous or fraudulent claim, together with 6%
8 interest per year. A prosecution for a violation of this
9 Section may be commenced at any time within 3 years of the
10 commission of that violation.

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

12 (320 ILCS 25/3.14 rep.)

13 Section 10. The Senior citizens and Disabled Persons
14 Property Tax Relief and Pharmaceutical Assistance Act is
15 amended by repealing Section 3.14.

16 Section 99. Effective date. This Act takes effect on
17 January 1, 2002.