

1 AN ACT in relation to public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by  
5 changing Section 11-26.1 and adding Section 12-4.25d as  
6 follows:

7 (305 ILCS 5/11-26.1) (from Ch. 23, par. 11-26.1)

8 Sec. 11-26.1. Drug Utilization Review.

9 (a) The Illinois Department shall, within the time  
10 frames mandated by federal law, implement a Drug Utilization  
11 Review Program (DUR), designed to decrease overutilization of  
12 drugs through both prospective and retrospective utilization  
13 review. The Illinois Department shall determine the content  
14 of the DUR by rule. Prescriptions filled or refilled under  
15 subsection (b) of Section 12-4.25d are not subject to the  
16 DUR.

17 (b) The Illinois Department may implement this Section  
18 as added by this amendatory Act of 1991 through the use of  
19 emergency rules in accordance with the provisions of Section  
20 5.02 of the Illinois Administrative Procedure Act. For  
21 purposes of the Illinois Administrative Procedure Act, the  
22 adoption of rules to implement this Section as added by this  
23 amendatory Act of 1991 shall be deemed an emergency and  
24 necessary for the public interest, safety and welfare.

25 (Source: P.A. 87-14.)

26 (305 ILCS 5/12-4.25d new)

27 Sec. 12-4.25d. Pharmacy participation in Medicaid  
28 program; prescription drug discount benefit.

29 (a) A pharmacy must comply with subsection (b) as a  
30 condition of participation in the medical assistance program

1 under Article V.

2 (b) If a person requests that a pharmacy fill or refill  
3 a valid prescription for a prescription drug and also  
4 presents the pharmacy with satisfactory proof that the person  
5 for whom the prescription is written is a Medicare  
6 beneficiary or a beneficiary of pharmaceutical assistance  
7 under the Senior Citizens and Disabled Persons Property Tax  
8 Relief and Pharmaceutical Assistance Act, the pharmacy may  
9 not charge a price for filling or refilling the prescription  
10 that exceeds the sum of the following:

11 (1) The pharmacy's reimbursement rate for the  
12 prescription drug established by the Illinois Department  
13 and applicable to prescriptions filled or refilled for  
14 recipients of medical assistance under Article V.

15 (2) An amount set by the Illinois Department to  
16 cover the pharmacy's costs relating to the sending or  
17 receipt of electronic transmissions between the pharmacy  
18 and the Illinois Department concerning reimbursement  
19 rates described under paragraph (1).

20 The price restrictions described in this subsection do  
21 not apply to non-prescription or over-the-counter medications  
22 or to compounded prescriptions as defined in the Pharmacy  
23 Practice Act of 1987.

24 (c) The Illinois Department shall establish a mechanism  
25 to calculate and transmit to pharmacies the maximum prices  
26 that the pharmacies may charge for filling and refilling  
27 prescriptions for prescription drugs under subsection (b).

28 (d) Prescriptions filled or refilled under subsection  
29 (b) are not subject to the Illinois Department's Drug  
30 Utilization Review Program under Section 11-26.1.

31 (e) The Illinois Department shall monitor pharmacies'  
32 compliance with this Section and shall submit a report  
33 concerning that compliance to the General Assembly by April 1  
34 of each year. The report shall include, but need not be

1 limited to, information concerning pharmacies that  
2 discontinue their participation in the medical assistance  
3 program under Article V and the reasons given by those  
4 pharmacies for discontinuing their participation.

5 (f) The Illinois Department shall conduct a study of its  
6 pharmacy reimbursement rates under Article V, including the  
7 cost of providing prescription drugs and services. The  
8 Illinois Department shall report its findings to the General  
9 Assembly by January 1, 2003.

10 (g) The Illinois Department shall provide consumer  
11 information to all Medicare beneficiaries who reside in this  
12 State and to all beneficiaries of pharmaceutical assistance  
13 under the Senior Citizens and Disabled Persons Property Tax  
14 Relief and Pharmaceutical Assistance Act. The information  
15 must include a description of the prescription drug discount  
16 benefit available under subsection (b), instructions for  
17 obtaining the benefit, and prescription drug price  
18 information to ensure that prescription drug discount  
19 beneficiaries are aware of the maximum prices that pharmacies  
20 may charge for prescription drugs under subsection (b). The  
21 Illinois Department shall provide this information by  
22 appropriate means, including the Internet.

23 (h) The Illinois Department shall execute interagency  
24 agreements with the Department on Aging and the Department of  
25 Revenue as necessary to implement subsection (g). The  
26 agreements shall include provisions for assisting persons  
27 entitled to the prescription drug discount benefit under  
28 subsection (b) in obtaining that benefit.

29 (i) If coverage of prescription drugs is added to the  
30 benefits available under the Medicare program, the Illinois  
31 Department shall promptly report that fact to the General  
32 Assembly. It is the General Assembly's intent that under  
33 those circumstances the General Assembly shall evaluate the  
34 continued implementation of this Section.

1        (j) This Section is repealed on July 1, 2005.