



# HOUSE BILL No. 5869

June 1, 2000, Introduced by Reps. Middaugh, Cameron Brown, Julian, Pappageorge, Gilbert, LaSata, Birkholz, Vander Roest, Raczkowski, Scranton and Kuipers and referred to the Committee on Appropriations.

A bill to create certain prescription programs relating to the elderly; to enhance access to prescription drugs to certain elderly residents of the state; to prescribe the powers and duties of certain state departments and agencies; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. This act shall be known and may be cited as the  
2 "elder prescription insurance coverage act".

3       Sec. 2. As used in this act:

4       (a) "Department" means the department of community health.

5       (b) "EPIC" means the elder prescription insurance coverage  
6 program created in section 3.

7       (c) "Michigan resident" means a person who resides in a  
8 settled or permanent home or domicile within the state with the  
9 intention of remaining in this state.

1 (d) "Prescription" and "prescription drug" mean those terms  
2 as defined in section 17708 of the public health code, 1978 PA  
3 368, MCL 333.17708.

4 Sec. 3. (1) The elder prescription insurance coverage pro-  
5 gram is created within the department of community health.

6 (2) The EPIC program shall provide prescription drug cover-  
7 age, including related supplies, to Michigan residents 65 years  
8 old or over who have household incomes at or below 200% of the  
9 federal poverty level and who are not eligible for Medicaid.

10 Sec. 4. The department may do both of the following:

11 (a) Enter into a contract with a private individual or  
12 agency to manage the EPIC program created under this act. A con-  
13 tract entered into under this section shall be awarded through a  
14 competitive bidding process.

15 (b) Require a copayment on each prescription.

16 Sec. 5. To assist in determining the coverage appropriate  
17 under the provisions of this act, the department shall establish  
18 a steering committee. The committee shall consist of members  
19 with knowledge in the areas of pharmacology, geriatrics, develop-  
20 ment and review of budgetary issues and practice, and policy  
21 development.

22 Sec. 6. The department shall do all of the following:

23 (a) Give enrollment priority to a person who in the 12-month  
24 period preceding the effective date of this act participated in  
25 the Michigan emergency pharmaceutical program for seniors funded  
26 in the annual appropriation for the department or who received a

1 senior prescription tax credit in former section 273 of the  
2 income tax act of 1967, 1967 PA 281.

3 (b) The department shall make emergency assistance available  
4 to provide coverage for up to 90 days to eligible persons as the  
5 department determines is necessary.

6 (c) Work with the office of services to the aging estab-  
7 lished in section 5 of the older Michiganians act, 1981 PA 180,  
8 MCL 400.585, to increase awareness of the EPIC program and assist  
9 elderly persons in applying for the EPIC program.

10 (d) Establish an automated pharmacy claims adjudication and  
11 prospective utilization review system. The EPIC program shall  
12 not be implemented until after the department has complied with  
13 this subsection.

14 Sec. 7. The EPIC program created in this act is not an  
15 entitlement. The benefits of the EPIC program are limited to the  
16 extent of the level of funding received for the program in the  
17 annual appropriation from the department. The department may  
18 limit the number of elderly persons enrolled in the EPIC program  
19 to ensure that program expenditures do not exceed available  
20 revenue.

21 Enacting section 1. Section 273 of the income tax act of  
22 1967, 1967 PA 281, MCL 206.273, is repealed.