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FISCAL ANALYSIS

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**HOUSE BILL 5581 AS INTRODUCED**

**Sponsor:** Rep. Patricia Lockwood

**Committee:** Insurance and Financial Services

**COMMITTEE ANALYSIS - 2/12/02**

**Analyst(s):** Bill Fairgrieve

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**SUMMARY**

House Bill 5581 would amend the Elder Prescription Insurance Coverage Act to make the \$25.00 non-refundable administrative fee required of each applicant refundable. The fee would be returned to all applicants who the Department of Community Health determines are not eligible for the EPIC program. The bill could potentially decrease revenues by the amount of returned fees and increase administrative costs associated with implementing the EPIC program, but the fiscal impact is not expected to be significant.

To date, there have been approximately 15,000 EPIC applications received and about 400 were denied because the applicant did not meet the EPIC program eligibility criteria. The Department of Community Health is taking steps to minimize the number of denied applications such as instructing applicants to call the toll-free EPIC member services phone number to verify eligibility before submission.